

MINUTES OF
APRIL 21, 2009

THE STATE OF TEXAS §

COUNTY OF CHAMBERS §

WHEREAS, on the 21ST day of April, 2009, a regular meeting of the Board of Navigation and Canal Commissioners of the Chambers-Liberty Counties Navigation District was duly convened at the District's office at 211 Miller Street, Anahuac, Texas, and held in all respects in accordance with law, and to the extent required by law due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting, and a legally sufficient number of members of said District voted in the proper manner; that all other requirements and proceedings under the law incident to the proper adoption or passage of the following order, including publication, as required, has been duly fulfilled, carried out, and otherwise observed; and the following members were present, to wit:

Terry Haltom, Chair
Billy Combs, Vice-Chair
James B. Sterling III, Secretary
Tommy Myzell, Member
Allen Herrington, Member

Staff present: Mary Beth Stengler, General Manager
 Claudia Sandoval, Administrative Assistant
 Wayne Morris, Canal Superintendent

Guests present: George (Pudge) Willcox, Consultant
 Amy Turner, WEC
 Guy R. Jackson, Mayor City of Anahuac
 Kyle Garrison, Corpus Christi, Texas
 Bobbie & Judy Payne, Liberty County Residents

2009-04-01 Minutes: Motion was made by Combs, seconded by Myzell and
unanimously passed to approve the minutes of November 6, 2008 subsequent to
the spelling correction from bond to pond on item # 2008-11-01. Passed

2009-04-02 Financial reports: Discussion was brought up concerning the
financial reports, and the usage of capital items in which we have no money

budgeted for. Motion was made by Myzell, seconded by Sterling and unanimously passed to approve the financial reports. Passed

2009-04-03 Ike repairs: General Manager Stengler reported we are coming to the end of the 100% reimbursement for debris removal. A copy of the approved FEMA PWs was given to the Board, as well as the new lease showing where the Navigation District is awarded \$4.3 million dollars for the levee repairs.

2009-04-04 Proposal Archer Group-Grant U.S. Department of Commerce: Mayor Jackson stated after the Hurricane the County Judge is working with FEMA's ESF 14 which is a long term recovery group; Mr. Jackson was put in charge of the committee that was going to oversee this group. A couple of things that came out of this committee were; one, a safe harbor for boaters from storms, the other was a marina in the Anahuac area. Kyle Garrison, who works for the Archer Group contacted Mayor Jackson. The Archer Group deals strictly with economic development money through the US Department of Commerce and they started talking about a marina at the Harbor. Mr. Garrison came before the board to talk about an opportunity through the Archer Group and what he can do to make this a reality with very little money coming out of the Navigation District pockets. Mayor Jackson's vision was that this project will not be done solely by the Navigation District, the City of Anahuac will be a partner in it and the newly formed Anahuac Municipal Development District and the Chambers Recovery Team (CHART). Mr. Garrison stated this group is familiar with grant funding, and this marina fits in the criteria. These funds are under federal control. The Archer Group would like \$15,000.00 to begin the process, and they feel this project can get between 2.2 to 2.5 million dollars. When we get this notification, then there is an additional \$135,000.00 that would need to be paid. If we don't get the grant, then we are only out the \$15,000.00. Mayor Jackson stated this is for a prime time for a private, public partnership. The grant will be awarded on the creation of jobs, we are in a designated county, does it produce a revenue stream, and does it enhance that area. Mayor Jackson stated he thought it would be better for the Archer Group to contract with one entity, and then the City of Anahuac, Municipal Development District and the Navigation District enter into some agreement. If the grant is awarded to the District, 10% would go toward administrative fees. Mr. Combs felt from a financial standpoint the District could not bear it at this time, not all of it, but he wouldn't mind a portion of it. Mayor Jackson stated the City of Anahuac has not budgeted funds for economic development, but we could allocate some of our capital funds for Chapter 380 under local government code but they do have the Anahuac Municipal Development District and it has a one half cent sales tax and so for it has brought in around \$20,000.00. Mayor Jackson also stated he could not commit the Anahuac Municipal Development District, but this would fit in their charge that was voted on by the public of granting a ecotourism nature based revenue stream for the City of Anahuac. Mayor Jackson stated as Mayor, he does have the spending authority to commit the City of Anahuac for \$5000.00. Motion was made by Combs, seconded by Sterling to commit \$5000.00 toward \$15000.00

out of our Harbor fund contingent on working out a deal with the City of Anahuac and the Municipal Development Fund for the remaining \$135,000.00 and a partnership for the project, but died from a lack of majority of the vote.

2009-04-05 TCEQ Proposed Permit WQ0014928001: Motion was made by Combs, seconded by Myzell and unanimously passed to execute the resolution opposing the proposed permit application No. WQ0014928001 for a Texas Pollutant Discharge Elimination System by Carter CC Ltd. Passed

2009-04-06 Alternative cost irrigation water for 2009: With the lake still holding salt water, discussion was brought up with regard to how much salt young rice can take, which needs to be below 20 grains per gallon. The Board was given a breakdown on what it would cost to rent portable pumps and the fee LNVA was going to charge the District for irrigation water. All Board members were advised that with regard to the LNVA legislation, Liberty County Commissioners Court did not support the Chambers-Liberty Counties Navigation District.

2009-04-07 Surplus property Life Boat: Motion was made by Sterling, seconded by Herrington and unanimously passed to declare the Thompson Lykes boat as surplus property. Passed

2009-04-08 Public Comments: Mrs. Payne stated she was glad we did not give money for the marina.

There being no further business, or public comment, motion was made by Sterling, seconded by Combs and unanimously passed to adjourn.

Passed

Accept this the 16th day of June, 2009.

Terry Haltom, Chair

Attest:

James B. Sterling III, Secretary