

MINUTES OF MEETING

BE IT REMEMBERED that the Commissioners of the Port of Bay City Authority met Thursday, January 14, 2021 at the office of the Authority, 1305 Seventh St, Bay City, Texas. Due to the COVID-19 pandemic and the large number of confirmed cases in Matagorda County, Texas and the danger and risk to the general public and the Commissioners of the Port of Bay City Authority, the Commissioners participated through video/teleconference and were not physically present at the meeting. The Port office was open to the general public to allow the general public to listen to the meeting, join in, and participate in the video/teleconference meeting. The following Commissioners and staff were present:

Mike Griffith	Chairman
George Harrison	Vice-Chairman
Joey Sliva	Secretary
Lee Weathers	Commissioner
Tommy Countz	Commissioner
Buddy Treybig	Commissioner
Allen Cumbie	Port Attorney
Craig Hlavinka	Harbor Master
Sharron Perez	Office Manager
Visitors:	
Michael Ferdinand	MCEDC Executive Director
Alyssa Dibbern	City of Bay City Engineering Tech

The meeting was called to order at 6:30pm by Commissioner Mike Griffith.

Item 1 – On motion of Commissioner Joey Sliva, seconded by Commissioner Tommy Countz, the minutes for the regular meetings of December 10, 2020 were unanimously approved as read.

Item 2 - On motion of Commissioner Joey Sliva, seconded by Commissioner Lee Weathers, the following disbursements were unanimously ratified and approved:

ACE HARDWARE	793.29
--OPERATING SUPPLIES	
AQUA-ZYME SERVICES INC	480.00
--PUBLIC UTILITIES	
AQUA-ZYME SERVICES INC	320.00
---PUBLIC UTILITIES	
A TEAM LANDSCAPING	120.00
--REPAIRS & MAINTENANCE – OFFICE (A/P)	
AT&T	330.17
--TELEPHONE	
AT&T	443.50
--TELEPHONE	
AT&T	441.73
--TELEPHONE (A/P)	
AT&T	69.18
--TELEPHONE (A/P)	
JENNIFER CHILDERS	1,540.00
--REPAIRS & MAINTENANCE – HARBOR (A/P)	
CPL BUSINESS	43.70
--PUBLIC UTILITIES (A/P)	
B ALLEN CUMBIE	4,267.30
--ATTORNEY'S FEES	
DEXYP	26.50
--PROMOTION & DEVELOPMENT (A/P)	
DEXYP	26.86
--PROMOTION & DEVELOPMENT	
DIRECT ENERGY	19.45
--PUBLIC UTILITIES (A/P)	
DIRECT ENERGY	82.99
--PUBLIC UTILITIES (A/P)	
DIRECT ENERGY	184.86
--PUBLIC UTILITIES (A/P)	
DIRECT ENERGY	3,000.59
--PUBLIC UTILITIES (A/P)	
ELLEN DODD	1,360.00
--SPECIAL DISTRICT ACCOUNTING FEES (A/P)	
GICA	600.00
--SEMINARS & DUES	
GRAINGER	9.29
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	3.92
--REPAIRS & MAINTENANCE – HARBOR	

GRAINGER	2.05
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	6.06
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	43.64
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	27.26
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	36.06
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	9.77
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	196.75
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	45.26
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	146.79
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	16.42
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	42.04
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	3.38
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	1.16
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	3.49
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	26.46
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	1.84
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	2.11
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	3.40
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	.92
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	3.07
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	5.12
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	8.48
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	18.54
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	4.31
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	2.48
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	.52
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	13.69
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	18.66
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	7.08
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	6.58
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	10.24
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	7.27
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	3.73
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	4.97
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	27.53
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	11.80
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	13.38
--REPAIRS & MAINTENANCE – HARBOR	

GRAINGER	3.81
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	12.80
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	3.54
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	7.71
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	2.08
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	1.07
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	2.20
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	1.79
--REPAIRS & MAINTENANCE – HARBOR	
MATAGORDA COUNTY APPRAISAL DISTRICT	6,927.62
--APPRAISAL DISTRICT FEES	
MATAGORDA COUNTY SELF-INSURANCE POOL	15,907.00
--INSURANCE & BONDS (AUTO, LIABILITY, WORKERS COMP, CRIME)	
MATAGORDA LAWN SERVICE	110.00
--REPAIRS & MAINTENANCE – HARBOR (A/P)	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	178.75
--PUBLIC UTILITIES - BOAT SHED (A/P)	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	389.85
--PUBLIC UTILITIES - TENT & FISH CLEANING TABLE (A/P)	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	47.50
-- PUBLIC UTILITIES - PUMP (A/P)	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	225.40
--PUBLIC UTILITIES - TRAILER PARK (A/P)	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	75.00
-- PUBLIC UTILITIES - RESTROOM (A/P)	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	119.30
-- PUBLIC UTILITIES - HOUSE (A/P)	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	85.00
--PUBLIC UTILITIES - MEETING HOUSE (A/P)	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	198.60
--PUBLIC UTILITIES – SPRINKLER (A/P)	
QUILL CORPORATION	11.50
--OPERATING SUPPLIES (A/P)	
QUILL CORPORATION	75.98
--OPERATING SUPPLIES (A/P)	
QUILL CORPORATION	25.83
--OPERATING SUPPLIES (A/P)	
QUILL CORPORATION	35.45
--OPERATING SUPPLIES (A/P)	
QUILL CORPORATION	291.45
--OPERATING SUPPLIES (A/P)	
QUILL CORPORATION	11.98
--OPERATING SUPPLIES (A/P)	
QUILL CORPORATION	133.97
--OPERATING SUPPLIES (A/P)	
QUILL CORPORATION	12.99
--OPERATING SUPPLIES (A/P)	
JAY SCHOLTEN	1,300.00
--REPAIRS & MAINTENANCE – HARBOR (A/P)	
SHARRON'S BOOKKEEPING AND TAX SVC	5,638.64
--OFFICE MANAGER - CONTRACT SERVICES	
--PROFESSIONAL SERVICES (A/P)	
--TELEPHONE (A/P)	
--OPERATING SUPPLIES	
--TRAVEL (A/P)	
--TRAVEL	
SHORELINE CONSTRUCTION	10,569.78
--REPAIRS & MAINTENANCE – HARBOR (A/P)	
SOUTH TEXAS CORRUGATED PIPE	874.50
--REPAIRS & MAINTENANCE – HARBOR (A/P)	
SUTHERLANDS	19.98
--REPAIRS & MAINTENANCE – HARBOR (A/P)	
THE HOME DEPOT	507.87
--OPERATING SUPPLIES (A/P)	
VERIZON WIRELESS	137.24
--TELEPHONE (A/P)	
WCA	483.39

--PUBLIC UTILITIES (A/P)	
WILSCOT	220.25
--MISCELLANEOUS EXPENSE	
CRAIG HLAVINKA	1,888.94
--TRAVEL (A/P)	
--TRAVEL	
--OPERATING SUPPLIES	
--VEHICLE EXPENSE (A/P)	
--VEHICLE EXPENSE (A/P)	
--REPAIRS & MAINTENANCE – HARBOR	
THOMAS LUCAS	535.36
--DEPOSIT REFUND	
SETH ROBERTS	450.00
--DEPOSIT REFUND	

Item 3 – Sharron Perez reviewed the Billing, Collection, Accounts Receivable Reports, and Financial Reports for December 2020. There were no significant items to report on at this time, and Sharron Perez asked if there were any questions regarding the financial information. On motion of Commissioner George Harrison, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the financial reports for December 2020. Detailed copies of these reports are kept as part of the current records of the Port of Bay City Authority,

Item 4 – Sharron Perez also presented a report on past due accounts and actions taken on these accounts. There were ten tenants to which a ten-day letter will need to be sent this month. A detailed copy of the report is kept as part of the current records of the Port of Bay City Authority.

Item 5 - Craig Hlavinka reported on activity at the Port of Bay City. GulfMark Energy is shipping on a regular basis. AEP has staked out the transmission line route and is moving equipment and mats in. Mike Griffith discussed the drill stie relocation to the north corner which would allow rail. The current road would allow access to the drill site. The proposed site appears to be acceptable to all parties, and the agreement is being prepared.

Craig Hlavinka reported on the activity at Matagorda Harbor. Occupancy is at 87% for all docks excluding G-dock which is at 63%. Maintenance work is being done. The gates have been rebolted to the docks.

Item 6 – The Commissioners discussed the consideration to charge AEP for an easement on approximately 2.36 acres out of the 20.64 acres of the Fondren purchase adjacent to OXEA's plant at the Port's terminal. AEP will pay the full price upfront. The Commissioners discussed the current land rental fee of \$500 per acre. AEP is wanting to pay for the lease to cover the maximum term of Air Liquide's current lease. On motion of Commissioner George Harrison, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved consideration in the amount of \$1500 per annum for the maximum term of Air Liquide's lease.

Item 7 – The Commissioners discussed the drill site relocation and cost incurred for surveys and legal work. The Commissioners would like to recoup the cost from AEP or Air Liquide as the relocation is directly related to their project. On motion of Commissioner Joey Sliva, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved a fee of \$40,000 to cover the survey and legal fees.

Item 8 – Mike Griffith reported on the Old Gulf property. There is a group that is about to close on the purchase of the property. The potential new owners are discussing bringing rail to the property and would like to meet with representatives of the Port of Bay City Authority to discuss utilizing eminent domain to obtain the easement to the proposed new barge terminal if necessary. The old easement path was discussed. There was discussion of the Port of Bay City Authority assisting with getting the rail to the switch, and the new owners having to proceed with getting the easement to the Old Gulf property. George Harrison advised that the Port of Bay City Authority would need to have a purpose to utilize eminent domain. Allen Cumbie advised that the condemnation proceedings have become more difficult. The title company would have to be involved and outside counsel would need to be hired. George Harrison discussed working with the railroad commission on this project. Mike Griffith will be meeting with the potential new owners next week. George Harrison discussed some key points to think about such as what will the rail do for the public, will it push the commercial barge terminal forward, and will the new owners become a key tenant for the terminal. Mike Griffith suggested having the new owners pay any legal fees associated with this project. The Commissioners questioned if the new owners have discussed any project details with the Corps of Engineers. Michael Ferdinand advised that all contact has been with third party groups. The new owners are also wanting to discuss future Port projects and outlooks. There was a brief discussion regarding other future prospects that would potentially need to utilize rail. George Harrison feels that the Port Authority will need to be involved to prevent exclusivity. No action was required at this time.

Item 9 – Allen Cumbie advised the Commissioners that the Dorrell/Estes boat sold and should be moved in ten to twelve days.

Allen Cumbie discussed his concern regarding the website not being complete and the legislative requirements not met at this time. The election information needs to be posted to the website for public access. Heather Case discussed the website progress with Insyteful. Kristina Walters with Insyteful advised that there were delays in obtaining content from the Port of Bay City Authority. Heather Case will set up a virtual meeting with Kristina Walters, Allen Cumbie, George Harrison, Craig Hlavinka, and Sharron Perez to get a timeline and determine what else is needed to get the new website operational. Heather Case has been able to contact Tom Erickson and get access to the old website for the Port of Bay City Authority to post election items.

Item 11 – Michael Ferdinand, MCEDC Executive Director, thanked the Commissioners for their continued support. Micheal Ferdinand provided an update on the various prospects interested in Matagorda County. There are petrochemical companies and a large-scale manufacturing company that are interested in the area. Work is continuing to be done with the two boat projects. The County is seeing continued activity from both new prospects and prospects revisiting the area. Mike Griffith touched on an email from Michael Ferdinand regarding wharfage rates. The current wharfage rate is \$.04 per barrel. The discussion was in regard to a potential prospect looking to assume a current lease agreement that the Port of Bay City Authority has with another company. There was a discussion regarding that company's current wharfage rate and minimum wharfage rate. Allen Cumbie discussed having the new company purchase the existing company's assets and enter into a new lease agreement with the Port Authority. The history of the current leasee and current lease were discussed as well as the issues with delinquent property taxes in the past.

Item 12 - Mike Griffith discussed the dredging and possible jetty extension.

There being no further business to come before the meeting, the Commissioners adjourned the meeting at 7:13pm.

Attest:

Approve:

/s/ Mike Griffith

/s/ Joey Sliva