



REGULAR PORT COMMISSION MEETING

Tuesday, December 19, 2023, 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 19TH day of December 2023, the Port Commission of the City of Port Lavaca, Texas, convened in regular session at 10:02 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 Commissioner absent:

Sue Traylor	Commissioner
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1. APPROVAL OF MINUTES

a) MINUTES OF NOVEMBER 21, 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 Minutes of the Port Commission regular meeting held on December 19th, 2023, are hereby approved.

Seconded by Commissioner Butler.

Motion passed by the following vote:

Voting Aye: Alex Davila, Mike McGuire, Raymond Butler, Robert Knox, 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 November 2023 Inspection Report of the Port Commission regular meeting held on December 19th, 2023, are hereby approved.

Seconded by Commissioner Butler.

Motion passed by the following vote:

Voting Aye: Alex Davila, Mike McGuire, Raymond Butler, Robert Knox, 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's meeting packet dated December 19th, 2023.

Agendaitem discussed.

No action was taken.

4. RECEIVE STATUS REPORTS

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

Interim City Manager Weaver was not in attendance; however, addressed Port Commission via memo:

From: Robin Kolton, TPWD

Please send me the updates and I will submit them to FWS.

1. How will the pilings be driven and what is their diameter? If you do not have this info at this time, let me know.
2. Determination of Effects:
 - a. Why is the manatee unlikely to be found with the project site?
 - b. I would agree that some sea turtles may be affected by the project, so a may affect, not likely to adversely affect call may be warranted, but that call may not be necessary for each turtle species. Again, a discussion for each turtle regarding it's habitat preferences like you did for each of the other species is needed to determine what call to make for each. If we do end up with a may affect not likely call, we will have to get concurrence from NOAA.
 - c. In section B. the BMPs provided are good for the FWS species, but NOAA Fisheries' BMPs for sea turtles may also be needed, depending on the diameter of the pilings and how they are driven.

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

Interim City Manager Weaver was not in attendance; however, addressed Port Commission via memo:

After some informal meetings with TPWL, it appears we can realistically consider placing the breakwater as originally proposed, but there will be a requirement for reef relocation (which can be performed by Mott McDonald's subcontractor Triton and can be done immediately before construction). There will be a requirement for mitigation; M/M doesn't anticipate having to construct any additional features. However, we will be required to prepare a mitigation plan and there will be monitoring required for some period of time. These items may extend the schedule of permitting, but (hopefully) not extensively. Note that these conclusions are based on feedback from only one agency, but the one who is likely to have the largest concern with impacts to the oysters. There will be other concerns from other agencies. For example, there is a pending listing of the Green Sea Turtle as Endangered, and NMFS and USACE are very cautious around the topic and are requiring consultation with NMFS on the topic for many projects where we would never have seen that in the past. That will require preparation of an Environmental and Biological Assessment, which is more than we would typically anticipate for this project in this location. That will all get clarity as we move into JEM meeting and permitting, coming early next year.

NOTE: If we take the path to place the breakwater in the originally proposed breakwater location to better protect Fisher Harbor, we will need to relocate the reef which will require a mitigation and monitoring plan and will require a commitment to monitor oysters in the project area for a minimum of 5 years after construction. This is outside the current grant budget estimate. Mott McDonald is getting me a cost estimate to be prepared for the anticipated monitoring and reporting efforts. This monitoring and other item associated with the mitigation are outside the scope of the original grant and will require additional funding.

Our primary objective is to satisfy GLO's goals and objectives which led them to award the grant for this project in the first place. I have asked Joshua to discuss this with Joshua Oyer of GLO. If the additional protection of Fisher Harbor is something that is important enough to GLO to advocate for the relocation of the oysters, then I would think they would provide some additional funding. If this is not a key objective for them and the city would need to pay the additional cost, then we need to carefully take that into consideration. Once we have a bit more information about this, we can set up a meeting with M/M's sub-Triton for more details.

Next step is finalizing our permit plans and permit documents (underway now) and presenting at a JEM meeting. Then, if JEM does not raise unexpected issues, submitting the permit application, likely in late January.

c) Restore Project - Presenter Jody Weaver

Interim City Manager Weaver was not in attendance; however, addressed Port Commission via memo:

From: Samantha Litchke

The contract is at its last stop before final signature and execution. Before signature can you please verify the correct TIN for me? The contract file that you signed; I believe the TIN is incorrect (see image below). I have on the original application for the project the TIN is 74-6001927. Once this is resolved and I have clarified the correct TIN it will be moved on to sign.

Texas Commission on Environmental Quality Subgrant Reimbursement Contract	
Contract Name:	City of Port Lavaca Shoreline Clean-up
Contract Number:	582.23-42179
Performing Party Identification Number:	3-455455455
Maximum Authorized Reimbursement:	\$500,000.00 (Not to Exceed Amount)

I am checking in on this contract daily so please feel free to check in with me at any time. Once the project is underway, I will have a larger hand in day-to-day matters and am looking forward to working with you and being as proficient as possible.

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

Interim City Manager Weaver was not in attendance; however, addressed Port Commission via memo:

As reported at the last Port Commission meeting, the City Council has awarded the culvert replacement project to Lester CONTINGENT upon Helena agreeing to pay all costs in excess of the \$300,000 that Council has budgeted for the project.

To date, an agreement with Helena has not been reached. Lester has agreed to hold the price as long as their suppliers do, which should be at least through January.

On a parallel track, we have made an application to utilize CDBG-MIT funds to construct this repair. If approved, we will engage Mott McDonald to prepare, design and contract documents to bid the project out hopefully sometime in 2024.

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**

Interim City Manager Weaver was not in attendance; however, addressed Port Commission via memo:

As preciously reported, we have applied to use funds from our CDBG-MIT Round 2 allocation to fund this project.

There is no information to report. We do not expect to hear anything back until March 2024.

b) Status report regarding GLO CEPRA grant applications - Presenter Jody Weaver

Interim City Manager Weaver was not in attendance; however, addressed Port Commission via memo:

As you recall, we made an application earlier this year for CEPRA grant funding for Engineering for the Shoreline protection projects at the Harbor of Refuge - west side of the channel at the edge of the former landfill, the east side of the peninsula, and the shoreline south of the north/south channel.

We learned recently that we have been awarded this grant. CEPRA funding is \$412,800 and our match is \$275,200.

\$200,000 of which we are getting from the Matagorda Bay Mitigation Trust.

We have also been awarded a grant for an engineering study of the Lighthouse Beach area as well. \$75,000 from CEPRA and \$50,000 match.

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.

B) Nautical Landings Building

- 1) December 5, 2023 – Barefoot Construction commenced work.

C) Nautical Landings Marina

- 1) Abandon boat – no updates
- 2) Horizon Environmental has been onsite 14 times since the last PC meeting.

D) Smith Harbor

- 1) Jody Weaver submitted application to Matagorda Bay Mitigation Trust October 16, 2023.

E) Harbor of Refuge

- 1) December 8, 2023, CEPRA Grant was approved.
- 2) LCI has been hauling fill material & stockpiling.
- 3) Encore Dredging cleaning moving equipment to track 11.
- 4) December 11, 2023, City Council voted to wait for grant funds for RR drain culvert replacement.
- 5) Spoke to Hendry Schorr with Manson Dredging sent demand letter October 11, 2023 about dredge pipe.
- 6) Aerial spraying – No updates

ACTION ITEMS: NEW BUSINESS

7. DISCUSS NEW LEASE AGREEMENT FOR ALLIED UNIVERSAL - PRESENTER JODY WEAVER

Interim City Manager Weaver was not in attendance; however, addressed Port Commission via memo:

Proposed New Rent as of 3/1/2024 - \$710.00 (\$2.22/sf)

Rent:	\$40.00 (\$1.25/sf)
Trash Service:	\$30.00
Janitorial	\$110.00
Subtotal Rent	\$540.00
Water / Sewer	\$30.00
Elect	\$140.00 (\$0.44/sf)
Total	\$710.00 (\$2.22/sf)

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 new rental rate for Allied Universal.

Seconded by Commissioner Butler.

Motion passed by the following vote:

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

Voting Nay: None

Motion carries.

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

Interim City Manager Weaver was not in attendance; however, addressed Port Commission via memo:

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.

COMMENTS

9. COMMENTS FROM COMMISSIONERS.

Agenda item discussed.

No action necessary.

ADJOURNMENT

Commissioner Nichols made a motion to adjourn the meeting.

Commissioner Butler seconded this motion.

Motion passed by the following vote:

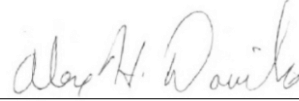
Voting Aye: Alex Davila, Mike McGuire, Raymond Butler, Robert Knox, Larry Nichols, and Janie O'Neil

Voting Nay: None

The meeting was adjourned at 10:49 a.m.

These minutes were approved on January 16, 2024.

ATTEST:



Alex Davila, Chairman



Rachel Garza, Admin Assist.