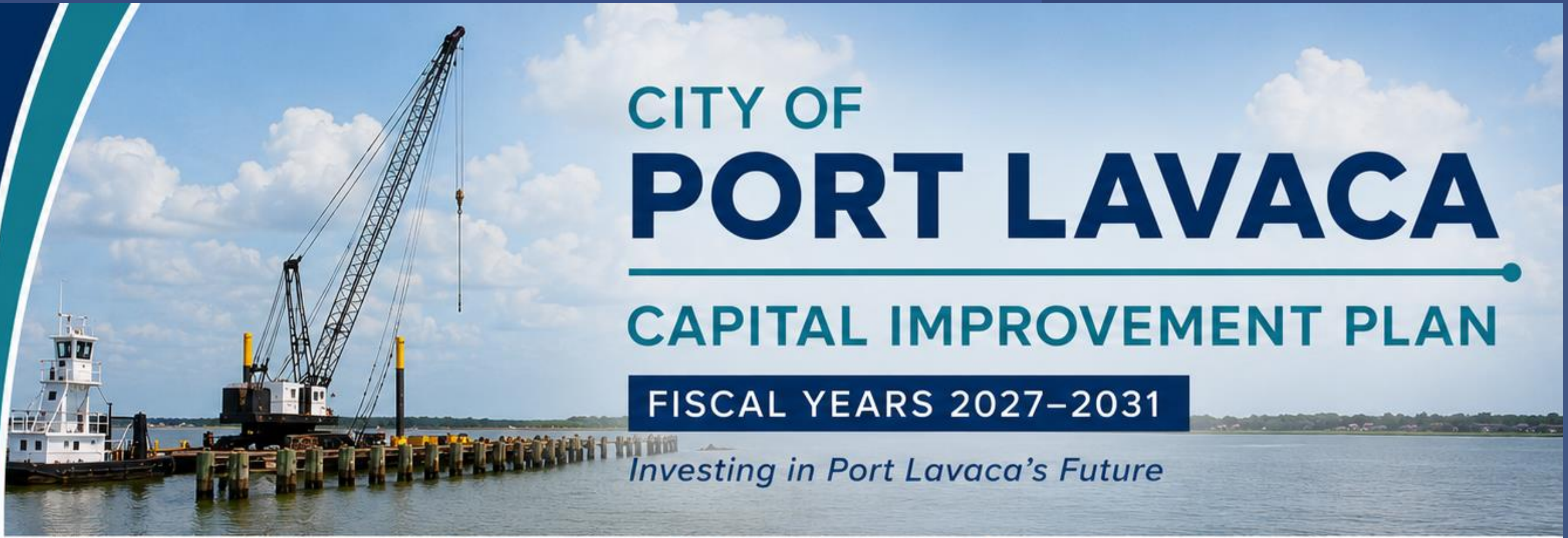
CITY OF PORT LAVACA

INVESTING IN TODAY
BUILDING FOR TOMORROW

The Capital Improvement Plan guides the City of Port Lavaca's investments in infrastructure, facilities, and services to enhance quality of life and support a strong, resilient community.

- TRANSPORTATION & STREETS
- WATER & WASTEWATER
- PARKS & RECREATION
- PUBLIC SAFETY
- COMMUNITY FACILITIES

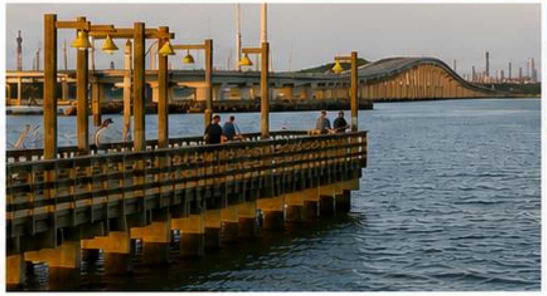


CITY OF PORT LAVACA

CAPITAL IMPROVEMENT PLAN

FISCAL YEARS 2027–2031

Investing in Port Lavaca's Future



PREPARED BY:
FINANCE DEPARTMENT

ADOPTED BY RESOLUTION # ___________

JUNE 2026

Primary Goals of FY 2027 Proposed CIP

Finish What We Have Started

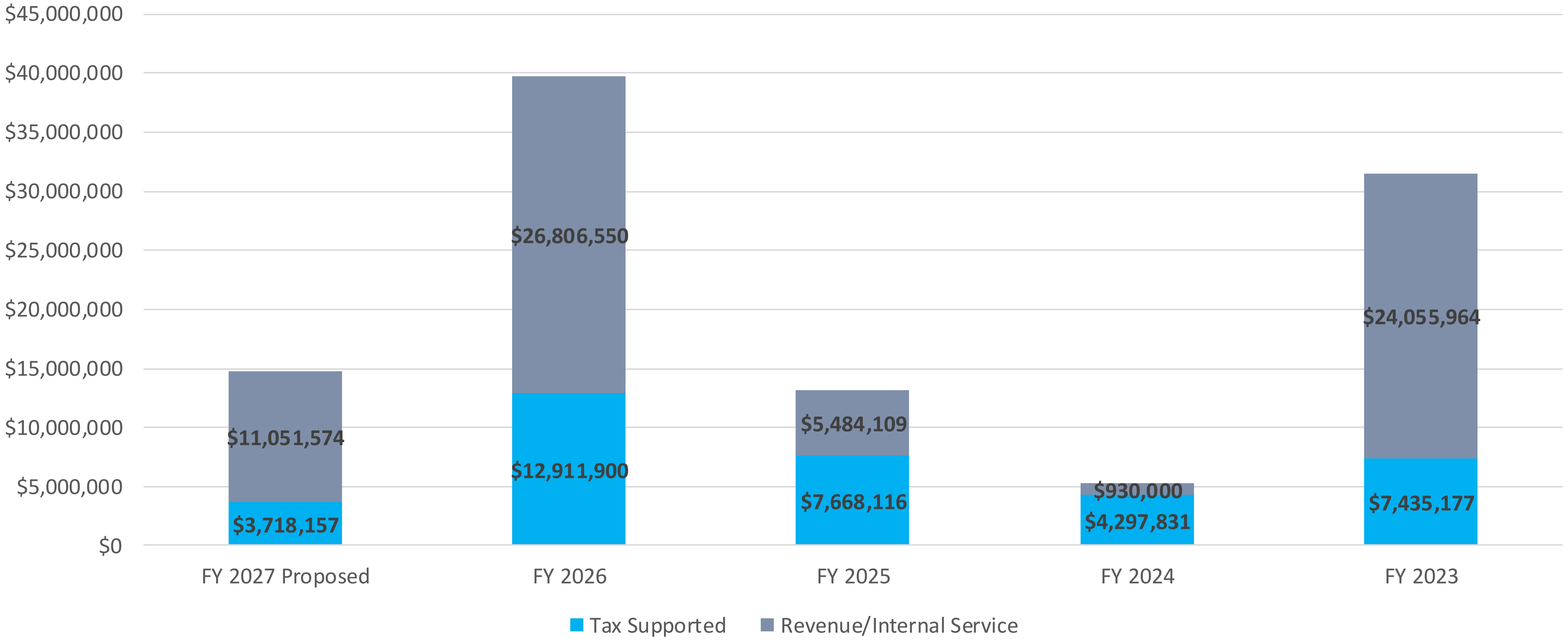
Take Care of What We Have

Plan for the Future

Primary Goals of 2027 Proposed CIP

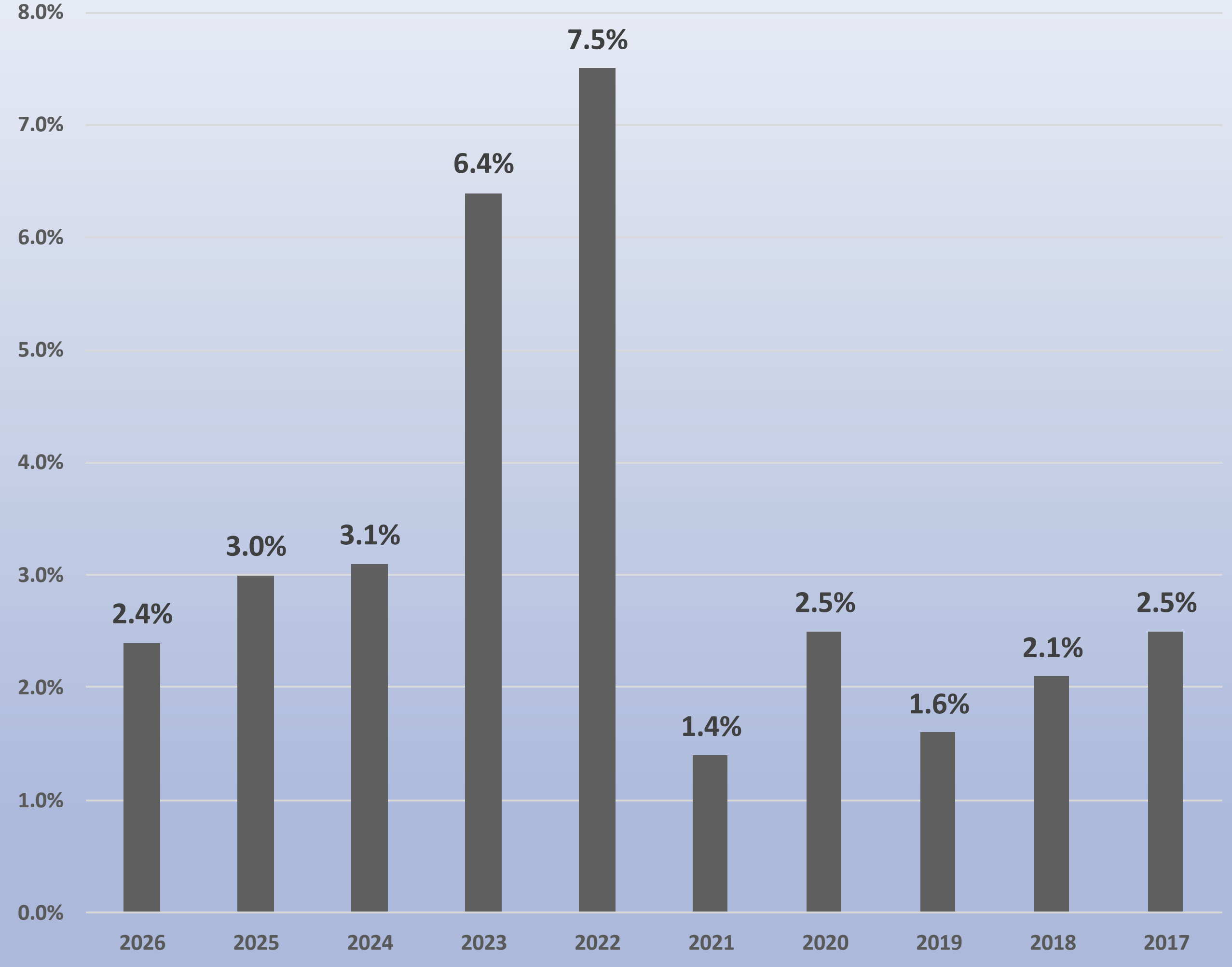
- Prioritize projects that generate savings or reduce operating costs
- Tier 1: Must do (legal/safety)
- Tier 2: Must preserve (avoid system failure)
- Tier 3: Should do (savings/efficiency)
- Tier 4: Nice to do (defer until stronger reserves)

History of the City of Port Lavaca's Annual CIP

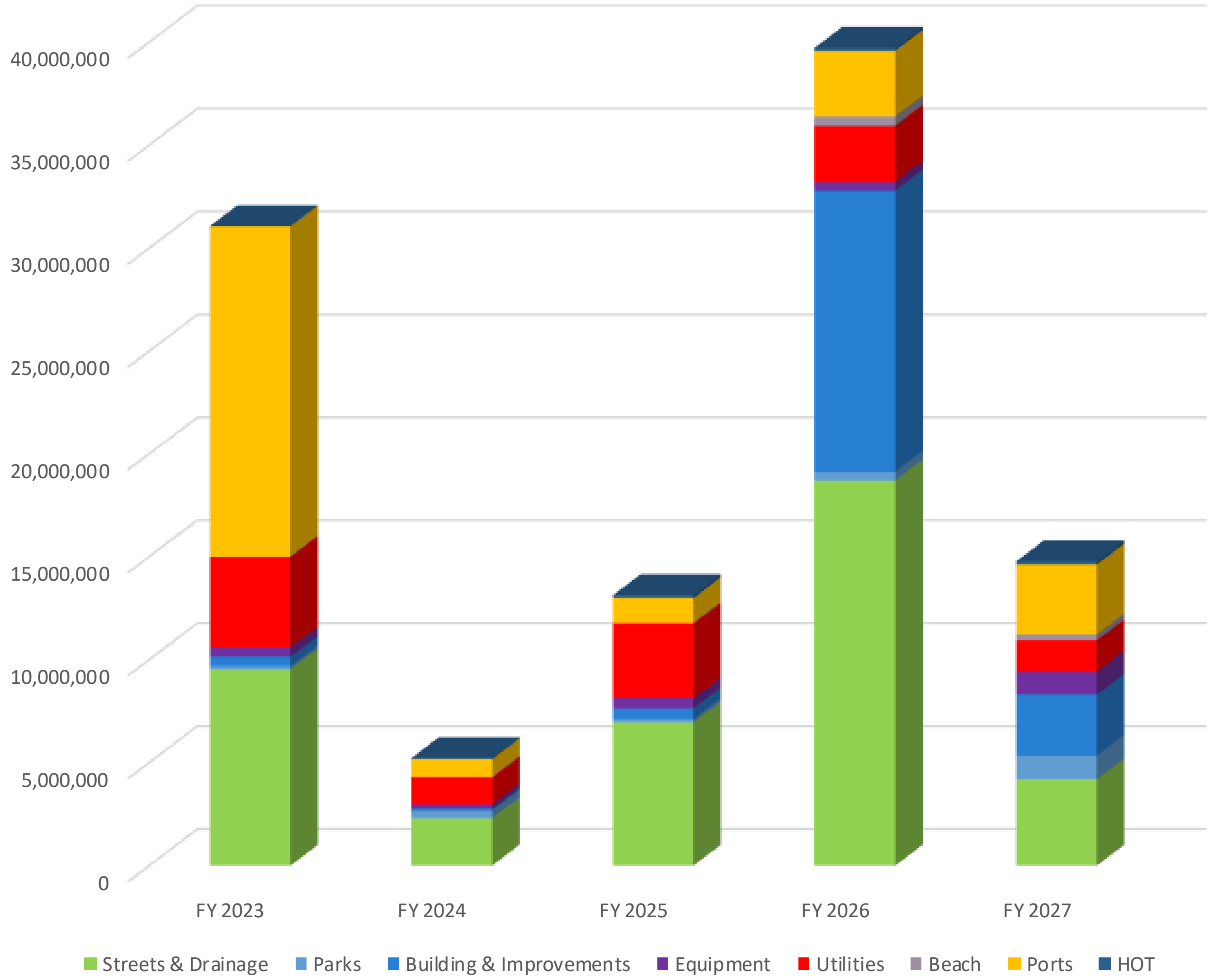


Fiscal Year Inflation

- The Consumer Price Index For All Urban Consumers (CPI-U) measures changes in U.S. consumer prices based on a representative basket of goods and services.
- Graph represents values as of January for that associated year
- As of May 2026, Consumer Price Index (CPI) has reached 4.2%

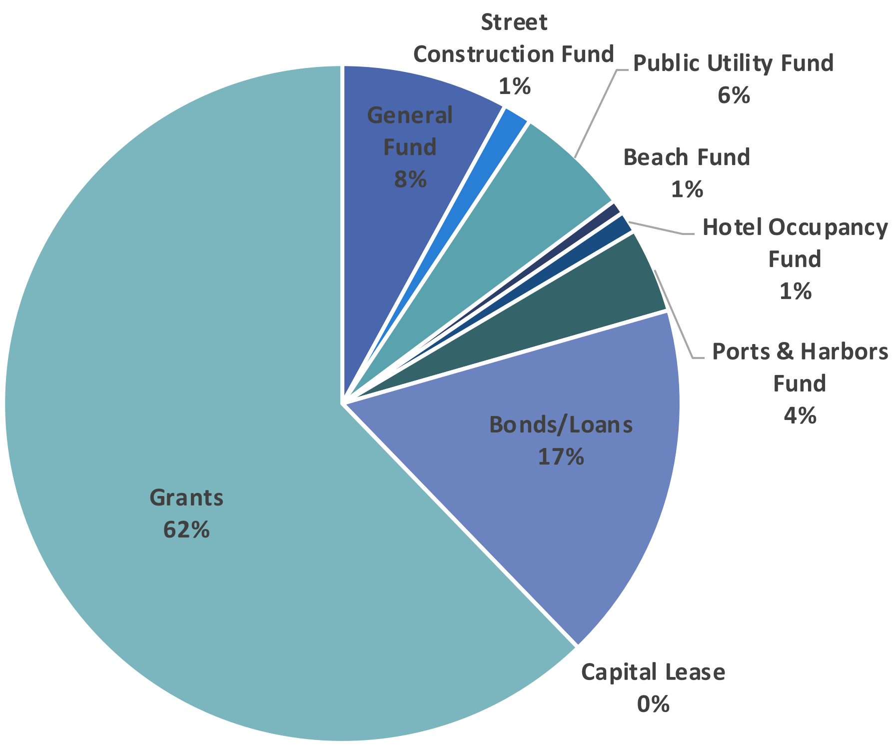


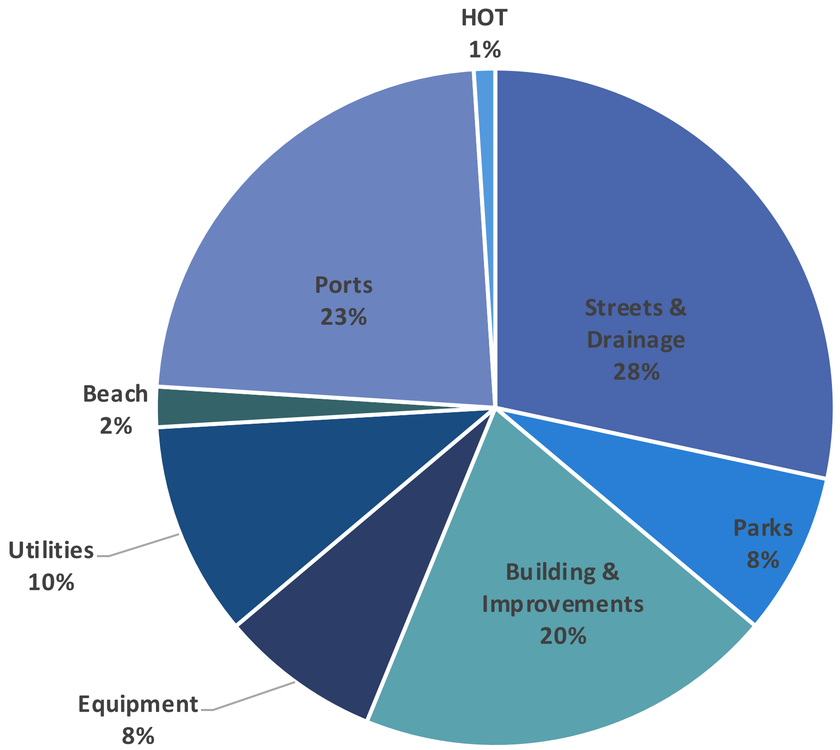
CIP Program 5 Year History



Fiscal Year 2027 Proposed Capital Budget

FY2027 Proposed $14.7M Capital Budget





Hotel Occupancy Fund

FY 2026 - 2027

 HOT Funds FY2027 Cost - $125,000

Gateway Signage & Landscaping

Description: This project involves the design, construction, and installation of a new gateway sign along with enhanced landscaping at the intersection of Highway 35 and Highway 87. The gateway sign will serve as a welcoming landmark for residents and visitors entering the city. Landscaping elements will include native and drought-tolerant plants, decorative lighting, irrigation systems, and hardscape features that complement the sign and enhance the visual appeal of the entrance corridor.

Justification: The intersection of HWY 35 and HWY 87 is a primary entrance to the city and serves as a first impression for travelers and tourists. The current lack of signage and aesthetic landscaping at this key location does not reflect the community's identity or pride. The new gateway sign will help promote civic pride, improve wayfinding, and strengthen the city’s brand image. Enhancing the visual appeal of this corridor is expected to support tourism, local business visibility, and community development goals.

Special Considerations: Coordination with the Texas Department of Transportation (TxDOT) may be required due to the proximity to state highways

Public Art/Historic and Educational Signs

Page 113 **HOT Funds FY2027 Cost - $25,000**

Description: This project involves the design, fabrication, and installation of public art elements and historic/educational signage throughout key areas of the city. Installations may include interpretive panels, wayfinding markers, murals, sculptures, and signage highlighting local history, cultural heritage, significant landmarks, and educational content. The signage will be strategically placed in parks, downtown corridors, waterfront areas, and other public gathering spaces to enhance community identity and visitor experience.

Justification: The city currently has limited interpretive and cultural signage that communicates its history, identity, and points of interest. This project will help preserve and share local heritage while also improving public engagement and tourism appeal. Public art and educational signs contribute to downtown revitalization, strengthen community pride, and provide residents and visitors with a deeper understanding of the city's historical and cultural significance.

Special Consideration: Designs should reflect local history and be developed in coordination with community stakeholders, historians, and city leadership to ensure accuracy and cultural relevance. Materials should be durable, weather-resistant, and suitable for coastal conditions. Installation locations must consider pedestrian safety, ADA accessibility, and minimal interference with existing utilities and infrastructure. Maintenance planning should be included to ensure long-term preservation and visibility of all installations.

Ports & Harbors Fund

FY 2026 - 2027

Nautical Landing Re-Roof

District # 3 Sissy Rigby **Page 115** **Ports & Harbor FY2027 Cost - $200,000**

Description: The Nautical Landing Roof Replacement project consists of removing the existing deteriorated roofing system and installing a new roof at the Nautical Landing facility. The project will improve the structural integrity of the building, protect the facility from water intrusion, and extend the useful life of this important public waterfront asset.

Justification: The existing roof has reached the end of its service life and is vulnerable to leaks, weather-related damage, and ongoing deterioration. As a coastal facility, Nautical Landing is exposed to harsh environmental conditions, including high winds, heavy rainfall, humidity, and salt air, which accelerate roof wear. Replacing the roof will prevent further damage to the building, reduce maintenance costs, improve safety for visitors and staff, and ensure the facility remains operational and available for public use.

Special Consideration: Nautical Landing serves as an important waterfront amenity that supports tourism, recreation, and community activities. The roof replacement will protect the City's investment in the facility while enhancing its resilience to coastal weather conditions. By addressing critical maintenance needs now, the City can avoid more costly repairs in the future and ensure the facility continues to provide reliable service to residents and visitors for years to come. The project contributes to the preservation of public infrastructure and supports the long-term sustainability of the City's waterfront assets.

Public Access Boardwalk at Smith Harbor

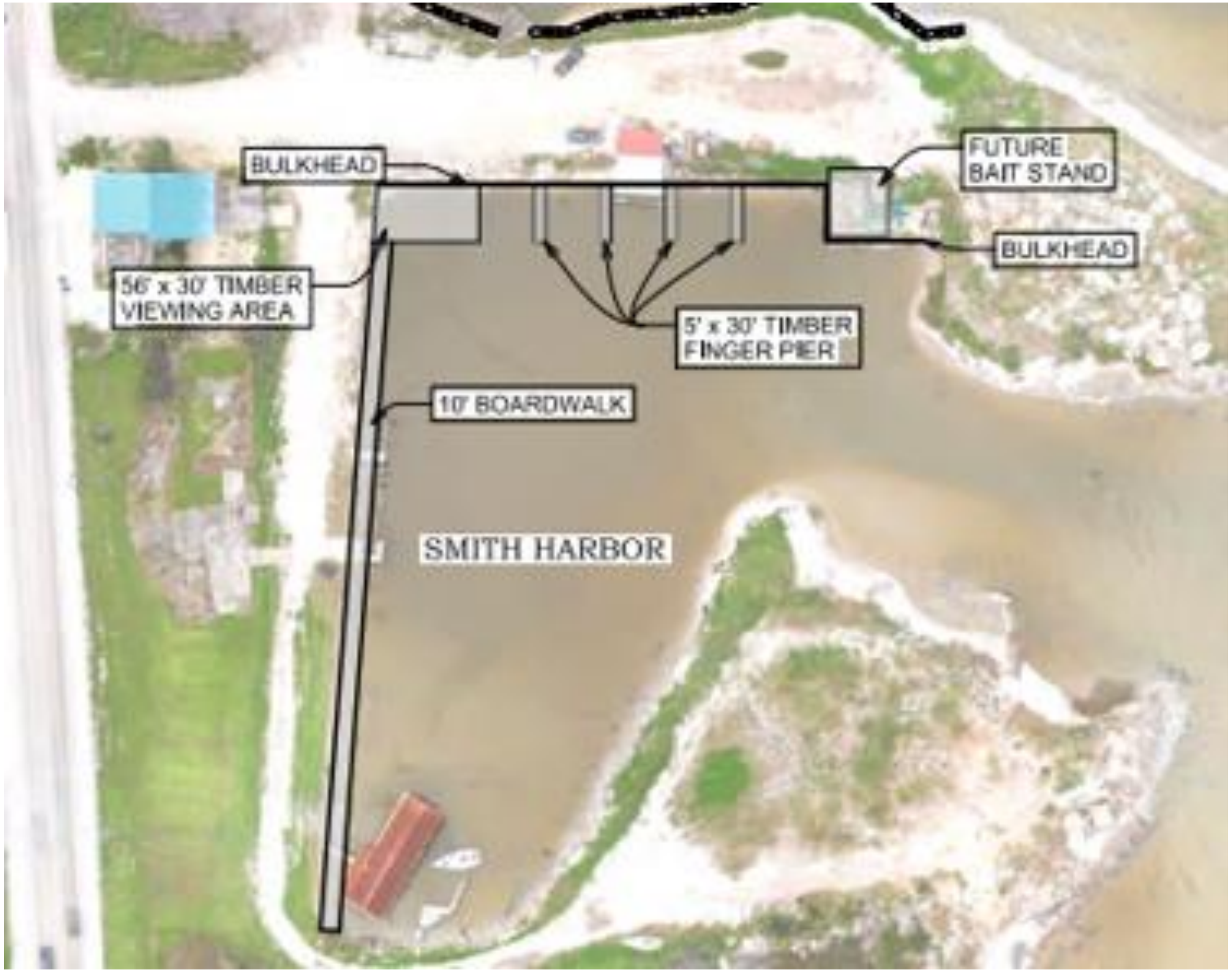
District # 3 Sissy Rigby Page 116

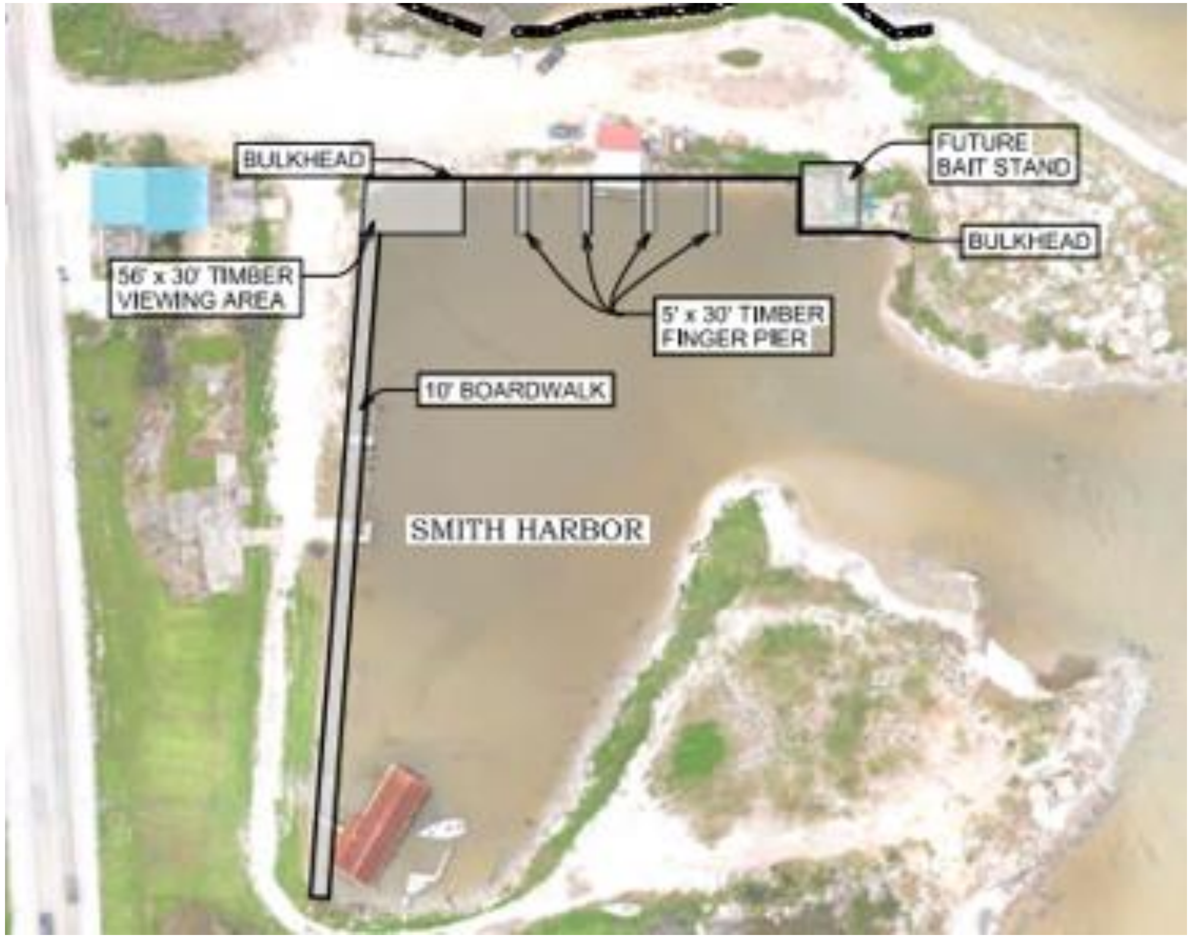
Grant (100%) FY2027 Cost - $521,500

Description: The goal of this project is to increase ADA-accessible public access to Lavaca Bay by constructing a 10-ft wide boardwalk along the existing concrete seawall, which will become part of an overall plan for a shared-use path system connecting the existing shared-use path in Bayfront Peninsula Park to the future South Commerce Park(Smith Harbor) as shown in the City's 2023 Downtown Waterfront Master Plan.

Justification: This project is necessary to provide the public with enhanced, free, safe, and accessible access to the Downtown waterfront area of Lavaca Bay, promoting accessibility, recreation, and stewardship within the community. A shared-use path boardwalk on the waterside of the seawall is needed because, due to the limited width of public property behind the seawall, there is not adequate room for both vehicle and safe pedestrian and/or bicycle traffic. The project would complete a crucial link in the envisioned shared-use path system, connecting the existing Bayfront Peninsula Park to the north with the natural beauty of the Smith Harbor area to the south, offering new opportunities for the public to engage in healthy outdoor activities. The boardwalk will be used for fishing and wildlife viewing as well as providing a safe pathway for students, visitors, and others to walk or bike on while participating in nature educational activities in the area.

Special Consideration: Environmental Permit.





Bulkheading along the North Side of Smith Harbor

District # 3. Sissy Rigby   Page 117

Ports & Harbors FY2027 Cost - $250,000

Description: This project involves the installation of a new bulkhead along the north side of Smith Road to stabilize the shoreline and prevent further erosion. The bulkhead will be constructed using durable marine-grade materials to protect public infrastructure and adjacent properties from tidal impacts, storm surge, and long-term shoreline degradation.

Justification: The north side of Smith Road has experienced significant erosion over time due to wave action and weather events, posing a threat to nearby roadways, utilities, and public spaces. This bulkhead is necessary to ensure long-term structural stability of the area, maintain public safety, and support potential future development along the waterfront. The project aligns with the City's ongoing coastal resilience and infrastructure protection initiatives.

Special Consideration: Environmental permits and coordination with appropriate regulatory agencies will be required prior to construction due to the project's proximity to coastal waters. Additionally, consideration will be given to incorporating features such as riprap toe protection or vegetative elements to minimize environmental impact while enhancing shoreline protection.

Repair/Replacement of Corrugated Metal Pipe Culverts

District # 1 Daniel Aguirre Page 118

Grant (100%) FY2027 Cost - $375,000

Description: This project involves the repair or full replacement of deteriorated corrugated metal pipe (CMP) culverts located within the Corporation Ditch under the City's railroad spur. These culverts are essential for proper stormwater drainage and flow management in the area. Over time, the CMPs have experienced corrosion, deformation, and reduced hydraulic capacity, which poses a risk of localized flooding and structural instability beneath the railroad infrastructure. The project is a 100% GLO CDBG-Mitigation Grant.

Justification: The integrity of the culverts is critical to maintaining safe drainage and preventing water from undermining the railroad spur, which serves important transportation and logistical functions for the City. Repairing or replacing these culverts will restore proper drainage function, protect public infrastructure, and reduce long-term maintenance costs**.**

Special Consideration: Due to the culverts' location under an active railroad spur, special coordination will be required with railroad authorities to ensure safety and avoid service interruptions. All work will comply with environmental and stormwater management regulations.

Old Landfill Shoreline Restoration

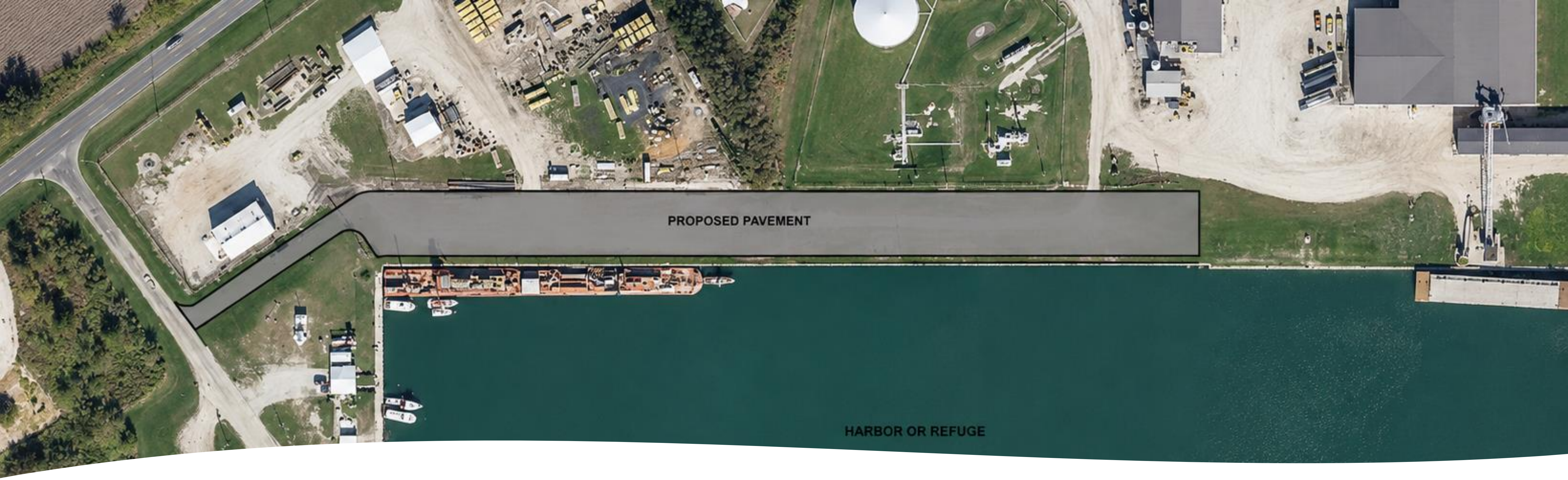
District # 1 Daniel Aguirre Page 119

Grant (100%) FY2027 Cost - $523,550

Description: This project focuses on the rehabilitation and stabilization of the City's eroding shoreline to protect public infrastructure, enhance environmental resilience, and preserve coastal access. The scope may include shoreline grading, installation of erosion control structures such as riprap or living shoreline elements, and vegetation restoration to reduce wave impact and prevent further land loss. The current project is a 100% grant from GLO CDBG-Mitigation.

Justification: Ongoing erosion threatens roads, utilities, recreational areas, and natural habitats along the shoreline. This project is essential to prevent future damage, improve storm resilience, and maintain public safety and property value. It also supports environmental sustainability by enhancing shoreline ecology and water quality.

Special Consideration: Design and construction will follow all state and federal environmental regulations, including permitting through agencies such as the Texas General Land Office and U.S. Army Corps of Engineers. Opportunities for green infrastructure and community access improvements will also be explored.



Harbor of Refuge Public Dock Improvement*

District # 1 Daniel Aguirre Page 120 **Grant (75%/25%) FY2027 Cost - $975,000 (75%)**

Description: Construct heavy-duty asphalt pavement within the Harbor of Refuge Public Dock area and build an access roadway connecting the facility to Mowen Street. The project will provide a durable, all-weather surface capable of supporting cargo handling, vessel operations, maintenance activities, and emergency access.

Justification: Approximately 1,000 linear feet of existing concrete bulkhead is currently underutilized due to the lack of a stabilized working surface and adequate access. The project will unlock the full utility of the bulkhead, improve cargo movement, increase operational efficiency, enhance safety, and support maritime and industrial activities. It will also increase the development potential of adjacent Harbor of Refuge properties and support future revenue-generating opportunities.

Special Consideration: This project maximizes the value of existing waterfront infrastructure, strengthens port resiliency, and supports economic development. The improvements will enhance emergency response capabilities, attract future business investment, and improve the long-term competitiveness of the Harbor of Refuge and the Port of Port Lavaca.

*Subject to grant approval

District # 1 Daniel Aguirre Page 121 **Grant (75%/25%) FY2027 Cost - $550,000 (75%)**

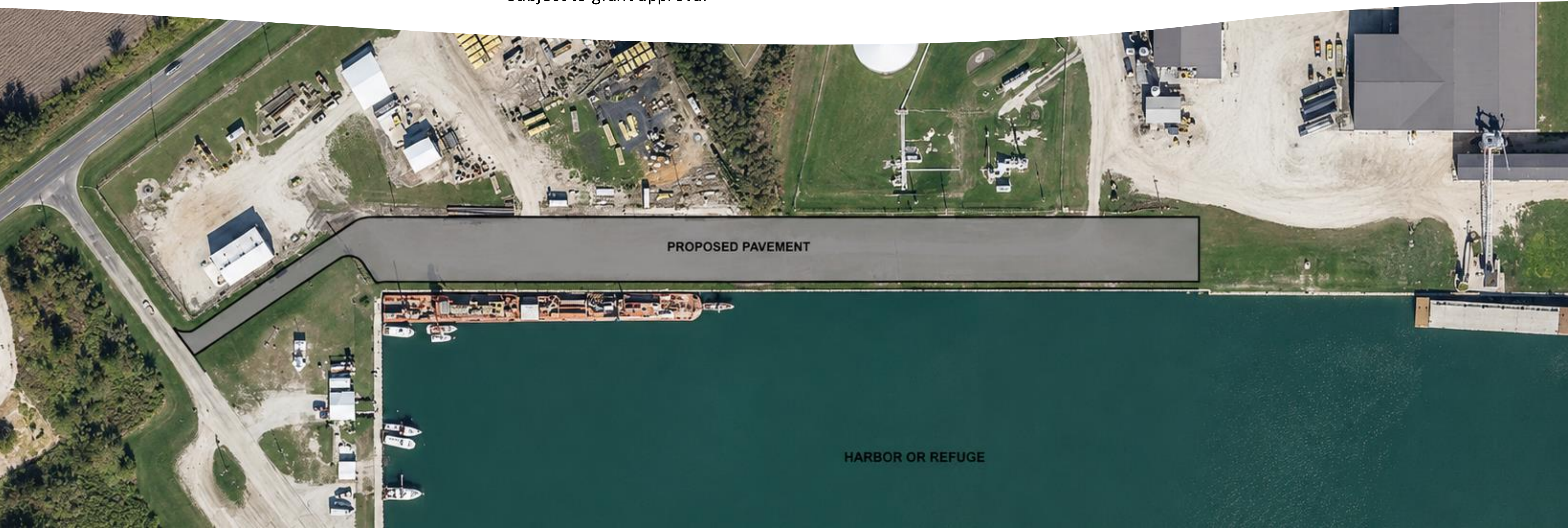
Harbor of Refuge Boat Ramp*

Description: Construct heavy-duty asphalt pavement within the Harbor of Refuge Public Dock area and build an access roadway connecting the facility to Mowen Street. The project will provide a durable, all-weather surface capable of supporting cargo handling, vessel operations, maintenance activities, and emergency access.

Justification: Approximately 1,000 linear feet of existing concrete bulkhead is currently underutilized due to the lack of a stabilized working surface and adequate access. The project will unlock the full utility of the bulkhead, improve cargo movement, increase operational efficiency, enhance safety, and support maritime and industrial activities. It will also increase the development potential of adjacent Harbor of Refuge properties and support future revenue-generating opportunities.

Special Consideration: This project maximizes the value of existing waterfront infrastructure, strengthens port resiliency, and supports economic development. The improvements will enhance emergency response capabilities, attract future business investment, and improve the long-term competitiveness of the Harbor of Refuge and the Port of Port Lavaca.

*Subject to grant approval



General Fund

FY 2026 - 2027

General Fund Financial Reserve Health

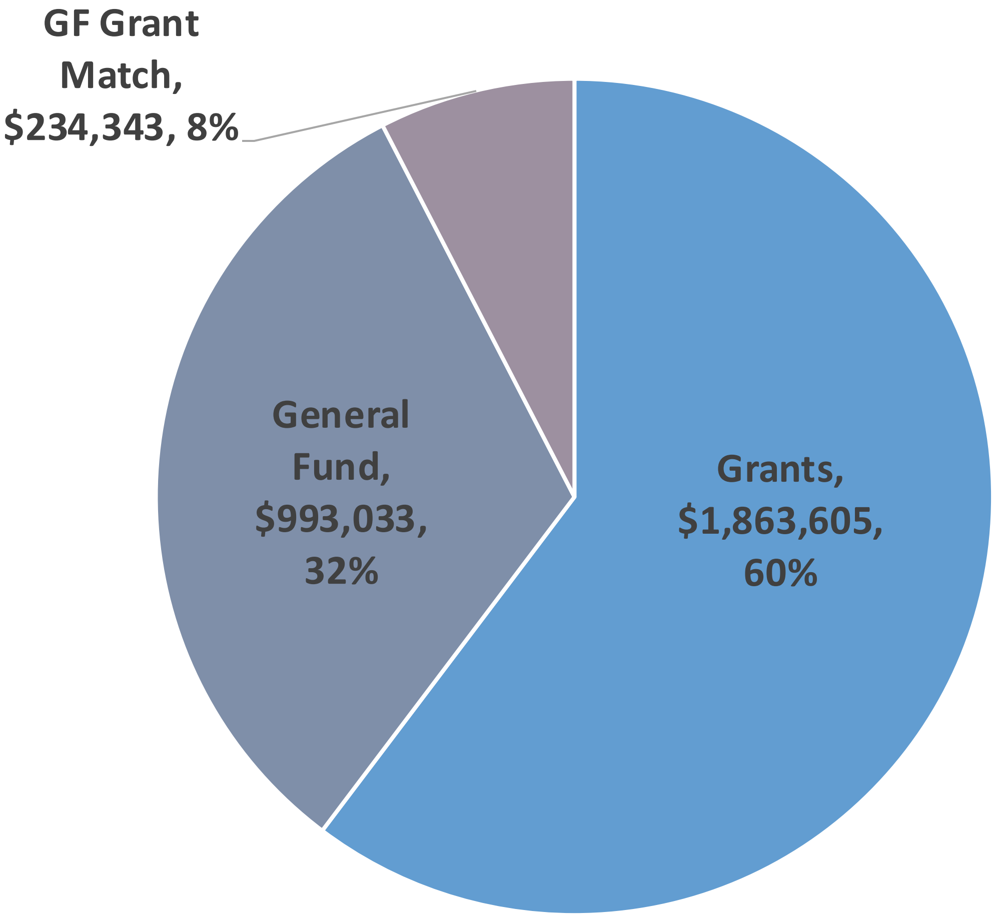
The City's Financial Management Policy establishes two reserve benchmarks for the General Fund:

Goal Reserve (Target): 180 days of operating expenditures to provide maximum financial flexibility and resilience.

Required Minimum Reserve: 120 days of operating expenditures, representing the City's minimum operating liquidity and contingency funding for unforeseen events such as hurricanes, natural disasters, emergency repairs, or significant revenue shortfalls.

Any fund balance above the required minimum may be designated by the City Council for one-time purposes, including the Capital Improvement Program (CIP), Asset Replacement Program, or other strategic priorities.

Should reserves ever fall below the required minimum, future budgets must include a financial recovery plan to restore the reserve balance.

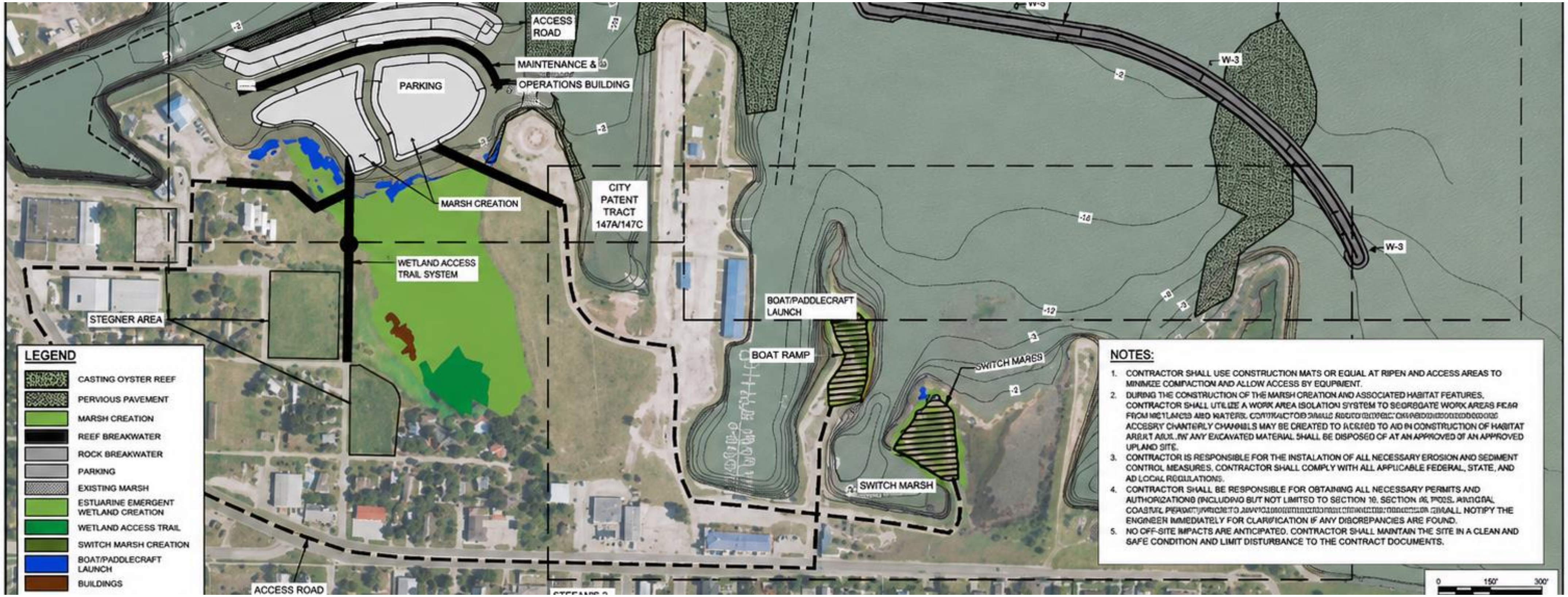


Current Reserve Position with FY 2027 Budget

Current reserve shortfall from 180-day goal	142 days
Dollar amount below goal	$1,235,881
Value of one reserve day	$32,775.66
Required reserve	120 days
Property tax assumption	No change in taxable values or tax rate

Reducing goal reserves means:

- Using a portion of excess fund balance above required minimums
- Maintaining the **120-day required reserve** established by policy.
- Redirecting those dollars into:
  - Capital projects
  - One-time infrastructure needs
  - Strategic priorities



Coastal Resiliency Living Shoreline

District # 3 Sissy Rigby Page 61 **Grant (100%) FY2027 Cost - $2,000,000**

Description: The Port Lavaca Living Shoreline Project is located adjacent to Bayfront Peninsula Park within state-owned submerged lands in Lavaca Bay. The project consists of furnishing all labor, materials, and equipment necessary for the construction of approximately 2,100 linear feet of rock breakwater, 920 linear feet of reef breakwater, marsh creation using approximately 9,810 cubic yards of fill material and planting approximately 2.0 acres of low marsh vegetation. Work also includes mobilization, surveying, excavation, environmental protection measures, and demobilization.

Justification: The project area currently includes exposed shoreline segments vulnerable to erosion from wind, waves, tidal currents, storm events, and marine traffic. Ongoing shoreline retreat threatens public infrastructure, recreational areas, and aquatic habitat. The proposed living shoreline project will reduce wave energy, stabilize sediments, improve shoreline resilience, and enhance habitat conditions for marine life and coastal marsh resources.

Special Consideration: Environmental phase.

City Hall Security Upgrades

Page 62 **General Fund FY2027 Cost - $300,000**

Description: The City Hall Master Plan – Phase 5 Interior Renovations project consists of architectural and interior renovations within the existing City Hall facility. The project includes reconfiguring the current Municipal Court clerks' divided offices into one larger office space to accommodate Code Enforcement, GIS/Permits, the Development Services Coordinator, and Permitting staff. The work also includes demolition of an existing storage room and relocation of an existing hallway to improve functionality and workflow efficiency.

Justification: The project is needed to improve operational efficiency, maximize the use of existing office space, and better accommodate City staff and public services within City Hall. The renovations will create a more functional workspace layout that supports coordination between departments and improves accessibility for staff and residents.

Special Consideration: The project will begin with the preparation of construction documents and specifications for bidding and procurement. Following design completion and bid award, construction activities will include demolition, interior reconfiguration, finish installation, and final occupancy.

City Hall Hurricane Shutters Expense

Page 63 **General Fund FY2027 Cost - $18,000**

Description: This project consists of the design, purchase, and installation of hurricane-rated shutters on the north side of City Hall. The system will provide impact protection for windows and openings exposed to high winds, flying debris, and severe storm conditions common along the Texas coast. The shutters will be engineered to meet current windstorm codes and ensure secure, rapid deployment before and during hurricane events.

Justification: City Hall serves as a critical government facility for emergency coordination, public services, and disaster response operations. The north side of the building has vulnerable openings that are currently unprotected against hurricane-force winds and debris impact. Installing hurricane shutters will reduce the risk of structural damage, minimize post-storm repair costs, and ensure continuity of essential municipal functions during and after severe weather events.

Special Consideration: The project will improve resilience against repeated storm events, reduce potential service disruptions, and support FEMA-aligned disaster preparedness standards. Installation may require phased scheduling to avoid interruption of daily city operations and public access.

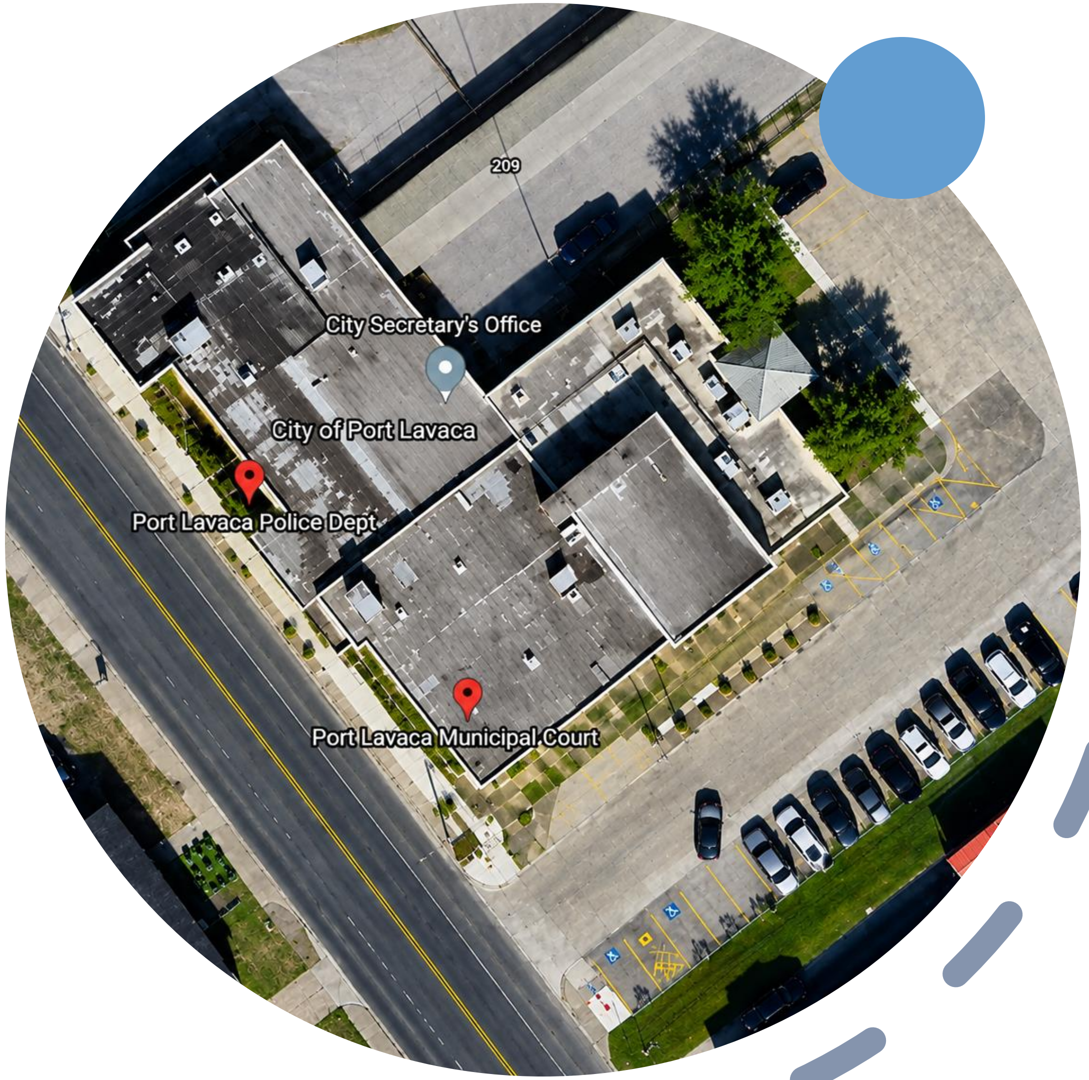
City Hall Re-Roof

Page 65 **General Fund FY2027 Cost - $125,000**

Description: This project involves the complete removal and replacement of the existing roofing system on City Hall. The work includes the demolition of the deteriorated roof, installation of new underlayment, flashing, insulation (if needed), and the application of a durable and energy-efficient roofing material. All work will be conducted in accordance with current building codes and standards for public facilities. The project will also include repairs to any damaged deck discovered during construction and installation of proper drainage and ventilation components to extend the life of the new roof.

Justification: The existing roof has surpassed its useful life and is showing signs of significant wear, including leaks, ponding water, and material degradation. Routine maintenance has become increasingly costly and ineffective. Replacing the roof is necessary to protect the building's structure, preserve interior finishes and equipment, and ensure the safety and comfort of employees and the public who use the facility. A new roof will also improve the building's energy efficiency and reduce long-term maintenance costs.

Special Consideration: City Hall is an active municipal building; construction scheduling will be needed to minimize disruption to city services and public access.



“Kitchen Property” Public Access to Lavaca Bay

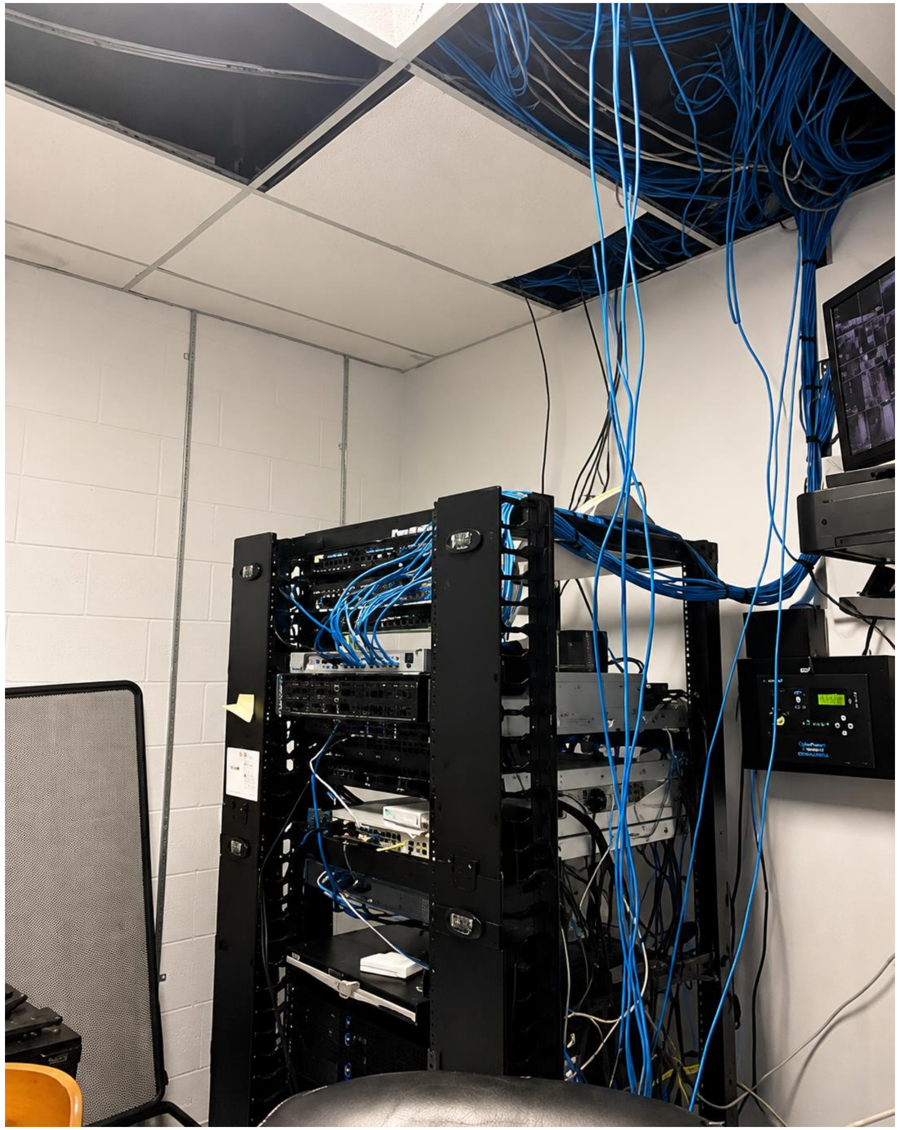
District # 1 Daniel Aguirre   **Page 67**

Grant (90%/10%) FY2027 Cost - $450,000 (Grant)

Description: The City of Port Lavaca uses a grant from MBMT to purchase waterfront property on the bluff of Lavaca Bay for conservation purposes and provide a new public access point to Lavaca Bay. The City will construct the permitted shoreline improvements and establish the tract as a designated public park. The project is conceptually thought to include the construction of a rock groin from the south end of the seawall and another from the south corner of the property, with marsh development between the shore and the groins. The groins will be designed such that the public can access them for fishing and education.

Justification: This project will enable the City of Port Lavaca to acquire one of the last undeveloped tracts of land along Lavaca Bay, preserving its natural beauty and providing a new public access point to the shores of Lavaca Bay. The project will have a significant benefit to the south of the City of Port Lavaca by protecting the shoreline and ultimately providing free, safe, and accessible public access to Lavaca Bay within walking distance to many low-to-moderate income residents.

Special Consideration: USACE permitting.



Server Replacement

Page 64 **General Fund FY2027 Cost - $60,000**

Description: This project involves the replacement and modernization of the City Hall server infrastructure, including physical servers, storage systems, backup solutions, and associated networking components. The new system will support municipal operations such as finance, permitting, records management, public safety coordination, and daily administrative functions. The upgrade will also include improved cybersecurity protections, data redundancy, and cloud or hybrid integration as appropriate.

Justification: The current server system is outdated, increasingly unreliable, and at higher risk for hardware failure, data loss, and cybersecurity threats. As city operations continue to expand and rely more heavily on digital systems, a modernized server environment is necessary to ensure operational continuity, protect sensitive data, and improve system performance. Upgrading the infrastructure will reduce downtime, improve efficiency, and support compliance with current IT security standards and best practices.

Special Consideration: Given the critical nature of municipal data systems, implementation should include a detailed migration plan to prevent service interruptions during the transition. Enhanced cybersecurity measures, including firewall protection, encryption, and routine backups, should be prioritized. The system should be scalable to accommodate future growth and potential integration with other city departments and emergency management systems.

Police Department AC Replacement

Page 66 General Fund FY2027 Cost - $10,500

Description: Replace the existing HVAC air conditioning system at the Police Department with a new, energy-efficient unit to provide reliable climate control, improve indoor air quality, and ensure continuous operation of the facility.

Justification: The existing HVAC system is aging and has become increasingly unreliable, resulting in frequent repairs, reduced efficiency, and higher operating costs. Replacing the system will improve employee comfort, protect sensitive equipment, and ensure a safe working environment for police personnel.

Special Consideration: Installation should be scheduled to minimize disruption to 24/7 police operations. The new system should be properly sized for the facility, meet current energy efficiency standards, and include a manufacturer's warranty for long-term reliability.

Body Cameras

Page 74 **General Fund FY2027 - $77,688**

Description: Purchase and implementation of body-worn camera systems for law enforcement personnel, including cameras, docking stations, software licensing, cloud or digital evidence storage, accessories, and related equipment necessary for daily operations and evidence management. The project may also include installation, training, and system integration to support efficient use and compliance with departmental policies.

Justification: The body-worn camera program will enhance officer safety, transparency, accountability, and evidence collection capabilities. The system will assist in documenting law enforcement interactions, improving public trust, supporting investigations and prosecutions, reducing complaints and liability exposure, and ensuring compliance with modern policing standards and best practices. The project also supports accurate incident documentation and efficient records management.

Special Consideration: Implementation may require ongoing software subscriptions, digital evidence storage, maintenance agreements, and staff training. Coordination with existing law enforcement technology systems and compliance with applicable evidence retention requirements and privacy regulations will also be necessary.

Motorola Radios

Page 75 Grant (65%/35%) FY2027 Cost - $77,659

Description: The Motorola APX 8500 is a multi-band mobile radio that provides reliable, interoperable voice communications for public safety personnel during routine operations, emergency response, and mutual aid incidents.

Justification: The APX 8500 will enhance communications between local, state, and federal agencies by providing seamless interoperability, improving responder safety, coordination, and operational efficiency during emergencies.

Special Consideration: The radio is P25-compliant, supports multi-band operation, and is compatible with existing public safety communications systems, ensuring dependable communications across multiple jurisdictions.

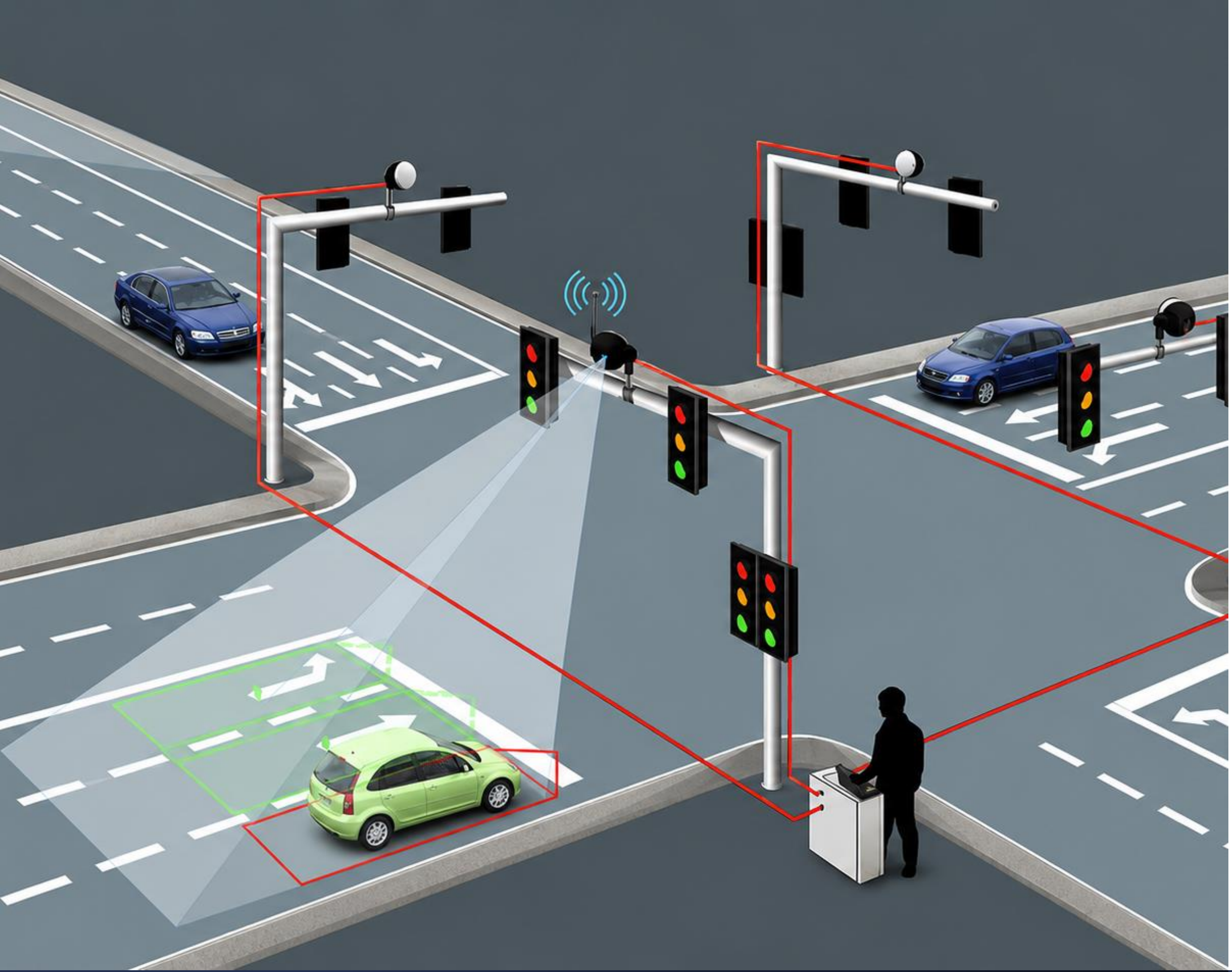
Catalytic Converter Theft Prevention

Page 76 **Grant (80%/20%) FY2027 Cost - $151,186**

Description: The Catalytic Converter Theft Prevention Project will enhance the Police Department's ability to prevent, detect, and investigate catalytic converter theft through the acquisition of specialized equipment, technology, and enforcement resources. The project will support proactive patrols, surveillance, rapid response, and coordinated investigations targeting organized theft activity.

Justification: Catalytic converter theft has increased due to the high value of precious metals, resulting in significant financial losses and disruption to residents and businesses. This project will strengthen law enforcement capabilities, improve response times, increase recovery of stolen property, and deter criminal activity through enhanced enforcement and interagency collaboration.

Special Consideration: The project supports intelligence-led policing and regional collaboration by utilizing equipment that is compatible with existing public safety systems. Resources will be used for targeted enforcement, data sharing, and coordinated operations with neighboring jurisdictions to address organized catalytic converter theft



Traffic Control Equipment

Page 77 **General Fund FY2027 Cost - $100,000**

Description: This project involves the installation of traffic signal preemption equipment on fire department vehicles and at key intersections throughout the city. The system allows emergency vehicles to automatically change traffic signals to green in their direction of travel during response situations. This technology helps create a clear path for fire apparatus and reduces response times.

Justification: During emergency calls, response time is critical. Delays caused by traffic congestion or red lights can impact life-saving operations. By enabling traffic signals to automatically turn green for approaching emergency vehicles, this system improves safety for both first responders and the public. It also helps prevent accidents at intersections and ensures timely arrival at emergency scenes.

Special Consideration: Implementation of this system will require coordination with the city's traffic engineering department and possibly TxDOT for intersections under their control. Compatibility with existing traffic control infrastructure will be evaluated. Priority will be given to high-traffic intersections and main emergency routes.

Fire Motorola Radios

Page 78 **Grant (95%/5%) FY2027 Cost - $727,498**

Description: Purchase new Motorola portable and mobile radios to replace aging communication equipment used by the Fire Department. The new radios will provide reliable, interoperable communications for emergency response, mutual aid, and day-to-day operations.

Justification: Reliable radio communications are essential for firefighter safety and effective emergency response. Replacing outdated radios will improve communication quality, enhance interoperability with neighboring agencies, and ensure compliance with current public safety communication standards.

Special Consideration: The radios must be compatible with the regional public safety radio system, support encryption and emergency alert features, and include programming, training, and warranties. Equipment should be durable and designed for use in hazardous emergency environments.

Covered Basketball Court

District # 1 Daniel Aguirre Page 47 **General Fund FY2027 Cost - $175,000**

Description: This project proposes the construction of a covered basketball court at Wilson Park to provide year-round recreational opportunities for the community. The structure will include a metal roof canopy over offers protection from the sun and rain while maintaining an open-air environment.

Justification: Wilson Park currently lacks a sheltered sports facility, limiting use during extreme weather conditions such as high heat, rain, or intense sun exposure. A covered court will encourage increased usage by providing a safer and more comfortable space for youth programs, community leagues, and casual recreation. It will also promote physical activity and social engagement throughout the year.

Special Consideration: The structure must be designed to withstand local wind loads and weather conditions and comply with all building and safety codes. Drainage planning and integration with existing park infrastructure will be essential. Lighting and ADA accessibility should be included in the design to ensure usability in all conditions and for all users. Construction should be timed to minimize disruption to park activities and may require temporary closure or fencing around the work zone.

Clement Cove Wetlands Public Shared Use Path

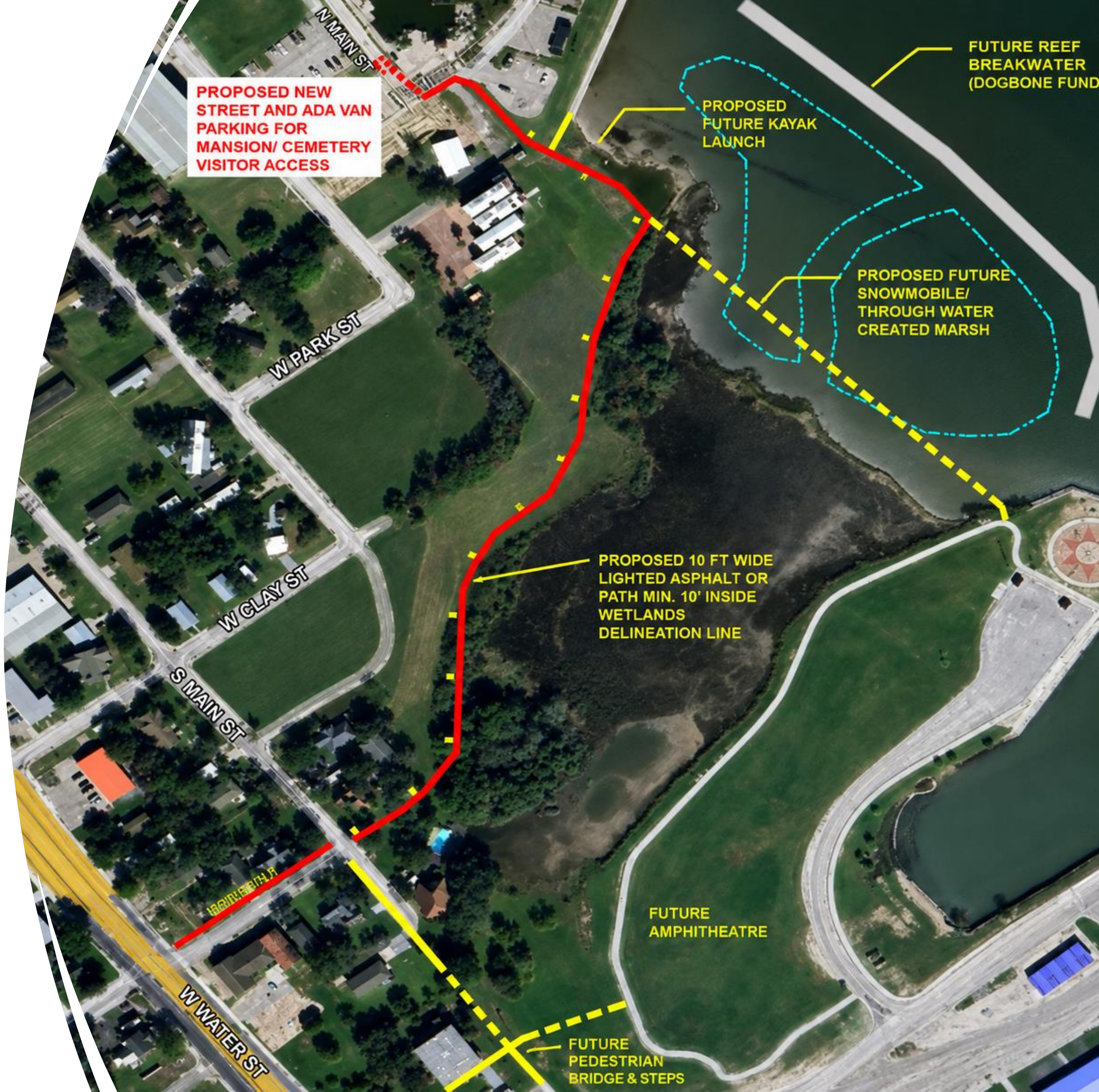
District # 3 Sissy Rigby Page 48

Grant (72%/28%) FY2027 Cost - $768,450

Description: This project proposes the construction of a 1,490-foot-long, 10-foot-wide concrete shared-use path connecting Bayfront Park to City Harbor via recently acquired upland property on Randle Street, eliminating the previous need to cross wetlands. The trail will include solar lighting, a bench area, trash receptacles, a bike rack, and educational signage. An additional 260-foot segment will connect the trail to the new sidewalk on Commerce Street (SH 238), and a 600-square-foot section will link to the existing City Harbor trail and ADA. The project supports recreational access, environmental education, and community engagement through partnerships with Texas A&M AgriLife Extension and local schools.

Justification: Solar lighting will provide safety after dusk, and the trail will offer scenic views of Lavaca Bay, local wetlands, and diverse wildlife. The route enhances connectivity between Bayfront Park and City Harbor, promoting increased recreational use by residents and visitors.

Special Consideration: All design and construction will meet ADA accessibility standards to ensure inclusivity for individuals with disabilities. The project is linked to the Comprehensive Plan: Land Use and Recreation Action Plan Item 10.



Pickleball Courts

District # 1 Daniel Aguirre Page 49

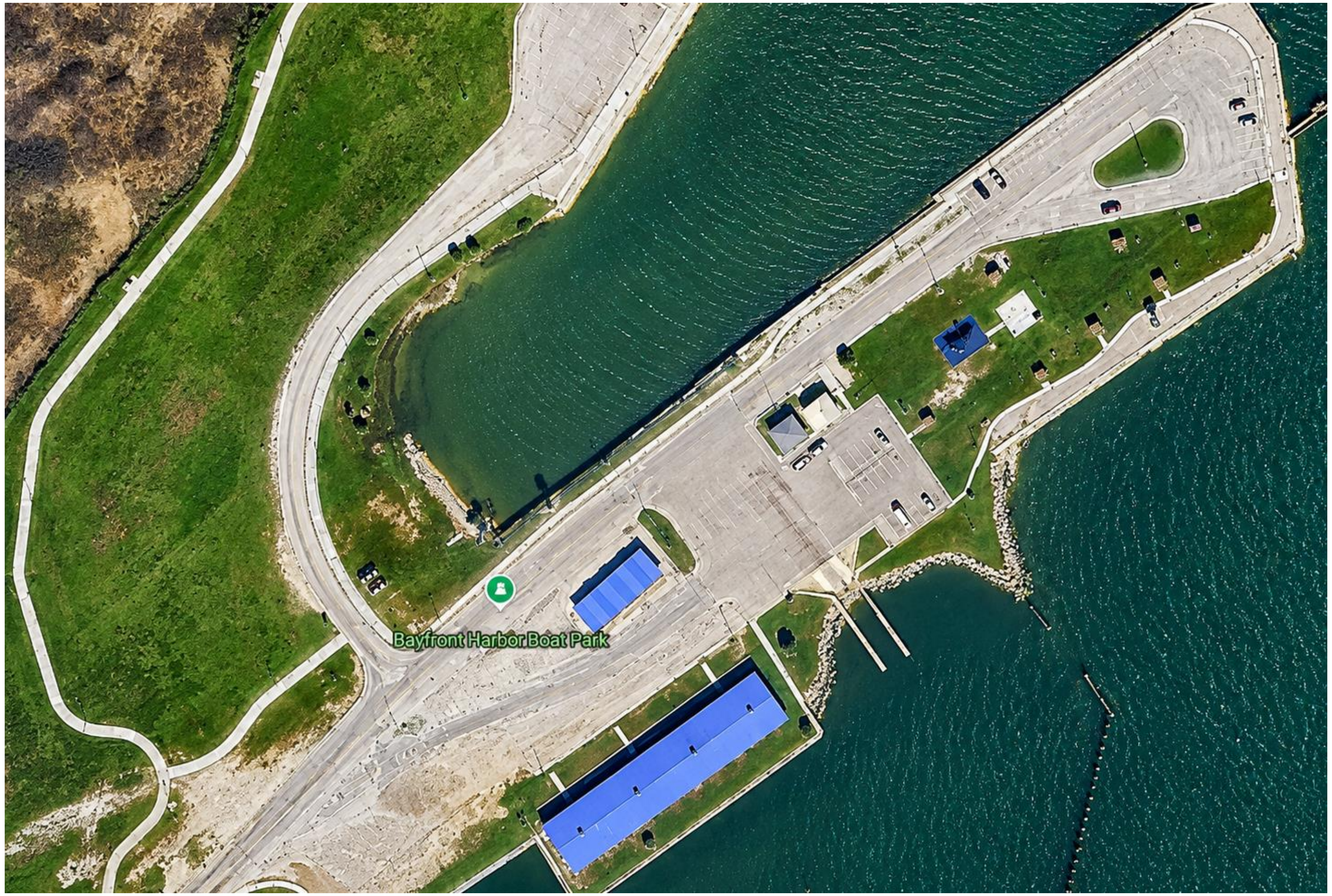
General Fund FY2027 Cost - $50,000

Description: This project proposes the construction of new pickleball courts at Wilson Park to meet growing community demand for this popular and fast-growing sport. The project will include site preparation, installation of multiple pickleball courts with proper surfacing, fencing, nets, and seating areas. Lighting may also be included to allow for evening use.

Justification: Pickleball has rapidly increased in popularity across all age groups, particularly among older adults seeking low-impact recreation. Currently, Wilson Park lacks dedicated facilities for this activity. Providing dedicated pickleball courts will encourage physical activity, social interaction, and healthy lifestyles while maximizing the use of available parking space. It will also help relieve pressure on existing recreational facilities and serve as a potential venue for community events or local tournaments.

Special Consideration: The courts should be constructed using durable, low-maintenance surfacing materials suitable for high usage and weather exposure. ADA-accessible pathways and seating should be included to ensure accessibility for all users. Consideration should be given to placement in relation to noise-sensitive areas, and wind screening or shade structures may be incorporated. If lighting is installed, it must comply with local regulations to minimize light pollution and disruption to nearby residents. Community input and coordination with Parks and Recreation staff can help determine optimal court layout and amenities.

Bayfront Park Entrance Rehab



District #3 Sissy Rigby Page 50

Ports & Harbors/General Funds

FY2027 Cost - $150,000 (Ports & Harbors)

Description: This project involves the rehabilitation of the main entrance to Bayfront Park, including improvements to the entryway pavement, signage, landscaping, and lighting. The goal is to enhance the appearance, functionality, and safety of the park's primary access point, creating a more welcoming and attractive environment for visitors.

Justification: The existing entrance to Bayfront Park shows signs of aging and wear, with cracked pavement, outdated signage, and limited lighting. Upgrading entrance will improve first impressions, accessibility, and user experience, while also supporting community pride and tourism. Enhanced visibility and clearly marked signage will make the park more approachable and easier to locate for new visitors.

Special Consideration: Design elements should reflect the coastal and recreational character of Bayfront Park, using durable, weather-resistant materials that require minimal maintenance. Landscaping improvements should utilize native or drought-tolerant plants to reduce irrigation needs. Careful planning will be necessary to maintain public access during construction, and coordination with public works or utility providers may be required for lighting or electrical upgrades. ADA compliance, traffic flow, and pedestrian safety should also be incorporated into the final design.

Drainage Detention Pond

District #3 Sissy Rigby Page 45 **Grant (100%) FY2027 Cost - $2,000,000**

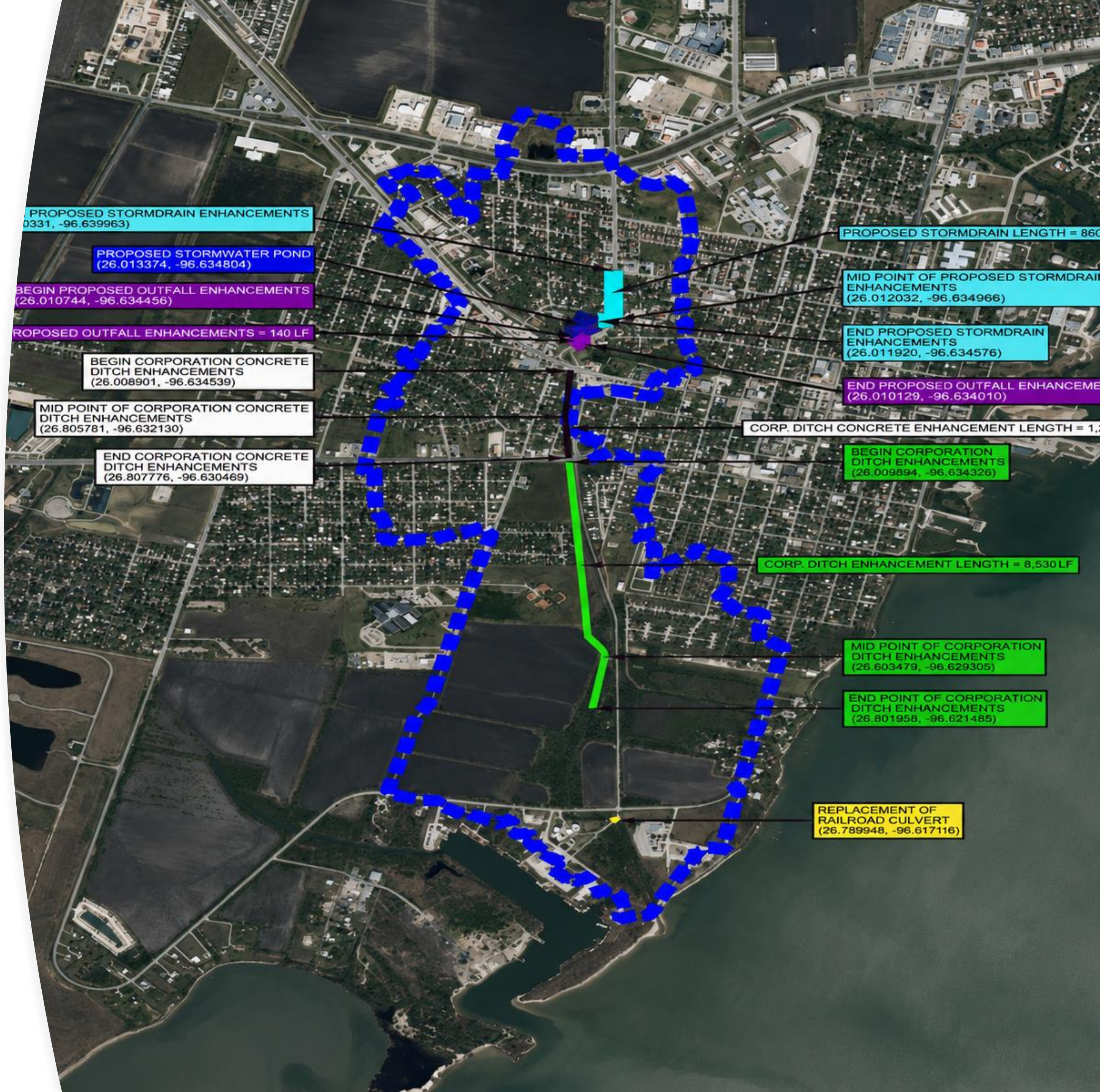
District #1 Daniel Aguirre

District #4 Rosie Padron

Description: The goal of this project is to improve two major drainage systems in Port Lavaca to increase the excess water flow out of the city to prevent future flooding. The current channels drain approximately 18,500 acres. County and City channels are often strained during heavy storm events, but Hurricane Harvey showed that significant issues exist with the major channels. While the channels identified for this project have been maintained as governmental budgets allow, there has been inadequate capital for improvements. The project is a 100% GLO CDBG-Mitigation Grant.

Justification: The major drainage channels will be improved to increase flood resilience, erosion resistance, and prolong the longevity of the channels. A new diversion channel will be constructed from Lynn Bayou to Lavaca Bay to divert upstream water before it flows into the city. Improvements will include the removal of vegetation along the channel and lining most of the channel with concrete riprap and box culverts to increase the flow rate and reduce erosion of the channel.

Special Consideration: Environmental permitting and compliance, land acquisition, interagency coordination, community impact, public engagement, construction phasing, and weather constraints.



Western Heights Street Rehab

District # 4 Rosie Padron   Page 27

Bond Funds FY2027 Cost - $1,990,781

Description: This project involves the comprehensive rehabilitation of Border, Warehouse, and Central St. within the Western Heights area. Installation of new curb and gutter; construction of a 6” lime-treated sub-base; placement of a 10” limestone base; application of a 1.5” hot-mix asphalt surface; construction of a 5ft sidewalk on one side; drainage improvements to mitigate flooding and enhance stormwater flow; replacement of an aging 6” waterline to ensure reliability and service continuity. The proposed improvements are designed to modernize the roadway infrastructure and address long-standing drainage issues that affect both traffic safety and property conditions in the neighborhood.

Justification: The existing street and utility infrastructure in the Western Heights is in a deteriorated condition, resulting in poor ride quality, increased maintenance costs, and inadequate stormwater management. The area also experiences localized flooding during heavy rain events, posing risks to residents and impeding emergency access. This project will improve public safety, pedestrian mobility, and accessibility via new sidewalk installation, utility reliability by replacing outdated waterlines, and overall quality of life for residents in the area.

Special Consideration: Coordination with Utility Providers, Stormwater management compliance, ADA Compliance, Community impact.

Original Townsite East of Virginia Street Rehab

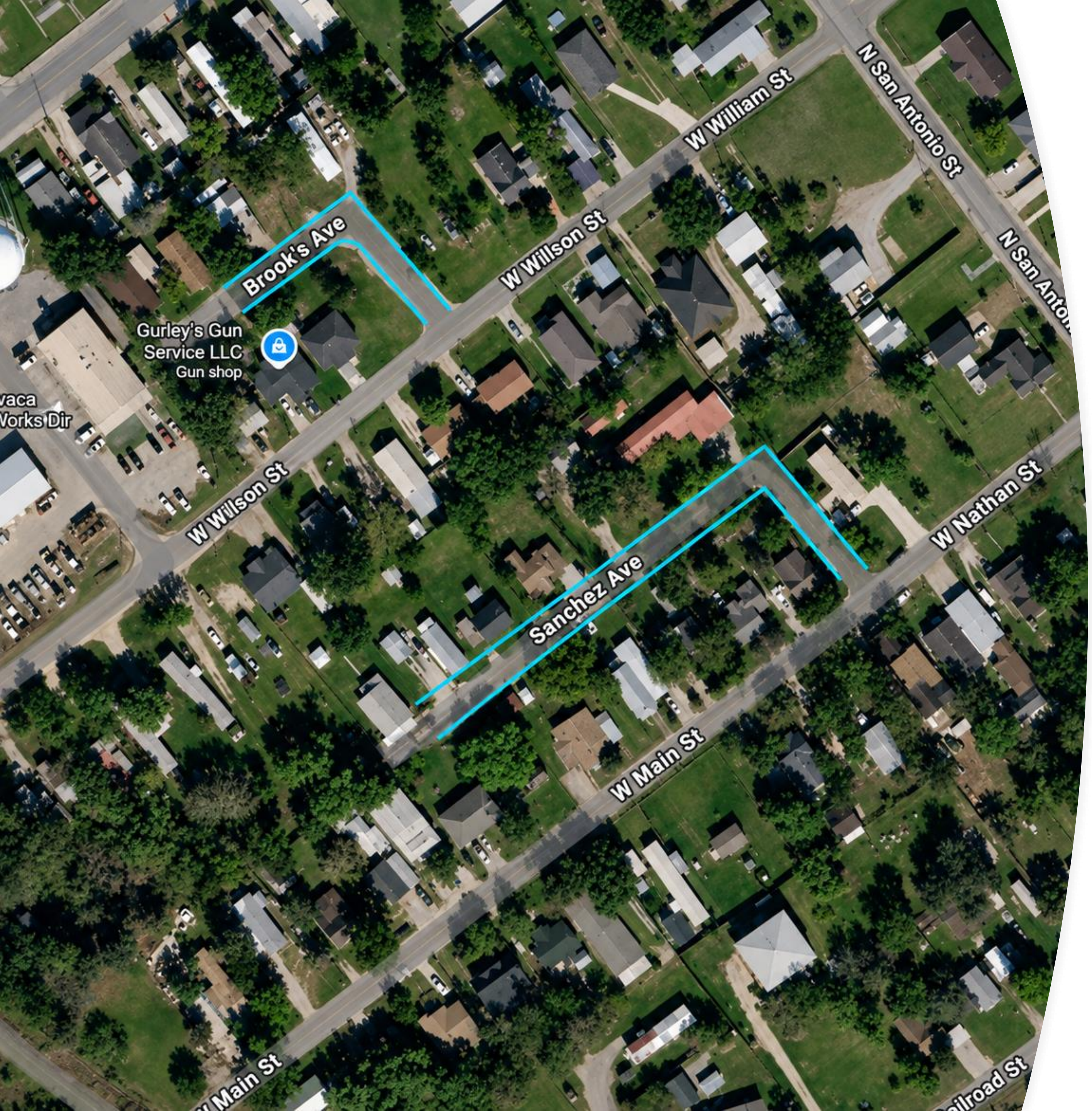
District # 3 Sissy Rigby Page 28

Street Construction Funds FY2027 Cost - $100,000

Description: This project includes the rehabilitation of multiple streets: S. Guadalupe, S. Colorado, E. South Street, E. Alice Wilkins, and E. Center. The scope of work consists of pavement resurfacing, base repairs, and drainage improvements as needed to restore the structural integrity and functionality of these roadways.

Justification: These streets serve as key connectors within residential and mixed-use areas and have experienced progressive deterioration due to age, traffic volume, and environmental exposure. Potholes, cracking, and uneven surfaces present safety concerns and reduce drivability. Rehabilitation is necessary to enhance road conditions, improve safety, and reduce ongoing maintenance demands.

Special Consideration: Given the number of streets involved, the project will be carefully phased to minimize traffic disruptions and maintain access for residents and emergency services. Coordination with utility providers and property owners will be prioritized to ensure efficient construction and community engagement.



Sanchez & Brooks Street Rehab

District # 3 Sissy Rigby Page 46

Street Construction Funds FY2027 Cost - $50,000

Description: This project involves the rehabilitation of street surfaces and associated drainage infrastructure along Sanchez Avenue and Brooks Avenue. The scope includes removal and replacement of deteriorated pavement, installation of new curbs and gutters, improvements to stormwater inlets, and upgrades to underground drainage systems. The rehabilitation aims to restore structural integrity to the roadways, enhance driving conditions, and ensure effective stormwater management.

Justification: Sanchez Ave and Brooks Ave have experienced significant surface deterioration, including potholes, cracking, and base failures, which compromise safe travel and increase long-term maintenance costs. Additionally, the existing drainage systems in this area are undersized or have deteriorated over time, leading to frequent localized flooding during heavy rain events. Rehabilitating the streets and improving drainage will reduce flood risks, extend the life of the road infrastructure, and improve safety and accessibility for residents and emergency vehicles.

Special Consideration: Coordination with residents and local businesses will be a key aspect of the project to minimize disruptions during construction. Traffic control measures and phased construction schedules will be implemented to maintain access. Additionally, consideration will be given to future utility upgrades to avoid the need for repeat excavation after completion of the rehabilitation work.

Live Oak Street Rehab

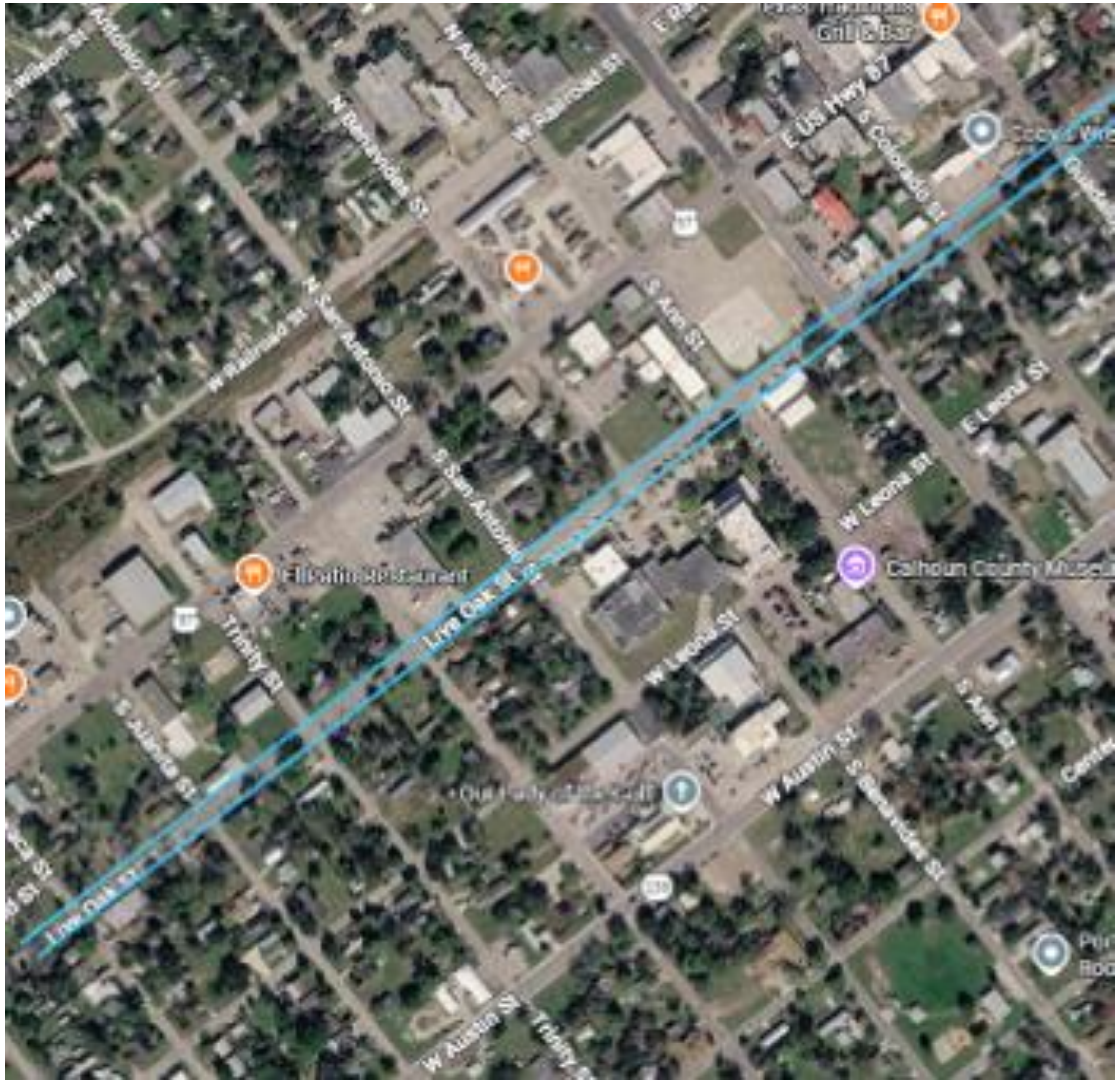
District #3 Sissy Rigby Page 29

Street Construction Funds FY2027 Cost - $50,000

Description: This project will rehabilitate and improve the stormwater drainage system along Live Oak Street to reduce localized flooding, improve stormwater conveyance, and protect public infrastructure. Improvements may include replacement and upsizing of deteriorated storm sewer lines, installation of new drainage inlets and culverts, reconstruction of drainage outfalls, roadway drainage enhancements, and related utility adjustments. The project is intended to increase system capacity, improve drainage efficiency, and enhance resilience to heavy rainfall events.

Justification: The existing drainage infrastructure along Live Oak Street has experienced age-related deterioration and inadequate capacity during significant rainfall events, resulting in standing water, localized flooding, and potential impacts to adjacent properties and public roadways. Rehabilitation of the drainage system will improve public safety, reduce maintenance costs, protect public and private property, and support long-term infrastructure sustainability.

Special Consideration: The City intends to pursue state and federal grant funding opportunities to assist with construction costs. Project implementation will be contingent upon funding availability, grant awards, environmental review requirements, utility coordination, and final engineering design.



Public Utility Fund

FY 2026 - 2027

Sewer Line Replacement along La Salle & Trinity

District #1 Daniel Aguirre Page 87 **Grant FY2027 Cost - $200,000**

District #3 Sissy Rigby

Description: This project should replace approximately eight hundred and fifty linear feet (850 LF) of eight-inch (8in) sewer line on La Salle Street, replace manholes and related service reconnections, and associated appurtenances. On the Trinity St. replace one thousand four hundred and seventy-five linear feet (1,475 LF) of eight-inch (8 in) sewer line, replace manholes and related services reconnections, and all associated appurtenances.

Justification: The existing eight-inch (8") sewer lines along La Salle Street (850 LF) and Trinity Street (1,475 LF) have aged significantly and are likely experiencing deterioration, including cracks, leaks, and possible collapses, leading to inflow and infiltration issues and service disruptions. Replacing these lines, along with associated manholes and service connections, will improve the integrity and capacity of the sanitary sewer system, reduce maintenance costs, and ensure reliable service to surrounding residential and commercial areas.

Special Consideration: Construction activities will require careful coordination to minimize disruptions to traffic, residents, and businesses. Proper bypass pumping and safety measures must be implemented during sewer replacement to prevent overflows and ensure continuous service. Environmental Compliance will be strictly maintained throughout the project.

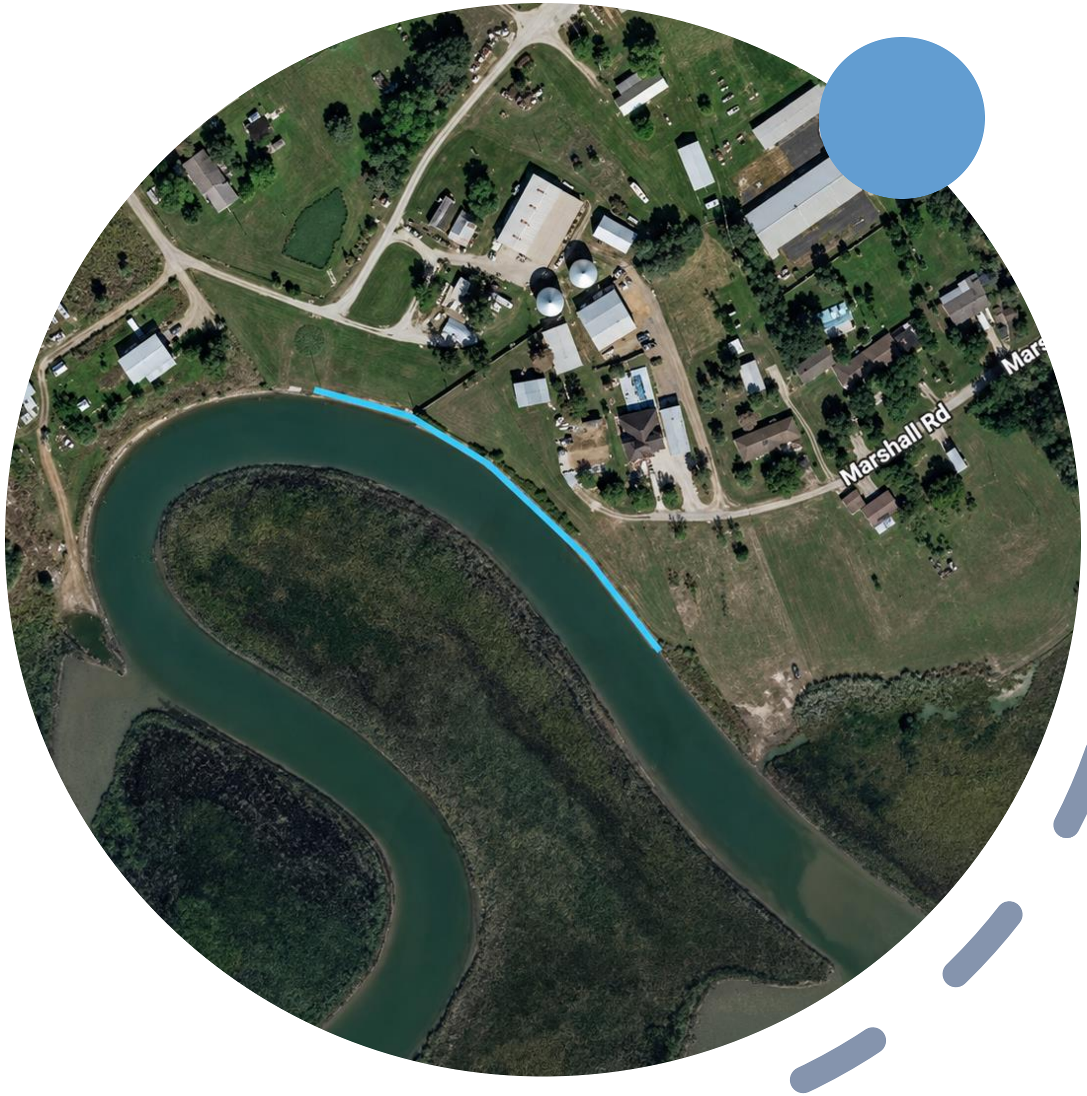
Shoreline Protection of Chocolate Bayou

Page 88 **Public Utility Fund FY2027 Cost - $60,000**

Description: This project involves the construction of a bulkhead along a critically eroded area of the Chocolate Bayou shoreline, where erosion has advanced to the point of exposing a visible public waterline. The proposed shoreline protection will stabilize the bank, prevent further erosion, and protect essential infrastructure by installing a durable bulkhead system along the vulnerable section of the bayou.

Justification: The current shoreline erosion poses a serious threat to public utilities and infrastructure. The exposed public waterline is at risk of damage or failure, which could result in water service disruption, costly emergency repairs, and environmental contamination. Implementing this bulkhead project is essential to preserving infrastructure integrity, protecting water quality, and ensuring public safety. Additionally, stabilizing the shoreline will prevent future erosion, reduce sedimentation in the bayou, and support long-term environmental and operational sustainability.

Special Consideration: Regulatory permitting from agencies such as the U.S. Army Corps of Engineers and the Texas General Land Office will be required. Construction timing may be coordinated to avoid disruption to water service and sensitive aquatic habitats. Engineering design must account for hydrodynamic forces and long-term erosion trends. This project may qualify for coastal resiliency or hazard mitigation grant funding. Community awareness and communication will be important due to the proximity to public infrastructure.



Waterline Replacement Program

District #2 Tim Dent Page 89 **Public Utility Fund FY2027 Cost - $239,330**

Description: This project proposes a phased waterline replacement program focused on identifying and replacing aging cast iron (CI) and asbestos cement (AC) water pipes throughout the City’s water distribution system. The replacement will involve upgrading to modern, durable materials that meet current health and safety standards, improving system reliability and water quality for residents and businesses.

Justification: Many sections of the City’s underground water system were constructed decades ago using cast iron and asbestos cement water pipe, which are now considered outdated and prone to breakage, corrosion, and leaks. These aging materials pose potential public health and service risks, and their replacement is critical for ensuring safe drinking water, reducing water loss, and minimizing costly emergency repairs. Proactively replacing these water pipes will strengthen system resilience and prepare the infrastructure for future demand.

Special Consideration: The project will require careful planning and field investigations to locate and prioritize the most at-risk sections of cast iron and asbestos cement water pipe. Proper safety procedures and environmental protocols must be followed during the removal and disposal of AC pipe, as it contains regulated asbestos materials.

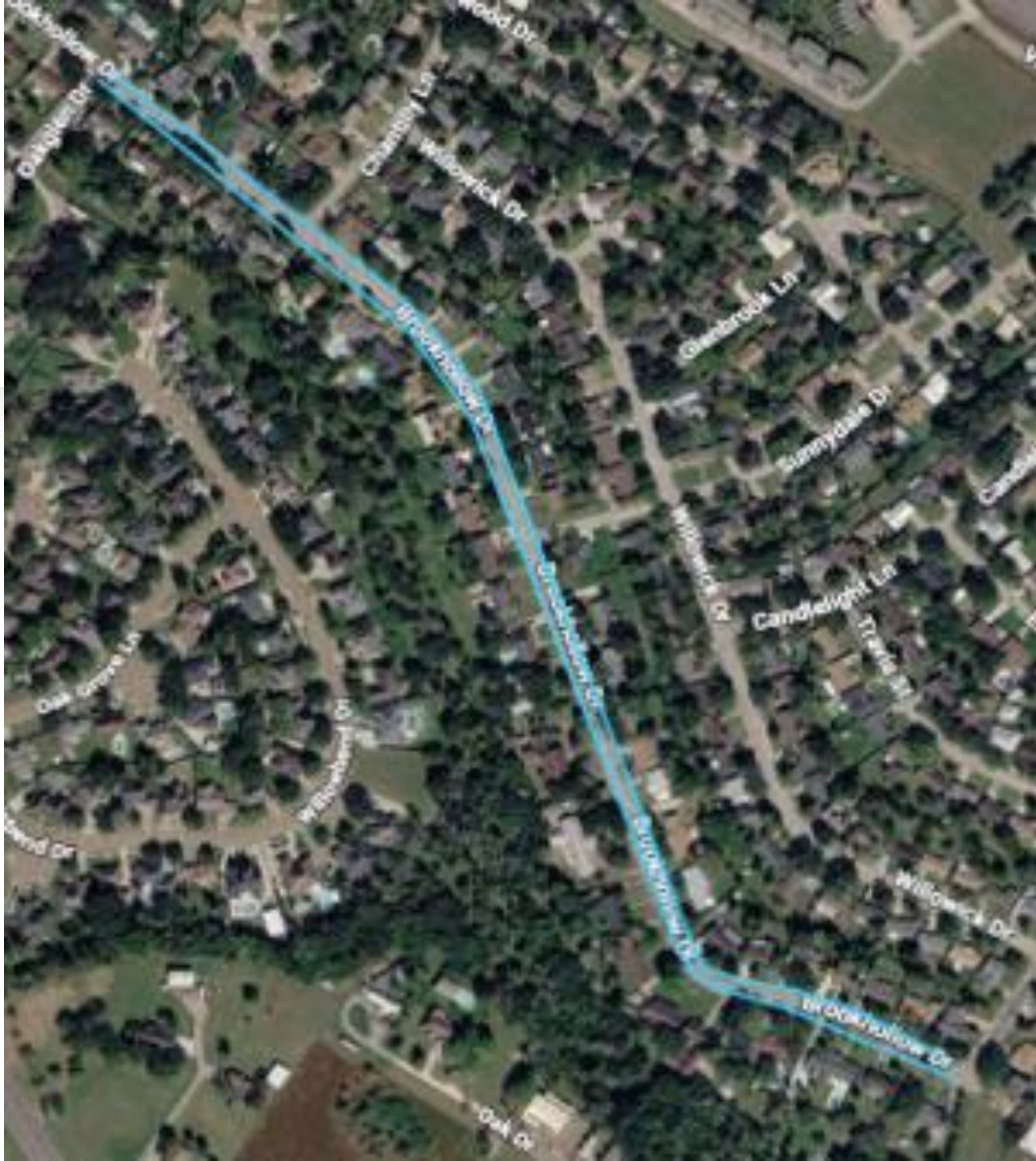
Clay Sewer line Pipe Bursting

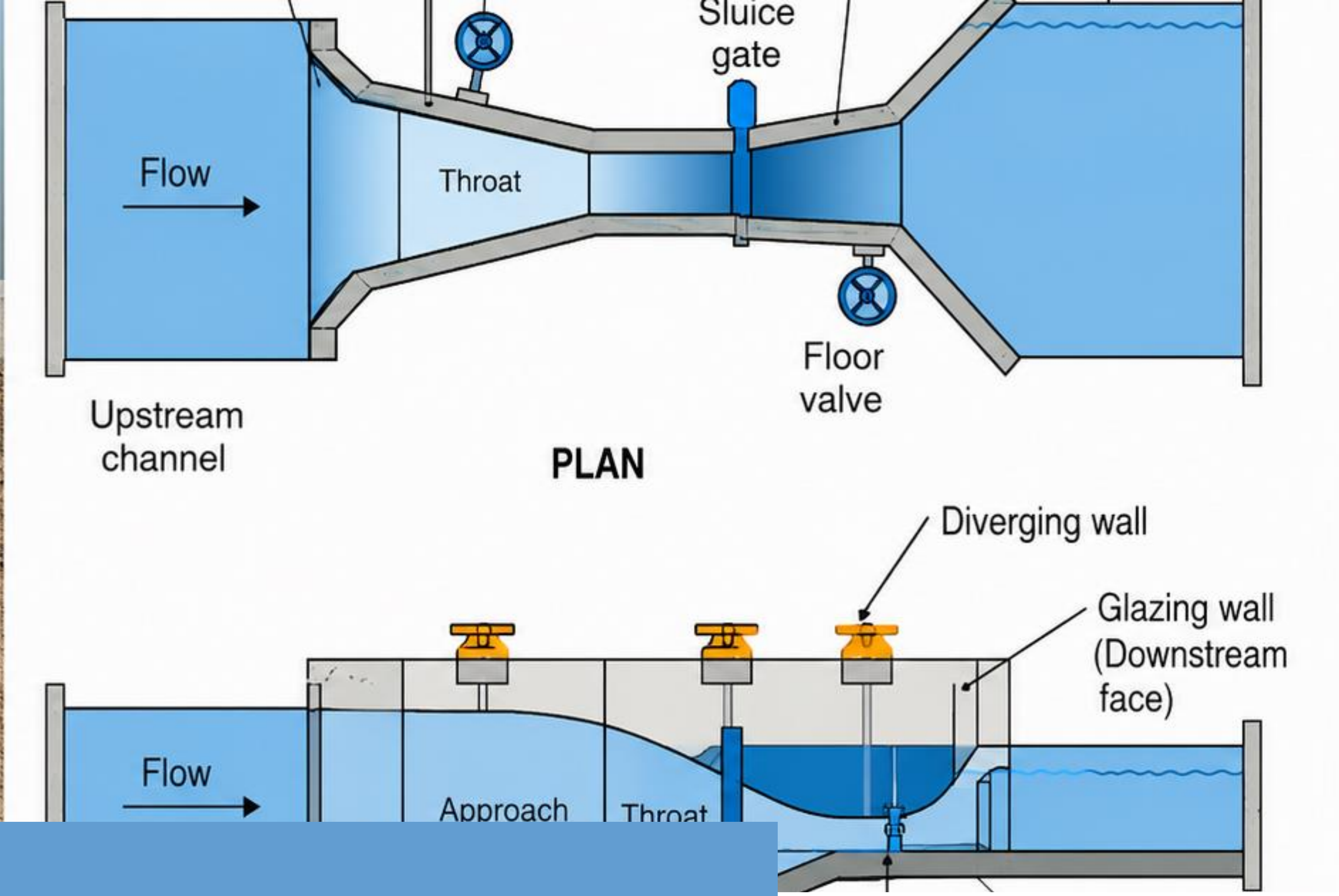
District #6 Justin Burke Page 90 Public Utility Fund FY2027 Cost - $360,589

Description: This project involves identifying and replacing aging clay sewer lines in areas of the City that urgently require rehabilitation. Using the trenchless pipe bursting method, existing clay sewer lines will be replaced with new, high-density polyethylene (HDPE) or other durable pipe material. This method minimizes surface disruption while effectively upgrading failing infrastructure.

Justification: Many clay sewer lines within the City are several decades old and have begun to deteriorate, resulting in frequent cracks, leaks, blockages, and even full collapses. These issues contribute to inflow and infiltration, sanitary sewer overflows, and costly emergency repairs. By identifying the most critical sections in need of clay sewer line replacement, the City can proactively address these failures, improve system performance, and protect public health and the environment.

Special Consideration: A thorough condition assessment and inspections will be conducted to prioritize areas with the most urgent needs. Pipe bursting allows for efficient replacement with minimal excavation, reducing traffic disruption and surface restoration costs. Special care must be taken to protect existing utility crossings and ensure service connections are properly reestablished.





WWTP Improvements

District #5 Rose Bland-Stewart Page 99 **Bond Funds FY2027 Cost - $500,000**

Description: This project includes improvements to the Wastewater Treatment Plant (WWTP) influent flow measurement system, specifically the replacement and rehabilitation of finger weirs and the Parshall flume structure. The project will address deteriorated components, improve hydraulic flow measurement accuracy, and ensure reliable operation of the plant's influent monitoring system. Work may include demolition of existing structures, installation of new stainless steel finger weirs, rehabilitation or replacement of the Parshall flume, associated concrete and channel repairs, instrumentation upgrades, and related site restoration.

Justification: The existing finger weirs and Parshall flume have experienced deterioration due to age, corrosion, and continuous exposure to wastewater flows. Accurate influent flow measurement is critical for regulatory compliance, operational efficiency, process control, and reporting requirements. Failure or inaccurate readings from these components may impact treatment performance, plant monitoring, and compliance with Texas Commission on Environmental Quality (TCEQ) permit requirements. Improvements will enhance reliability, extend the service life of the WWTP infrastructure, and support continued efficient wastewater operations for the City.

Special Consideration: Construction activities will need to be carefully coordinated to maintain continuous WWTP operations and minimize disruptions to treatment processes. Temporary bypass pumping or phased construction may be required during rehabilitation activities.

Lift Station Upgrade: Shellfish

District #5 Rose Bland-Stewart Page 100

Public Utility Funds FY2027 Cost - $150,000

Description: This project includes critical upgrades to the Shellfish Lift Station, aimed at improving the overall performance, reliability, and capacity of the wastewater collection system in the surrounding service area. The scope of work includes the replacement of aging pumps, electrical components, control systems, and structural rehabilitation as needed to bring the station up to modern standards.

Justification: The Shellfish Lift Station is a key component of the City's wastewater infrastructure. Over time, worn and aging equipment has reduced the station's efficiency, and separations in the concrete wet well are contributing to inflow and infiltration into the City's sewer collection system. Upgrading this lift station is essential to eliminate this source of I/I and reduce maintenance costs and support future development in the area. Enhancing its operational reliability will help the City stay in compliance with environmental and wastewater regulations while ensuring uninterrupted service to residents and businesses

Special Consideration: Construction sequencing must maintain service during the upgrade to avoid sewer disruptions. Environmental permitting and coordination with utility providers may be required. Site access and safety planning will be necessary due to the proximity to sensitive areas or public infrastructure.

Beach Operations

FY 2026 - 2027

Cabanas at the Splash Pad

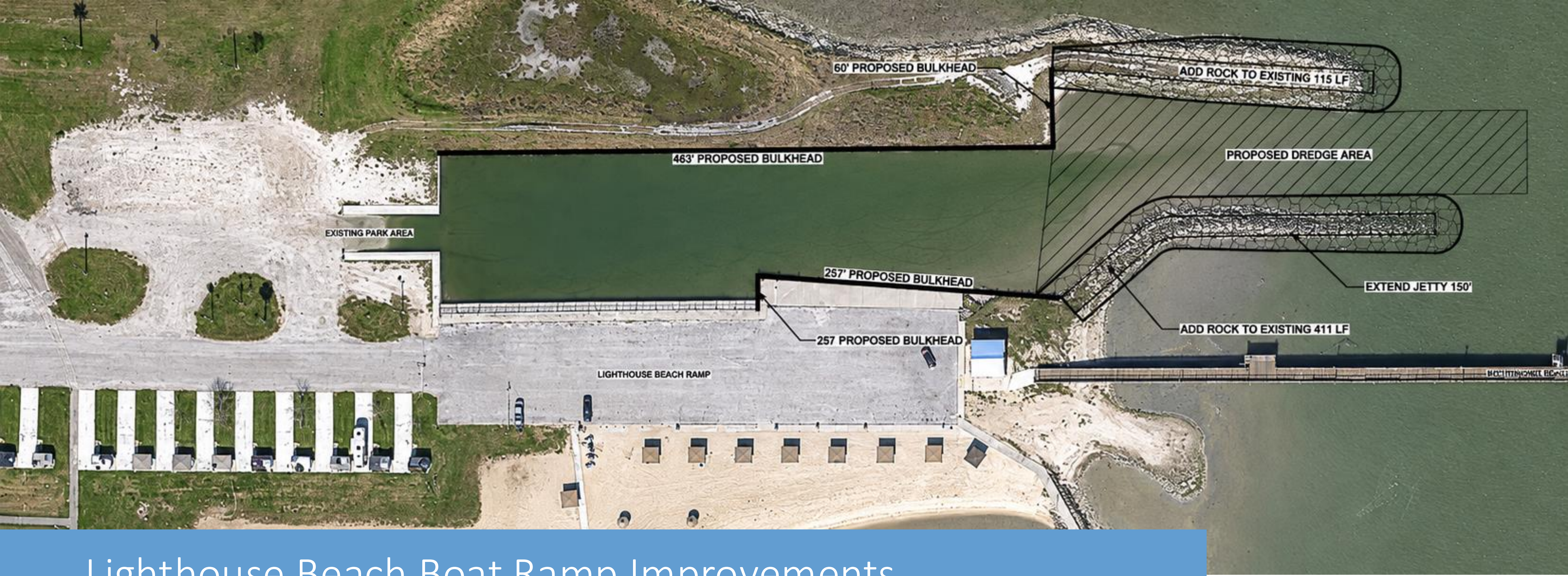
District #5 Rose Bland-Stewart   Page 107

Beach Fund FY2027 Cost - $40,000

Description: This project proposes the installation of three new shaded cabanas at the City's splash pad facility. Each cabana will include a covered seating area with picnic tables to provide families and visitors with a comfortable place to relax and observe their children in a shaded environment. The cabanas will be constructed with durable, weather-resistant materials to withstand outdoor conditions.

Justification: The current splash pad area lacks sufficient shaded seating, especially during peak summer months when high temperatures can create an uncomfortable environment for visitors. Adding cabanas will increase comfort and safety by offering shaded rest areas, encouraging longer stays, and greater use of the facility. These improvements will also support increased community engagement and visitor satisfaction.

Special Consideration: The cabanas should be designed with materials that meet local building codes and resist corrosion from humidity and water exposure. Placement should not obstruct sightlines to the splash pad or interfere with emergency access. ADA accessibility must be considered in the layout and construction.



Lighthouse Beach Boat Ramp Improvements

District #5 Rose Bland-Stewart Page 108 **Grant (75%/25%) FY2027 Cost - $243,000**

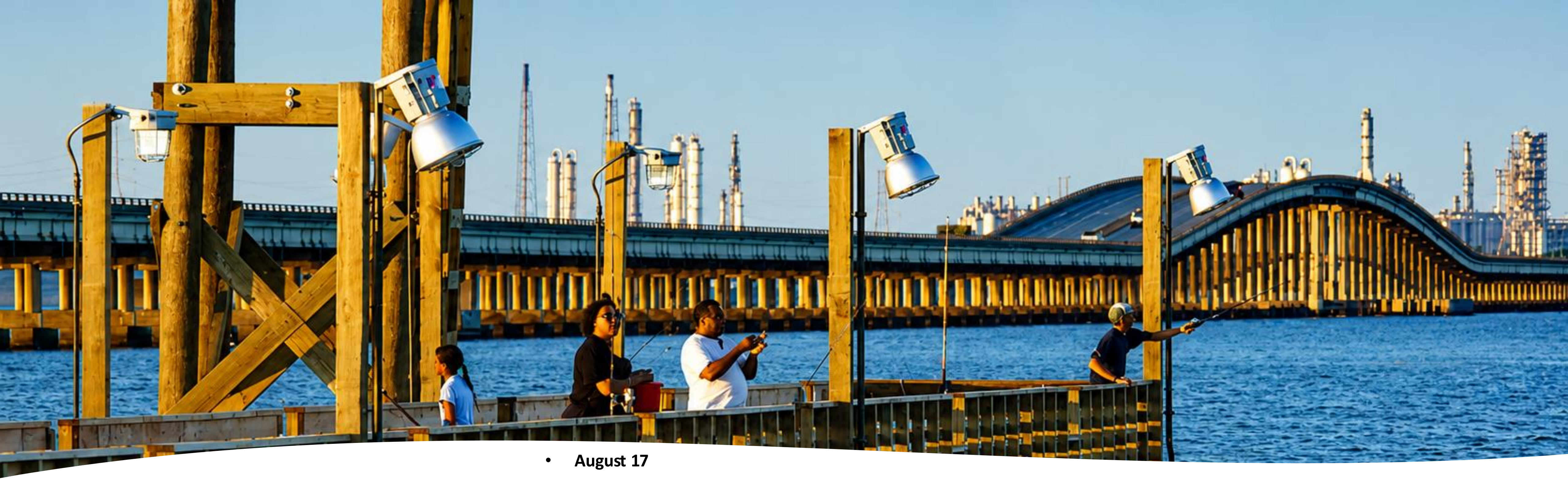
Description: The Lighthouse Beach Park Boat Ramp Improvements Project will replace approximately 780 linear feet of deteriorated timber bulkhead with new vinyl bulkheading and a concrete cap, rehabilitate the existing rock jetties, extend the south jetty by approximately 150 feet, and dredge approximately 5,000 cubic yards of sediment from the entrance channel. These improvements will restore navigable access and improve the functionality of the public boat ramp and turning basin.

Justification: The existing bulkhead is more than 50 years old and has deteriorated significantly due to age, coastal exposure, and storm damage. The failing bulkhead contributes to erosion and sediment accumulation within the basin. Additionally, the existing jetties no longer provide adequate protection from wave action and sediment deposition, causing frequent channel shoaling and limited access during low-tide conditions. Improvements are needed to maintain safe and reliable access for recreational boaters, commercial fishing, law enforcement, emergency response agencies, and fishing tournaments.

Special Consideration: The project is located within a coastal environment and will be designed to improve resilience against hurricanes, storm surge, erosion, and future coastal hazards. Jetty rehabilitation and extension will reduce sedimentation and maintenance dredging needs while enhancing long-term channel stability. Environmental permitting and regulatory coordination will be required for dredging and in-water construction activities.

Discussion on Future Years

Please note that all amounts shown for future fiscal years are preliminary planning estimates only. These figures serve as placeholders for long-term financial planning and project scheduling and are subject to change based on market conditions, inflation, construction costs, funding availability, project scope, and City Council priorities. Actual project costs and funding allocations will be evaluated and updated annually through the budget development and Capital Improvement Program (CIP) review process.



What's Next?

- August 17
  - Special Council Meeting
    - Record Vote of PROPOSED Tax Rate
    - Set Public Hearings
  - Budget Workshop
    - 9:00AM – 4:00PM
    - Presentation of Proposed Budget
- September 14
  - Regular Council Meeting
  - Public Hearings on Budget & Tax Rate
  - Approve Capital Plan
  - 1st reading on Budget & Tax
- September 21
  - Special Council Meeting
  - 2nd reading on Budget & Tax