

PORT OF PALACIOS AND AREA'S ECONOMIC WELL-BEING CLOSELY TIED

The growth of the City of Palacios has, in the past, coincided with the ebb and flow of Port business and the fortunes of those who fish local waters. If the Port of Palacios is considered an indicator of approaching commerce on our area's horizon, then the forecast is optimistic.

The basis for such optimism has its roots in the good history of cooperation between Matagorda County Navigation District No. 1 and its constituents, Local and County government, Palacios ISD and area economic development organizations. These relationships continue to be strong, resulting in the City's recent award of a \$750,000 grant for new business construction on Turning Basin No. 4, MCEDEC referral of light-industry prospects to the our Commercial Center and County support of Texas Department of Rural Affairs Hurricane Ike Recovery Program funds to insure the Port's continued use as a "harbor of refuge" for Gulf and bay boats.

The Navigation District operates primarily as a landlord port and relies on its tenant relationships to provide services incidental to the Port. The Port's expanding diversity promises to provide new job opportunities in boat manufacturing, industrial fabrication, welding and other skilled trades. Job creation and stabilization is a concern shared with all other public entities in our County.

This year, MCND #1 Commissioners pledged continuing support for our seafood industry by keeping rental rate increases very minimal and by funding major repair projects to keep the docks safe and reliable for future use.

Without routine maintenance dredging, the Palacios Boat Channel and Port harbors would quickly silt up to un-navigable depths. With anticipated help from the U.S. Army Corps of Engineers' Galveston District in 2010, the Port will see the Channel dredged to the federally authorized depth and width of 12' x 125'. Other Corps permitting will assure that all areas of the Port that need restoring to serviceable depths can be dredged.

Port management also continues to study the best use of dredged material in the bays and in upland sites, and MCND #1 has been awarded a \$171,000 grant from Coastal Impact Assistance Program for this study. As a result of the study, a project could also be funded by the Program, up to \$200,000.

The Navigation District works closely with the Texas General Land Office to insure our harbor remains one of the cleanest on the entire Gulf Coast. Completion in 2009 of additional Bilgewater Reclamation Facilities on the Port allow our staff to keep pace with the free pump out service offered to all commercial vessels.

Palacios' bay front is one of our area's finest resources and has one of the few clean and enjoyable beaches adjacent to a commercial Port. We'll do our best to keep it that way.

As we navigate into 2010, all of us at MCND #1 look forward to another great year of serving our District constituents and commercial and recreational customers. We are hopeful for opportunities which will allow us to strengthen the relationships that make us a better and more effective Port for all those who partner with us and rely on us.

Thank you for your business and friendship this year
and best wishes for a
"Merry Christmas and Happy & Healthy New Year".

PORT OF PALACIOS
Matagorda County Navigation Dist. #1

*Ted R. Bates, Jr., Chairman • Jimmy E. Neeley, Commissioner
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