



PORT COMMISSION REGULAR MEETING

Tuesday, October 05, 2021, 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 §

MINUTES OF 10/05/2021 REGULAR PORT COMMISSION MEETING

The Agenda having been properly posted, Chairman Alex Davila called the meeting to order at 10:04 A.M. on Tuesday, October 5, 2021. Members attending were Commissioner David Roberts, Commissioner Mike McGuire, Commissioner Michael Kovarek, Commissioner Larry Nichols, and Commissioner Jamie O'Neil. City Staff attending were, Interim City Manager Jody Weaver, Finance Director Susan Lang, Harbor Master Jim Rudellat and Rachel Garza. Visitors in attendance Matt Glaze, Urban Engineering.

Absent Member: Commissioner Sue Traylor

CONSENT AGENDA

1. MINUTES OF REGULAR MEETING SEPTEMBER 7, 2021.
*A motion was made to approve the minutes by Commissioner Mike McGuire, Seconded by Commissioner David Roberts.
Motion Carries.*
2. RECEIVE HARBOR MASTER'S INSPECTION / MAINTENANCE REPORT
*Checklist submitted by Jim Rudellat, Harbor Master.
Commissioners discussed this agenda item.
No action necessary and none taken.*

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
 - f) Profit and Loss Cash Flow Report

*Agenda item discussed.
No action necessary and none taken.*

4. RECEIVE STATUS REPORTS OF CAPITAL IMPROVEMENT PROJECTS

a) Upper Docks at City Harbor

Bids were received and opened on 9/7/21. Staff Concrete submitted the only bid of \$255,155.50 for the Base Bid and Alternate No. 1. City Council awarded the Base Bid and Alternate No. 1 on 9/27/21. The contract documents are being sent to Staff Concrete for execution.

b) Dredging of Smith Harbor

Derrick Construction completed dredging on 9/23/21. We are awaiting a final hydrographic survey from Eddie Fisher to verify the construction meets the design dredge.

c) Renovations to Nautical Landings Marina Break-water - TPWL Grant

The plans are complete awaiting Texas Parks and Wildlife approval to bid the project. Jody Weaver, had contact with TPWD on 9/25/21 which stated we are waiting on them to complete one item in their online system to allow us to proceed with completing required forms and documentation

d) Improvements to the Nautical Landings Marina Building

October 1, 2021, received three bids for replacement of 9 exterior doors.

Gonzales Contracting Inc - \$38,985.00

Barefoot Construction - \$ 36,740.00

Castle Creek - \$ 39,850.00

Something More Medica lease executed September 29, 2021.

e) CDBG-MIT Coastal Resilience Project / Restore Project

We still have not received the grant documents from the GLO for this 13.6M CDBG-Mitigation Grant, but we have received word from GLO that the contract is in the que along with about 100 others. There is no action needed until we receive the contract from the GLO. After that we can begin negotiations with the selected engineer, Mott McDonald, for professional engineering services for the project.

5. RECEIVE STATUS REPORTS ON SPECIAL PROJECTS

a) Voluntary Restoration of disturbed final cover at the Harbor of Refuge Tract 16.

Randy Boyd has not begun working on this. He assures Jody Weaver, that he will follow through with this once the site dries up. Recall that the scope includes providing 18" of clay soil and 6" of topsoil over an area of about 150' x 95' and graded to drain.

b) Limited Phase II Environmental Site Assessment of Harbor of Refuge Tracts 16, 17, and 17A,

There is no activity to report on this item.

As you recall, earlier this year we contracted with CRG Texas Environmental Services to perform a Limited Phase II Environmental Site Assessment/TRRP Applicability Determination Report on the referenced site. This report was submitted to TCEQ in early July, requesting TCEQ consider exclusion of this site from further action under TRRP (Texas Risk Reduction Program).

TCEQ has until November 1 to respond. Again, the hope is that TCEQ will agree that no further action or monitoring is needed.

c) Proposed Air Burner for Brush Operations and Cleanup at the Harbor of Refuge.

- I (Jody Weaver) am wading through the guidance on TCEQ's website on how to submit an application for a Permit by Rule for the burner itself and then a permit to operate. It will take me another couple of weeks to get through this. I've also got a call into VEC to verify the availability of 3 phase power at the County recycle center location. I'll take all this information to Commissioner's Court soon to discuss an interlocal agreement regarding this air burner and then get authorization from Council to purchase.*

- *I haven't been out to the brush site lately, but if we want to try and haul off some of the chips to Republic in Bloomington, I can work on a bid package for consideration for award at the December meeting. Recall the estimated cost to haul off the most recently created chip pile was about \$60,000.*

Motion to authorize Jody Weaver, Interim City Manager to move forward to put out a bid to remove chips for \$60,000 dollars.

Motion was made by Commissioner Michael McGuire and Seconded by Commissioner David Roberts.

Motion Carries.

6. RECEIVE HARBOR MASTER'S OPERATIONS, PROMOTION/DEVELOPMENT ACTIVITY REPORT

a) City Harbor

- 1) *September 30, 2021, Gonzales Contracting looked over washes behind bulkhead on Tract 9 and the washed-out area behind Scully's.*
- 2) *September 27, 2021, Staff Concrete Construction was awarded upper dock contract. they were the single bidder.*

b) Nautical Landings Building

- 1) *October 1, 2021, received three bids for replacement of 9 exterior doors.
Gonzales Contracting Inc - \$38,985.00
Barefoot Construction - \$ 36,740.00
Castle Creek - \$ 39,850.00*

Motion to accept recommendation from Jody Weaver, Interim City Manager on bid from Barefoot Construction' for the replacement of the exterior doors at Nautical Landings Building.

Motion was made by Commissioner Larry Nichols and Seconded by Commissioner Michael Kovarek.

Motion carries.

- 2) *Something More Media lease executed September 29, 2021.*

c) Nautical Landings Marina

- 1) *September 14, 2021, won court case against Dominic Diodato*
- 2) *Matt Estes awaiting Probate.*
- 3) *Addressing the abandon boat with Colin Rangnow, Police Chief.*
- 4) *Horizon Environmental been onsite 0 times since the last PC meeting.*

d) Smith Harbor

- 1) *Poor Boys Bait lease was executed September 29, 2021.*
- 2) *Dredging - Derrick Construction has completed the digging portion of their contract.*

e) Harbor of Refuge

1) Chief Rangnow and Wayne Shaffer are researching the cameras for the parks and HOR.

RECEIVE REPORTS AND DISCUSS STATUS OF LEASES:

7. CONSIDER RENTAL RATES AND TERMS FOR THE FOLLOWING NEW LEASES

a) Spiretek – Suite 2

Currently this space is leasing for an overall rent of \$1.28/SF. (Suite 2 has a view of the bay, and access to the deck from the adjoining hallway). I have broken it out as follows:

Rent \$1.11 sf	\$1,600.00
Elect. Estimate:	170.00
Water Estimate:	30.00
Breakroom / bathroom	\$50.00
Total	\$ 1,850.00 / \$ 1.28 sf

b) Bay Ltd – Suite 5

Currently this space is leasing for an overall rent of \$1.22/sf. (Suite 5 is a very nice space but no bay view or easy access to the back deck). I have broken it out as follows:

Rent \$1.01 sf	\$1,170.00
Elect. Estimate:	210.00
Water Estimate:	30.00
Total	\$ 1,410.00 / \$ 1.22 sf

c) Port Lavaca Plumbing – Suite 1D

Currently this space is leasing for \$450/mo. which equates to \$2.20/sf. Suite 1D is a small space with a bay view window and no direct access to the back deck. I've broken it down as follows:

Rent \$1.71 sf	\$ 350.00
Elect. Estimate:	50.00
Water Estimate:	50.00
Total	\$ 450.00 / \$ 2.20 sf

d) Shrimp boat slip for Aucencio Rubio (Smith Harbor)

Auscencio Rubio has been leasing space to dock one shrimp boat, apart and separate from Poor Boy Bait for \$300/month. That lease expired on August 31, but the boat had been moved to City Harbor while the dredging was going on. Aucencio has consistently paid his rent on time and continues to do so to date.

Now that Smith Harbor has been cleared of the old pilings, we need to consider the best place to continue to rent a space for this shrimp boat and a new rental rate. 5% increase would be \$315/month and 10% would be \$330/month. The two boat spaces he has with his Poor Boy lease are \$250/month each.

8. CONSIDER RENTAL MARKET RATE FOR TRACT 3, 11 AND 12 FOR THE HARBOR OF REFUGE

Current rates are as follows:

Tract 3 (4.3 acres) adjacent to 100' wide public dock space.

\$650/acre/month (\$2,795.00/month) + City tariffs for priority use of the public dock. *

If the demand of the public dock space is such that written complaints are received, then payment of this monthly tariff would cease, and the tenant would have to pay daily dockage fees as applicable

Tract 11 and 12 (13.5 acres) no dock \$100/acre/month (\$1,350.00/month)

Motion to put tracts up for public bid with a current lease minimum rate.

Motion was made by Commissioner Mike McGuire and Seconded by Commissioner Larry Nichols.

Motion carries.

9. CONSIDER RENTAL MARKET RATE FOR TRACTS 9 AND 10 OF CITY HARBOR

At the October 11th City Council meeting, Council will consider the Port Commission's recommendation to approve the first reading of an amendment to Ordinance No. 8-16-85 to reduce the right-of-way width of Leonard Buren Road in City Harbor. Notice has been provided to the adjacent property owner of this pending action and I'll notify them again prior to the Council meeting.

Tract 9 has a total of $185+155+171 = 511$ LF of dock and approx. 0.9 acre less 0.2 acre for the right-of-way, so 0.7 acre +/-.

Tract 10 has a total of 480 LF of dock. The width of City owned land is still be investigated. Currently this is being leased on a month-to-month basis for \$1002.67/month. Divided by the 480 LF of dock, that's equal to \$2.09/LF dock.

10. REPORT ON HIRING SPECIAL COUNSEL FOR PORT COMMISSION TENANTS THAT REFLECT CONFLICT OF INTEREST WITH THE CITY ATTORNEY

There is no action to report on this item. When I discussed with Council the Port Commission's recommendation made at the August meeting, the understanding was that when the City Attorney has a conflict of interest, or otherwise recommends contracting with an outside attorney on any potential litigation, she will notify Council and Council will engage Special Counsel.

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

Chairman Alex Davila, announced that Port Commission would retire into closed session at 11:36 a.m.

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

Chairman Alex Davila announced that Port Commission was back in open session at 12:25 p.m. and there would be no action taken with regard to matters discussed in closed session.

ACTION ITEMS: NEW BUSINESS

13. CONSIDER ESTABLISHING A NEW MONTHLY DATE AND TIME FOR REGULAR PORT COMMISSION MEETINGS

Motion was made to move the regular scheduled Port Commission meetings to the third Tuesday of the month, beginning in November 2021.

Motion was made by Commissioner Larry Nichols and Seconded by Commissioner Jamie O'Neil.

Motion carries.

ACTION ITEMS: NEW BUSINESS

14. COMMENTS FROM COMMISSIONERS

No Comments

ADJOURNMENT

A motion was made by Commissioner David Roberts to adjourn the meeting. It was seconded by Commissioner Jamie O'Neil. The meeting was adjourned at 12:42 P.M.