



SPECIAL PORT COMMISSION MEETING

Tuesday, January 30, 2024 at 10:00 AM

City Council Chambers | 202 N. Virginia Street, Port Lavaca TX 77979

MINUTES

STATE OF TEXAS §
COUNTY OF CALHOUN §
CITY OF PORT LAVACA §

On this the 30TH day of January 2024, the Port Commission of the City of Port Lavaca, Texas, convened in a special session at 10:01 a.m. in the regular meeting place in City Council Chambers at City Hall, 202 North Virginia Street, Port Lavaca, Texas, with the following Commissioners in attendance:

ROLL CALL:

Alex Davila	Commissioner / Chairman
Raymond Butler**	Commissioner / Secretary
Mike McGuire	Commissioner
Robert Knox	Commissioner
Sue Traylor	Commissioner
Larry Nichols	Commissioner
Jamie O'Neil	Commissioner

**And with the following:

Commissioner Butler arrived at 10:05 a.m. during Agenda #3

(Author's note; The Regular Port Commission Meeting scheduled for January 16, 2024, was cancelled due to Winter Weather Conditions)

CONSENT AGENDA

1. APPROVAL OF MINUTES

a) MINUTES OF DECEMBER 19, 2023 - REGULAR MEETING

Motion made by Commissioner McGuire

NOW THEREFORE, LET IT BE RESOLVED BY THE PORT COMMISSION OF THE CITY OF PORT LAVACA, TEXAS:

THAT, the Regular December Minutes of the Special Port Commission meeting held on January 30th, 2024, are hereby approved.

Seconded by Commissioner Knox.

Motion passed by the following vote:

Voting Aye: Alex Davila, Mike McGuire, Robert Knox, Sue Traylor, Larry Nichols, and Jamie O'Neil

Voting Nay: None

2. RECEIVE HARBOR MASTER'S INSPECTION / MAINTENANCE REPORT

Motion made by Commissioner McGuire

NOW THEREFORE, LET IT BE RESOLVED BY THE PORT COMMISSION OF THE CITY OF PORT LAVACA, TEXAS:

THAT, the Harbor Master's December 2023 Inspection Report of the Special Port Commission meeting held on January 30th, 2024, are hereby approved.

Seconded by Commissioner Knox.

Motion passed by the following vote:

Voting Aye: Alex Davila, Mike McGuire, Robert Knox, Sue Traylor, Larry Nichols, and Jamie O'Neil

Voting Nay: None

REPORTS

3. RECEIVE FINANCIAL REPORTS OF PORT REVENUE FUND

- a) Tariff Report
- b) Account Aging Report
- c) Payment Report
- d) Revenue and Expenditure Report
- e) Balance Sheet / Property Tax Distribution
- f) Profit and Loss Cash Flow Report

A copy of these reports, in their entirety, can be found in the Port Commission meeting packet dated January 30th, 2024.

Agenda item discussed.

No action was taken.

4. RECEIVE STATUS REPORTS

a) Renovations to Nautical Landings Marina Breakwater - Presenter Jody Weaver

- The following is a memo, in its entirety, from Interim City Manager Weaver:

From: Robin Kolton, TPWD

The updated information from Matt Glaze on January 5, 2024, was received and the information has been submitted to FMS for their review. I know they are reviewing, but I don't have an exact date that it will be reviewed/returned for additional information/approved. As soon as I get the information, I will contact you and will keep you updated.

b) CDBG-MIT Coastal Resilience Project - Presenter Jody Weaver

- The following is a memo, in its entirety, from Interim City Manager Weaver:

From: Thomas Everett, PE

We don't have anything on the calendar yet with the COE. Our environmental sub is working toward finalizing the permit application. They expect us to begin engaging with the COE at the end of the month/early February and will try for a JEM meeting by mid-February.

- A copy of the November and December 2023 Progress Report from Mott McDonald can be found in the Port Commission Packet dated January 30, 2024

c) Restore Project - Presenter Jody Weaver

- The following is a memo, in its entirety, from Interim City Manager Weaver:

From: Samantha Litchke, TCEQ

Please see the attached cover letter and fully executed contract for the City of Port Lavaca Shoreline Clean-up project. As the cover letter explains, I will now set up a post award meeting for us to discuss all aspects of the project. Please let me know of any dates the week of January 15th or January 22nd that work best for you. Please also let me know if there are any other individuals (name and title) I should include in this meeting. I have also attached the Federal Reporting of Pass-Through Funding Report. The report is a federal requirement for grantees that provides a subaward, pass-through, federal funding to a subgrantee. Please keep this for your files. If you have any questions, please feel free to reach me. I will be out of the office starting tomorrow until Jan 2nd but will reply to you as soon as I can.

- A copy of the cover letter and fully executed contract can be found in the Port Commission Packet dated January 30, 2024

d) Culvert Replacement Project #P-2024-019 - Presenter Jody Weaver

- The following is a memo, in its entirety, from Interim City Manager Weaver:

There has been no new developments regarding Helena's interest in funding this project. I learned today that Louis Rodrigue retired on Dec. 31st and the new division manager's name is Joseph Webber.

1.10.2024

Again, funding of this project was included in our application to utilize our allotment of Round 2 CDBG-MIT funds. We anticipate hearing back from GLO sometime in March. If approved, we will engage Mott McDonald to prepare design and construction documents to bid the project out sometime in hopefully 4th quarter 2024.

Update 1.23.2024

We had a meeting with GLO on Monday, January 22 to review a small list of RFI questions they had of our application. In attendance were myself, our engineering teams (Mott McDonald and Urban Engineering) and KSBR, our grant administrator. It seems that most of the RFI's were easily resolved and many in fact had been included in the application, we just need to point out where the information is in the application in our response to the RFI.

I asked GLO for a realistic time frame before we would have an executed contract for these CDBG-MIT funds. It sounds like we're looking at a minimum of 6 months. Although this Round 2 funding is not involved in the issues that GLO is having with the Federal Government on the Round 1 competition funds (which we didn't receive), the Round 2 funds may be delayed until they get the Round 1 funds all worked out.

5. RECEIVE STATUS REPORTS ON SPECIAL PROJECTS

a) Status report regarding Voluntary Restoration Project II at the Harbor of Refuge (CDBG-MIT Round 2 application) - Presenter Jody Weaver

➤ No new updates. Hope to hear back from GLO regarding our application in March.

a) Status report regarding GLO CEPRA Grant - Presenter Jody Weaver

➤ The following is a memo, in its entirety, from Interim City Manager Weaver

On Thursday, January 4th, Jim and I met with Abigail Richardson and Kevin Frenzel with the General Land Office to kick-off the CEXPR (Coastal Erosion Planning & Response Act) grant we received for the engineering for the shoreline protection projects at the Harbor of Refuge (east shoreline of the old landfill site, east shoreline of the peninsula (Tract 11) and the shoreline south of the mitigation area.

The first step is to receive and execute the contract between the City and the State of Texas for this grant. Ms. Richardson is the GLO project manager for this grant and she will begin working on the contract language.

The step following this will be to execute an engineering agreement with Mott McDonald for these projects. The total funds required are \$688,000. \$412,800 is CEPRA funds, \$200,000 are funds granted from the Matagorda Bay Mitigation Fund and \$75,200 from the General Fund

c) MBMT Grant Project Downtown Waterfront Public Access Improvement - Presenter Jody Weaver

➤ The following is a memo, in its entirety, from Interim City Manager Weaver

The Matagorda Bay Mitigation Trust (Trust) is pleased to inform you that your proposal titled "City of Port Lavaca Downtown Waterfront Public Access Improvements" has been selected for the award.

The Trust received 39 proposals in response to the Request for Proposals issued on September 1, 2023, totaling \$16.1 million. The Trust has selected 25 projects totaling \$11.1 million for the award.

I look forward to working with you and your organization on this exciting project.

This award is contingent on executing a contract between your organization and the Trust. I will be reaching out to you in the near future to finalize your contract.

6. RECEIVE HARBOR MASTER'S OPERATIONS, PROMOTION/DEVELOPMENT ACTIVITY REPORT

a) City Harbor

- 1) February 28, 2024, Prestige Oysters will need a new lease. They are also interested in track 9 & 9A.
- 2) Federation (Matagorda Bay Cooperative) – No updates

b) Nautical Landings Building

- 1) February 28, 2024 Allied Universal new lease in process.

c) Nautical Landings Marina

- 1) Abandon boat – will tow to HOR to dispose of.
- 2) Horizon Environmental has been onsite 7 times since the last PC meeting.
- 3) January 10, 2024, received 3rd & 4th registered letter back on Cox boat, proceed with sale.

d) Smith Harbor

- 1) January 8, 2024, grant awarded from Matagorda Bay Mitigation Trust

e) Harbor of Refuge

- 1) January 5, 2024, had a meeting with CEPRA Grant Project.
- 2) January 2, 2024, Mulching was completed.
- 3) LCI has been hauling fill and material and stockpiling.
- 4) Encore Dredging cleaning moving equipment to Track 11.
- 5) December 11, 2023, City Council voted to wait for grant funds for RR drain culvert replacement.
- 6) Encore is in the process of purchasing dredge pipes from Manson.
- 7) Aerial spraying – No updates

ACTION ITEMS: LEASES**7. DISCUSS NEW LEASE AGREEMENT FOR ALLIED UNIVERSAL - PRESENTER JODY WEAVER**

Motion made by Commissioner O'Neil

NOW THEREFORE, LET IT BE RESOLVED BY THE PORT COMMISSION OF THE CITY OF PORT LAVACA, TEXAS:

THAT, Chairman Davila, makes recommendation to accept the new proposed lease for Allied Universal.

Seconded by Commissioner Butler.

Motion passed by the following vote:

Voting Aye: Alex Davila, Raymond Butler, Robert Knox, Sue Traylor, Larry Nichols, and Jamie O'Neil

Voting Nay: McGuire

Motion carries.

8. DISCUSS NEW LEASE AGREEMENT FOR PRESTIGE OYSTERS INC - CITY HARBOR TRACT 10 - PRESENTER JODY WEAVER

➤ The following is a memo, in its entirety, from Interim City Manager Weaver

According to the Valbridge Appraisal Report, we should expect an annual rental rate of \$20,000 for Tract 10 of City Harbor, being 480 LF of dock. There has been a 1.43% increase in the MCI since the report was issued in May, which brings this amount to \$20,287, or \$3.52/LF/Mo. of dock.

Currently Prestige leases only 330 ft of the total 480 LF for \$1,213.66/Mo or \$3.68/LF/Mo, for an annual rate of \$14,563.92.

- If the new lease will be for the entire 475.8 linear feet of tract 10, then the proposal is \$1690.50/Mo or \$20,286.00 annually (\$3.553/LF).
- If we are agreeable to again leasing only 330 liner feet of Tract 10, then I would propose a target annual revenue of at least \$15,000 since it may be difficult to find a lessor for just the last 150 ft. For 330 ft this would equate to \$1,250/Mo or \$3.787/LF/Mo.
- The lease will include language to apply an MCI increase on October 1 of each year of the lease term.
- Term length: The current lease was for 2 years with a single 3-year option.

- Reference the attached Site Plan of Tracts 9, 9A, and 10.
 - According to the Valbridge Appraisal. Report, we should expect an annual rental rate of \$1.03/SF for Tract 9 and 9A, or an annual rental rate of \$3 0,000.
 - Tract 9 is 21,000 sf (\$21,630 annual rate) = \$1,802.50/Mo (*429.4 LF dock equates to \$4.20/LF*) Tract 9A is 8230 sf (\$8,477 annual rate) = \$706.42/Mo
 - Combined = \$2,508.92/Mo = \$30,107 annual rate.
- A copy of the Site Plan of Tracts 9, 9A and 10 executed can be found in the Port Commission Packet dated January 30, 2024

COMMENTS

9. COMMENTS FROM COMMISSIONERS.

Agenda item discussed.

No action necessary.

ADJOURNMENT

Commissioner Nichols made a motion to adjourn the meeting.

Commissioner Traylor seconded this motion.

Motion passed by the following vote:

Voting Aye: Alex Davila, Mike McGuire, Raymond Butler, Robert Knox, Sue Traylor, Larry Nichols, and Janie O'Neil

Voting Nay: None

The meeting was adjourned at 11:12 a.m.

These minutes were approved on February 20, 2024.

ATTEST:

Alex Davila, Chairman

Rachel Garza, Admin Assist.