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## CITY OF PORT LAVACA

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**COUNCIL MEETING:** AUGUST 11, 2025

**AGENDA ITEM:**

**DATE:** 8.06.2025

**TO:** HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**FROM:** JODY WEAVER, INTERIM CITY MANAGER

**SUBJECT:** CONSIDER APPROVAL OF ORDINANCE AMENDING APPENDIX A – FEES, RATES, AND CHANGES

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**Background:**

Chapter 2 – Administration:

In December 2024 the City approved an amendment to the fees to reflect a credit card convenience fee for those customers paying for city services with a credit card. It has been six months since implementing this fee and the City is still absorbing a large portion of these fees due to the low amount set initially.

Overlooking our rate schedule from our merchant Open Edge that was provided back in December 2024 while the charge for each transaction is \$0.50 and .89% of sale amount, there are additional fees associated with each transaction that have a different set of fees.

Overlooking the statements from the past six months the City has calculated that the best cost allocation would be a flat percentage of 4%. This would ensure that the cost of City services is allocated directly to the individual receiving them and prevent the city from increasing any appropriation in the budget for these costs.

Chapter 8 - AMUSEMENTS AND ENTERTAINMENTS:

In previous discussions with council, there seemed to be a consensus that the rates charged per amusement machine needed to be increased. The current ordinance requires amusement centers to pay a \$50.00 annual license fee per machine.

Staff is recommending the fee to be increased to \$150.00 per amusement machine as shown below:

CHAPTER 8—AMUSEMENTS AND ENTERTAINMENTS

Section Number	Subject	Fee Amount
<i>Amusement machines, traveling shows and carnivals.</i>		
<a href="#">8-21</a>	An occupation tax is imposed on each coin-operated machine that an owner exhibits or displays, or permits to be exhibited or displayed in this state (V.T.C.A., Occupations Code § <a href="#">2153.401</a> , Imposition of Tax)	½ the amount levied by the state
<a href="#">8-25</a>	Penalty for failure to pay occupation tax on amusement machine, pool table, etc.	\$50.00 per machine
<a href="#">8-28</a>	Amusement center annual license	<del>\$50.00</del> <u>\$150.00</u> per machine
<a href="#">8-76(1)</a>	Traveling show, carnival, etc., permit	\$50.00
<a href="#">8-76(2)</a>	Traveling show, carnival, etc., deposit	\$50.00
<i>Sexually oriented business permit.</i>		
<a href="#">8-99(c)</a>	<i>Permits</i>	
	New	\$150.00
	Renewal	\$150.00

(Ord. of 6-27-1972, §§ 1—4; Ord. No. G-4-02, § VII, 12-9-2002; Ord. No. G-2-06, § 3, 3-13-2006; Ord. No. G-1-12, art. II, 3-12-2012; Ord. No. G-3-13, art. II, 9-9-2013)

Chapter 50 Utilities:

WATER USER RATES:

The Required Revenue to pay to Undine will be a known amount of \$218,781 per month beginning in October. This is an increase from last year of \$32,044/month. Similarly to how we calculate the increase for the GBRA fee, we are proposing to add \$6.95 across the board to the water use Base Rate for all In-City rate payers, as shown below. (By ordinance, Out of City pays 1.5x In-City rates and are shown below).

CURRENT			Uniform increase per rate payer		
rate	Classification	# accts	\$6.95	Revenue	Total water rate
\$26.65	Residential	3702	\$6.95	\$25,729	\$33.60
\$29.15	Sml Comm	501	\$6.95	\$3,482	\$36.10
\$46.65	Lrg Comm	148	\$6.95	\$1,029	\$53.60
\$39.98	Res OUT*	161	\$10.43	\$1,678	\$50.40
\$43.73	Sml Comm Out*	15	\$10.43	\$156	\$54.15
\$69.98	Lrg Comm Out*	4	\$10.43	\$42	\$80.40
* Out of City rate = 1.5x In City rate		4531		\$32,116	

Required Revenue: \$32,044

GBRA FEE: The City of Port has contracted with GBRA to pay for it's full reserve of 4,480 Acre-feet (AF) (4.0 MGD) of raw water with incremental increases in the rate since 2016. Currently the City is paying for 4,032 AF and as of September 1, 2025 will be committed to pay for the entire 4,480 AF.

GBRA has notified us that there will be an increase in the per Acre-foot charge from \$184/AF to \$193/AF.

Therefor the Raw Water Fee for FY 2025-26 will be 4,480 AF x 193/AF = \$864,640

\$864,640 / 12 months / 4531 rate payers = **\$15.91** per rate payer per month.

Chapter 54 Waterways:

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The proposed changes are those to match the Tarrif Circular 1A as follows:

- 1) match the layout of the same information in the Tariff Circular 1A
- 2) Add a fee of \$5.00 per day per vehicle for any use of public parking areas by Commercial Tenants of the City Ports and Harbors or those persons Fleeting/Mooring or Docking in City Ports and Harbors.
- 3) Add a Bunker Fee (Item 230 in the Tarif) to charge \$50 per truck for fuel tanks to fuel docked or fleeted vessels
- 4) Establish a fine for unauthorized fleetinging or mooring
- 5) Establish a rate schedule for Commercial Vesel Dockage with a duration of up to and including 6 months and for leases between 6 month and a year.
- 6) Change name of the rail fee from “Use of Rail Spur” to “Rail Spur Maintenance Fee”