



# SPECIAL PORT COMMISSION MEETING

Tuesday, April 02, 2024 at 9:30 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 2<sup>nd</sup> day of April 2024, the Port Commission of the City of Port Lavaca, Texas, convened in a special session at 09:31 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             |
| Larry Nichols  | Commissioner             |
| Jamie O'Neil   | Commissioner             |

And with the following Commissioners absent:

|             |              |
|-------------|--------------|
| Sue Traylor | Commissioner |
|-------------|--------------|

### ACTION ITEMS: NEW BUSINESS

1. DISCUSS TARIFF COMPARISON STUDY AMONG TEXAS PORTS LED BY PORT COMMISSIONER RAYMOND BUTLER.

Commissioner Butler presented to the board a spreadsheet of a Comparative Tariff Fee Chart from various Ports within our region.

- Recommendation from Chairman Davila to establish an Ad Hoc Committee to bullet point specific issues regarding all tariff fees and review leases for consistency and bring it back to the table for the board to vote possibly at the Regular Port Commission Meeting in May and then take to Council for approval.

2. REVIEW HELENA AGRI-ENTERPRISES' LEASE AND TARIFF REQUIREMENTS.

Recommendation from Chaiman Davila continue to charge Helena Agri-Ent, thousand dollars a month until they have cleared the eighty-one thousand dollars expensed for railroad repairs and maintenance.

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

Attached please find an opinion letter written by Sandra Witte regarding agenda item #2. I did further clarify with her that Helena's lease language would allow for Helena to be obligated to pay the rail use fee in the tariff in addition to any invoices for rail maintenance.

- To date (since the execution of Helena's current lease), the city has spent \$81,365.97 on rail improvement services from Diamond K including quarterly inspections).
- Helena is paying the monthly rail fee and with the April payment, will have paid \$27,825.00 to date.
- Recall, in September 2020, Council had adopted a rail fee of \$75/railcar/day, but after talks with Helena, Council amended this to \$10,000/year in September 2021 and then \$12,000/year in September 2023.

A copy of the letter from Sandra Witte can be found in the Special Meeting packet dated April 2, 2024.

3. DISCUSS TAXES PAID BY LESSEES AND THEIR ALLOCATION.

Motion made by Commissioner McGuire

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

THAT, Chairman Davila, makes recommendation to propose to Council to transfer property taxes collected from Port Commission Leased Properties to be allocated to the Port Commission account so that added to our revenue we can progress forward.

Seconded by Commissioner Butler.

Motion passed by the following vote:

Voting Aye: Alex Davila, Raymond Butler, Mike McGuire, Robert Knox, and Jamie O'Neil

Voting Nay: Larry Nichols

Motion carries.

4. DISCUSS PORT COMMISSIONS INVOLVEMENT AND PARTICIPATION IN THE MBMT GRANT PROJECT DOWNTOWN WATERFRONT PUBLIC ACCESS IMPROVEMENT PLANS.

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

The Port Commission has been discussing improvements to the parking lot behind Nautical Landings for a few years. In order to budget adequate funds to include landscaping and sidewalks, the adopted FYE24 Capital Improvement plan shows a total of \$300,000 budgeted for the Nautical Landings Parking Lot improvements. Recognizing that this parking lot will be used as public parking for downtown in addition to parking for building tenants, this cost was equally split between Ports & Harbors and the General Fund, as approved by Council.

- September 19, 2023, I approached the Port Commission about the idea of making application to the Matagorda Bay Mitigation Trust for a project that would be consistent with the adopted Downtown Waterfront Master Plan which would make improvements to the area around Poor Boy Bait to include some bulkhead, public walkway, a deck for fishing and crabbing, transient public boat slips. The Port Commission endorsed the idea of applying for a grant. At that meeting, I commented that the parking lot would not be concrete, but instead asphalt and that parts of the parking lot will be impervious and that we were working with the Clean Coast Texas program to help in the design of such.
- October 9, 2023, I approached Council about the idea of using the \$300,000 budgeted in the CIP for this parking lot improvements as a committed match for the grant application, which would increase the chances of being awarded the grant. In the discussion, it was recognized that these funds were in the FY2025/26 budget and if we were successful with the grant, the actual expenditure of these funds could possibly be needed a year earlier in the FY 24/25 year. Council voted to commit \$300,000 matching funds for the Parking Lot Improvements.
- October 17, 2023, I reviewed the submitted application with the Port Commission. I mentioned that I was not able to include any bulkheading in front of Poor Boy Bait because I was cautioned that the scoring committee generally will not approve the use of grant dollars within leased property. I also provided the budget, mentioning that Council had approved a commitment of a \$300,000 match.

The Matagorda Bay Mitigation Trust did award the project to the City of Port Lavaca and at the Council meeting on February 12, Council approved the contract with the Matagorda Bay Mitigation Trust for \$400,000 toward the proposed Downtown Waterfront Public Access Improvement Project with an estimated total cost of \$700,000.

This project was discussed at a recent Green Infrastructure Workshop hosted by the City of Port Lavaca and presented by GLO Clean Coast Texas, and we are making plans to apply for Clean Coast Texas grant funding to go towards the \$100,000 budget in this project for Green Infrastructure drainage elements for the parking lot improvements.

Urban Surveying performed the topographic survey needed for engineering design earlier this week.

**ADJOURNMENT**

Commissioner Nichols made a motion to adjourn the meeting.

Commissioner Butler seconded this motion.

Motion passed by the following vote:

Voting Aye: Alex Davila, Mike McGuire, Raymond Butler, Larry Nichols, Robert Knox, and Jamie O'Neil.

Voting Nay: None

The meeting was adjourned at 11:19 a.m.

These minutes were approved on April 16, 2024.

ATTEST:

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Alex Davila, Chairman

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Rachel Garza, Admin Assist.