



REGULAR PORT COMMISSION MEETING

Tuesday, October 18, 2022 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 18th day of October 2022, the Port Commission of the City of Port Lavaca, Texas, convened in regular session at 10:00 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	Chairman
Raymond Butler	Commissioner / Secretary
Mike McGuire	Commissioner
Sue Traylor	Commissioner
Michael Kovarek	Commissioner
Jamie O'Neil	Commissioner
Larry Nichols	Commissioner

CALL TO ORDER

Chairman Davila called the meeting to order and presided at 10:00 a.m.

CONSENT AGENDA

1. **CONDUCT ELECTION OF SECRETARY AND TAKE ANY ACTION DEEMED NECESSARY.**

Motion made by Commissioner McGuire

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

THAT, the Port Commission hereby appoints Commissioner Raymond Butler as Secretary.

Seconded by Commissioner Traylor.

Motion passed by the following vote:

Voting Aye:

Alex Davila, Mike McGuire, Larry Nichols, Michael Kovarek, Raymond Butler, Sue Traylor, and Jamie O'Neil.

Voting Nay: None

2. APPROVAL OF MINUTES

a) MINUTES OF SEPTEMBER 20, 2022 - 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 minutes of the Port Commission regular meeting held on October 18, 2022, are hereby approved.

Seconded by Commissioner Nichols.

Motion passed by the following vote:

Voting Aye:

Alex Davila, Mike McGuire, Larry Nichols, Michael Kovarek, Raymond Butler, Sue Traylor, and Jamie O'Neil.

Voting Nay: None

3. RECEIVE HARBOR MASTER'S INSPECTION / MAINTENANCE REPORT.

- A copy of these reports, in their entirety, can be found in the Port Commission's meeting packet dated October 18, 2022.

Motion made by Commissioner Butler

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

THAT, the Harbor Master's Inspection Report of the Port Commission regular meeting held on October 18, 2022, are hereby approved.

Seconded by Commissioner Kovarek.

Motion passed by the following vote:

Voting Aye:

Alex Davila, Mike McGuire, Larry Nichols, Michael Kovarek, Raymond Butler, Sue Traylor, and Jamie O'Neil.

Voting Nay: None

REPORTS

4. 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
- f) Profit and Loss Cash Flow Report

- A copy of these reports, in their entirety, can be found in the Port Commission's meeting packet dated October 18, 2022.

ACTION ITEMS: RECEIVE STATUS REPORTS

5. ACTION ITEMS: RECEIVE STATUS REPORTS

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

The Port Lavaca Nautical Landings Boat Ramp — Breakwater Repair project TX F-321-B-1, F22AF03533 is currently being reviewed by the TPWD Federal Aid team. Once we receive Federal Aid verification, the agreement is ready to be signed by us (TPWD) and sent out for execution. Keep your eyes out for RGO email with the agreement and instructions for execution over the next few weeks.

b) CDBG-MIT Coastal Resilience Project / Restore Project - Presenter Jody Weaver**CDBG-MIT Coastal Resiliency**

No new update. Engineer is Coastal Engineering Analysis Phase.

RESTORE

We heard from TCEQ that we should have the contract to review and execute in the "next few weeks."

- Progress Report Update from Mott McDonald can be found in the Port Commission's meeting packet dated October 18, 2022.

c) Discuss property values and evaluations - Presenter Jody Weaver

Keith Barrett, Executive Director / Harbor Master of Aransas County Navigation District shared with the Commissioners his experience with using TEEL/Valbridge to evaluate and appraise their properties.

6. ACTION ITEM - RECEIVE STATUS REPORTS ON SPECIAL PROJECTS

- a) Status report regarding TCEQ inspection in June 2022 of Tract 17 and 17A - Presenter Jody Weaver

We have not received a response from TCEQ since our submittal on June 7, 2022, in response to their records request.

Axis Demolition has completed the removal of the wood mats and plastic and metal debris piles. We will submit photos and disposal tickets to TCEQ this week.

Urban Engineering is working to schedule the topo survey for the identified area of disturbed soil in Tract 17A.

I have submitted an application to the Matagorda Bay Mitigation Trust to help fund the Phase 1 Engineering for a project to construct a combination revetment /bulkhead along this bank. Phase 1 includes 30% engineering design, application for a CEPRA grant and submittal-ready Corps of Engineers permit application.

If we are successful with the Trust application, we will continue down the CEPRA grant path for this shoreline protection and look to use the CDBG-MIT funds to protect the peninsula that protects the Harbor of Refuge as this project fits more closely with the goals and objectives of the CDBG-MITIGATION.

b) CRG Limited Phase II Environmental Site Assessment of Harbor of Refuge Tracts 16, 17, and 17A - Presenter Jody Weaver

The drinking Water Survey requested by TCEQ was prepared on our behalf by CRG Environmental and submitted on time. We are waiting for a response from TCEQ for next steps.

7. ACTION ITEM - RECEIVE HARBOR MASTER'S OPERATIONS, PROMOTION/DEVELOPMENT ACTIVITY REPORT

a) City Harbor

- August 1, 2022, Contractor found the problem with the handrail at the upper dock should be on sight August 15, 2022 to make the necessary repairs. Staff should be back on site to complete the repairs by October 14, 2022.

b) Nautical Landings Building

- Testengeer is working on engineering and a scope of work for the electrical upgrades to go out for bids.

c) Nautical Landings Marina

- Matt Estes City Attorney awaiting probate.
- Abandon boat, found owner. In process of auctioning boat.
- Horizon Environmental has been onsite 12 times since last PC meeting.

d) Smith Harbor

- Dredge spoils waiting for it to dry out before shaping up piles.

e) Harbor of Refuge

- Axis Demolition should be on sight the week of the 19 September to start the clean up & dispose of the debris. They arrived as scheduled should be completed October 13, 2022.
- Aerial spraying

ACTION ITEMS: RECEIVE REPORTS AND DISCUSS STATUS OF LEASES**8. DISCUSS NEW LEASE FOR BAY LIMITED, EFFECTIVE NOVEMBER 1, 2022.**

Bay Ltd. did not notify us in time to exercise the one-year option available in their lease but would like to sign a new one year lease with a one year option.

The MCI for August is 9.4%.

Currently they are paying \$1,240.00 for rent (1.07/sf) + \$190 for electricity and \$20 for water/sewer

Applying a 9.4% increase to the rent brings it to \$1,356.56. Electricity and water remain the same. The lease states that these utilities are subject to change with any change in the per kWh or water/sewer base rates that the City pays.

Attached is a proposed Draft Lease document, reflecting an overall monthly payment of **\$1,566.56**, which includes the utilities. This is an overall 8% increase over the \$1,450.00 they currently pay.

The special provision states:

Tenant shall have the right with ninety (90) days advance written notice to City to exercise a single one (1) year option to extend the lease until October 31, 2024, however City shall have the right with sixty (60) days advance written notice to Tenant to deny any request to extend the lease and to terminate the lease at the end of the current term, being October 31, 2023. The rent for the single one (1) year option if executed shall be adjusted by the increase of the Municipal Cost Index as of August 2023.

Motion made by Commissioner Nichols

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

THAT, Chairman Davila, makes recommendation to accept new lease agreement for Bay Limited as proposed.

Seconded by Commissioner Butler.

Motion passed by the following vote:

Voting Aye:

Alex Davila, Mike McGuire, Larry Nichols, Michael Kovarek, Raymond Butler, Sue Traylor, and Jamie O'Neil.

Voting Nay: None

9. DISCUSS LEASE OF TRACT 3, 11 AND 12 AT HARBOR OF REFUGE.

Chairman Davila announced this agenda item would be discussed in closed session.

10. DISCUSS LEASE OF TRACT 9, 9A AND 10 AT CITY HARBOR.

Motion made by Commissioner Nichols

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

THAT, Chairman Davila, makes recommendation to accept new bid agreement for Tract 9 and 9A with a minimum bid of Thirty-eight Hundred dollars (\$3,800) with a one-year (1) lease and a one-year (1) option to renew with an MCI escalation clause.

Seconded by Commissioner Butler.

Motion passed by the following vote:

Voting Aye:

Alex Davila, Mike McGuire, Larry Nichols, Michael Kovarek, Raymond Butler, Sue Traylor, and Jamie O'Neil.

Voting Nay: None

11. ANNOUNCEMENT BY THE CHAIRMAN THAT THE PORT COMMISSION WILL RETIRE TO CLOSED SESSION.

Chairman Davila announced that Port Commission would retire into closed session at 11:30 a.m.

12. RETURN TO OPEN SESSION AND TAKE ANY ACTION NECESSARY ON ITEM DICUSSED IN CLOSED SESSION.

Chairman Davila announced that Port Commission was back in open session at 11:56 a.m.

(A)

Motion made by Commissioner Nichols

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 bid offer from Encore for Tract 3 with the following terms, Three-Thousand dollars (\$3,000) with a one-year (1) lease and a one-year (1) option to renew, along with dock space at \$3.30 per linear foot.

Seconded by Commissioner O'Neil.

Motion passed by the following vote:

Voting Aye:

Alex Davila, Mike McGuire, Larry Nichols, Michael Kovarek, Raymond Butler, Sue Traylor, and Jamie O'Neil.

Voting Nay: None

(B)

Motion made by Commissioner Nichols

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

THAT, Chairman Davila, makes recommendation to place Tract 11 and 12 out for bid at a minimum cost of \$350.00/acre.

Seconded by Commissioner Kovarek.

Motion passed by the following vote:

Voting Aye:

Alex Davila, Mike McGuire, Larry Nichols, Michael Kovarek, Raymond Butler, Sue Traylor, and Jamie O'Neil.

Voting Nay: None

COMMENTS

13. COMMENTS FROM THE COMMISSIONERS.

No Comments

ADJOURNMENT

Commissioner McGuire made a motion to adjourn the meeting.

Commissioner Traylor seconded this motion.

Motion passed by the following vote:

Voting Aye:

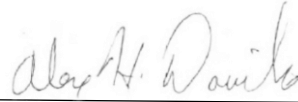
Alex Davila, Mike McGuire, Larry Nichols, Michael Kovarek, Raymond Butler, Sue Traylor, and Jamie O'Neil.

Voting Nay: None


Meeting adjourned at 12:06 p.m.

These minutes were approved on November 15, 2022.

ATTEST:



Alex Davila, Chairman



Rachel Garza, Admin. Assistant