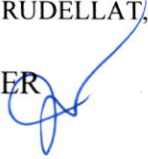

CITY OF PORT LAVACA

MEETING: NOVEMBER 18, 2024 **AGENDA ITEM** 6

DATE: 11.15.2024

TO: PORT COMMISSION BOARD MEMBERS CC: JIM RUDELLAT, HARBOR MASTER

FROM: JODY WEAVER, INTERIM CITY MANAGER 

SUBJECT: TRACT 3 LEASE (4.3 Acres)

At the November City Council meeting on November 13, Council approved, in a 4-2 decision, a one-year standard lease agreement with Encore Dredging, LLC for \$3,500 per month from December 1, 2024 to November 30, 2025.

There was a lot of discussion. Chipper Dowell and Hillary Franke spoke for Encore Dredging, LLC and Robert Knox was in attendance and Council asked for his input as a representative of the Port Commission. I think generally the Council was in agreement that we need to carefully consider and use the Valbridge report in establishing lease values. However, the majority of Council I believe was concerned that there may not be another entity wanting to lease this property at this \$4,833.33/month price at this time and was comfortable with having a certain \$42,000 revenue stream for FY 2024-25.

Council requested that a workshop be scheduled with the Port Commission in early 2025 to review the Valbridge report and status of current leases and expiration dates and discuss strategies for the future. Possible dates include Jan 20, 27 or Feb 17, 2025 at 5:30 pm.