

MINUTES OF MEETING

BE IT REMEMBERED that the Commissioners of the Port of Bay City Authority met Thursday, March 11, 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:	
Alyssa Dibbern	City of Bay City Engineering Tech
Jessica Russell	Matagorda County EDC

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

Item 1 – On motion of Commissioner Joey Sliva, seconded by Commissioner George Harrison, the minutes of the regular meeting of February 11, 2021 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	644.51
--REPAIRS & MAINTENANCE - HARBOR	
AQUA-ZYME SERVICES INC	480.00
--PUBLIC UTILITIES	
AQUA-ZYME SERVICES INC	320.00
---PUBLIC UTILITIES	
A TEAM LANDSCAPING	60.00
--REPAIRS & MAINTENANCE – OFFICE	
AT&T	443.97
--TELEPHONE	
AT&T	69.18
--TELEPHONE	
AT&T	564.54
--TELEPHONE	
BAY CITY JANITORIAL	615.64
--OPERATING SUPPLIES	
CPL BUSINESS	43.70
--PUBLIC UTILITIES	
B ALLEN CUMBIE	7166.16
--ATTORNEY'S FEES	
DEXYP	26.50
--PROMOTION & DEVELOPMENT	
DIRECT ENERGY	398.39
--PUBLIC UTILITIES	
DIRECT ENERGY	2746.76
--PUBLIC UTILITIES	
DIRECT ENERGY	82.99
--PUBLIC UTILITIES	
ELLEN DODD	1,360.00
--SPECIAL DISTRICT ACCOUNTING FEES	
GRAINGER	26.46
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	130.69
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	438.14
--REPAIRS & MAINTENANCE – HARBOR	
LOWES	609.46
--OPERATING SUPPLIES	
MATAGORDA COUNTY ECONOMIC DEVELOPMENT CORPORATION	50,000.00
--PROMOTION & DEVELOPMENT	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	312.35
--PUBLIC UTILITIES - BOAT SHED	

MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	661.05
--PUBLIC UTILITIES - TENT & FISH CLEANING TABLE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	47.50
-- PUBLIC UTILITIES - PUMP	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	253.90
--PUBLIC UTILITIES - TRAILER PARK	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	99.90
-- PUBLIC UTILITIES - RESTROOM	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	135.10
-- PUBLIC UTILITIES - HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	207.30
--PUBLIC UTILITIES - MEETING HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	859.25
--PUBLIC UTILITIES – SPRINKLER	
PITNEY BOWES	183.57
--MISCELLANEOUS EXPENSE	
JAY SCHOLTEN	1,300.00
--REPAIRS & MAINTENANCE – HARBOR	
SHARRON'S BOOKKEEPING AND TAX SVC	5,652.50
--OFFICE MANAGER - CONTRACT SERVICES	
--PROFESSIONAL SERVICES	
--TELEPHONE	
--OPERATING SUPPLIES	
--TRAVEL	
SHORELINE CONSTRUCTION	7093.12
--REPAIRS & MAINTENANCE – HARBOR	
SIGN CITY	4027.00
--REPAIRS & MAINTENANCE – HARBOR	
SOUTH TEXAS CORRUGATED PIPE	1400.00
--REPAIRS & MAINTENANCE – HARBOR	
SUTHERLANDS	209.71
--REPAIRS & MAINTENANCE – HARBOR	
URBAN SURVEYING	1200.00
--PROFESSIONAL SERVICES	
VERIZON WIRELESS	137.36
--TELEPHONE	
WILSCOT	220.25
--MISCELLANEOUS EXPENSE	
CRAIG HLAVINKA	3156.78
--TRAVEL	
--VEHICLE EXPENSE	
--OPERATING SUPPLIES	
--REPAIRS & MAINTENANCE - HARBOR	

Item 3 – Sharron Perez reviewed the Billing, Collection, Accounts Receivable Reports, and Financial Reports for February 2021. 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 February 2021. 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 fourteen 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. The freeze caused very little damage at the Port facility. The wire is being strung on the electric poles. The left-over gravel is being spread on the road.

Craig Hlavinka reported on the activity at Matagorda Harbor. There were numerous busted pipes and leaks due to the freeze. There was a fire down Cemetery Road which destroyed a few fence posts. The rentals are at 88% excluding G-dock which is at 63%. The dredge is still at the harbor; however, they are not working every day. Mike Griffith discussed the hopper barge.

Item 6 – The website is up and running.

Item 7 – There was a discussion regarding possible modifications to the current tariff for an adjustable rate based on volume. Tenaris is looking at the possibility of bringing in billets by barge. The volume is not known yet. Mike Griffith discussed having a bracketed tariff. This would have the first number of tons at one rate, the second number of tons at a reduced rate, and any tonnage over that at a larger reduced rate. Joey Sliva thought that this was a good idea.

Item 8 – There was a discussion regarding the Interlocal Agreement with Matagorda County for investment services. On motion Commissioner Tommy Countz, seconded Lee Weathers, the Commissioners unanimously approved the Interlocal Agreement between Matagorda County and the Port of Bay City Authority of Matagorda County, Texas for investment services.

Item 9 – The Commissioners discussed the investment policy. The weighted average means needs to be updated to five years. On motion of Commissioner Joey Sliva, seconded by Commissioner Tommy Countz, the Commissioners unanimously approved the investment policy with the weighted average means being updated to five years and Allen Cumbie's final approval of the policy.

Item 10 & 11 - The Commissioners discussed the lease agreement for the restaurant at Matagorda Harbor. The original leased space encroaches on the toe of the levee. Nothing is constructed in the area. The Commissioners discussed various items that may need to be added to the lease, ie no construction on the toe of the levee, parking lot not included in the lease, etc. Mike Griffith would like the leased space to be defined. Craig Hinton would like a three-year lease with a three-year option to extend. The Commissioners will continue the current lease on a month-to-month basis until a new lease agreement can be approved.

Item 12 – The owners of Sharky's Truck 1, LLC would like to extend their current lease for six months. On motion of Commissioner Tommy Countz, seconded by Commissioner George Harrison, the Commissioners approved a six-month extension of the current lease.

Item 13 – The Commissioners discussed the cost associated with the relocation of the drill site, various easements, etc associated with the transmission line easement of AEP to the Air Liquide 20.64-acre tract. Allen Cumbie advised the Commissioners that there is still the release of 2.3 acres for the substation, Centerpoint's easement, etc before everything is finalized. The Commissioners discussed a fee of \$125,000 to cover the transmission line easement.

Item 14 – The Commissioners discussed the consideration to be paid for the gas line easement by Centerpoint. There are still several moving parts to the project.

Item 15 – FASH has agreed to the proposed drill site with the revisions that their attorney has made to the agreement. Allen Cumbie has reviewed the revisions and is agreeable to all. On motion of Commissioner Tommy Countz, seconded by Commissioner George Harrison, the Commissioners unanimously authorized Mike Griffith to sign the Relocated Drill Site Agreement including a pipeline easement and road easement in favor of FASH FAMILY PARTNERSHIP 1992 pending FASH approval and Allen Cumbie's approval of the agreement.

Item 16 – The Commissioners discussed the various provisions to be placed in the multiple easement agreements requested by AEP and Centerpoint Energy affecting the 20.64 acres currently leased by Air Liquide. Centerpoint is installing a gas line to the Air Liquide facility. The Port Authority wants very detailed descriptions of the line locations and delineation of each. Centerpoint Energy has asked Craig Hlavinka to mark the corners of the area in order to move forward with the location of the easement. The Port Authority needs the metes and bounds of the property. Centerpoint wanted a perpetual easement for the consideration of \$1. The lease agreement with Air Liquide is for a maximum of 65 years, George Harrison suggested capping the easement at 65 years, Craig Hlavinka reminded the Commissioners that Air Liquide is eventually going to also request a rail easement. Allen Cumbie discussed potential areas that could cause issues in the future, ie perpetual or limited easement, indemnification for loss or damage. Allen Cumbie also discussed easements not being leases; however, there is a risk due to the high voltage. Another issue could be environmental. AEP has deleted those items from the agreement as well as casualty insurance of five million dollars, waiver of subrogation, and the Port of Bay City being named as additional insured. Mike Griffith and George Harrison both discussed the issues and that the Port Authority should require these items. George Harrison offered to set up a conference through Webex to discuss these matters with representatives of the various entities.

Item 17 – There was no discussion in regards to the rail possibility at the proposed barge terminal site in connection with the rail initiative to the former Old Gulf property.

Item 18 – Allen Cumbie had no other items to report on at this time.

Item 19 – Jessica Russell, representative of Matagorda County Economic Development Corporation, updated the Commissioners on potential prospects interested in Matagorda County and the search for a new Executive Director.

Item 20 – Mike Griffith updated the Commissioners in regarding to the potential grant for the barge terminal project. HDR can move forward with the grant application with a projected fee of \$77,500.

Craig Hlavinka has been in contact with the Maritime Association which has encouraged the Port Authority to apply for the Build Grant. George Harrison feels that after the proposal is completed the information could be utilized for other grant applications. The Build Grant used to be known as the Tiger Grant. Mike Griffith feels there will be a 20-25% match. Allen Cumbie advised that no action could be taken at this time as this was not an agenda item. Allen Cumbie also advised that HDR would need to complete a Form 1295.

Craig Hlavinka discussed the work that the Matagorda Fire Department did in putting out the fire on Cemetery Road and suggested that the Port Authority consider purchasing some equipment needed by the fire department. Mike Griffith advised Craig Hlavinka to contact the fire department and obtain a list of some items that the Port Authority could purchase.

Item 21 – There was no new or unfinished business.

There being no further business to come before the meeting, the Commissioners adjourned the meeting at 7:29 pm.

Attest:

Approve:

/s/ Mike Griffith

/s/ Joey Slivova