

MINUTES OF MEETING

BE IT REMEMBERED that the Commissioners of the Port of Bay City Authority met Thursday, May 13, 2021, at the office of the Authority, 1305 Seventh St, Bay City, Texas. The following Commissioners and staff were present:

Mike Griffith	Chairman
George Harrison	Vice-Chairman
Joey Sliva	Secretary
Lee Weathers	Commissioner
Tommy Countz	Commissioner
Allen Cumbie	Port Attorney
Craig Hlavinka	Harbor Master
Sharron Perez	Office Manager
Absent:	
Buddy Treybig	Commissioner
Visitors:	
Loretta Griffin	Matagorda County Treasurer
Scott Eicke	Visitor

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

Item 1 – The minutes of the regular meetings of March 11, 2021 and April 8, 2021 were discussed. The March minutes under item 13 should reflect the 50x50 area for gas metering not the 2.3 acre tract. The April minutes under item 12 should reflect the easement in favor of AEP and under item 13 should be the 50x50 area for gas metering not the 2.3 acre tract. On motion of Commissioner Joey Sliva, seconded by Commissioner Tommy Countz, the Commissioners unanimously approved the minutes of the regular meetings of March 11, 2021 and April 8, 2021 with the discussed corrections.

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

AQUA-ZYME SERVICES INC	480.00
--PUBLIC UTILITIES	
AQUA-ZYME SERVICES INC	320.00
---PUBLIC UTILITIES	
A TEAM LANDSCAPING	420.00
--REPAIRS & MAINTENANCE - OFFICE	
AT&T	69.18
--TELEPHONE	
AT&T	570.72
--TELEPHONE	
AT&T	444.58
--TELEPHONE	
AT&T	443.97
--TELEPHONE	
AT&T	470.84
--TELEPHONE	
CPL BUSINESS	43.59
--PUBLIC UTILITIES	
B ALLEN CUMBIE	9,477.64
--ATTORNEY'S FEES	
DEXYP	26.50
--PROMOTION & DEVELOPMENT	
DEXYP	26.86
--PROMOTION & DEVELOPMENT	
DIRECT ENERGY	241.64
--PUBLIC UTILITIES	
DIRECT ENERGY	2,838.95
--PUBLIC UTILITIES	
DIRECT ENERGY	19.56
--PUBLIC UTILITIES	
DIRECT ENERGY	19.56
--PUBLIC UTILITIES	
DIRECT ENERGY	82.64
--PUBLIC UTILITIES	
DIRECT ENERGY	2,897.33
--PUBLIC UTILITIES	
ELLEN DODD	1,360.00
--SPECIAL DISTRICT ACCOUNTING FEES	
GRAINGER	129.00
--OPERATING SUPPLIES	
GRAINGER	1,055.66

--OPERATING SUPPLIES	
GRAINGER	669.58
--OPERATING SUPPLIES	
GRAINGER	193.53
--OPERATING SUPPLIES	
KLEPAC PEST CONTROL	64.00
--REPAIRS & MAINTENANCE – OFFICE	
LOWES	584.93
--OPERATING SUPPLIES	
MATAGORDA LAWN SERVICE	110.00
--REPAIRS & MAINTENANCE - HARBOR	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	188.10
--PUBLIC UTILITIES - BOAT SHED	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	559.45
--PUBLIC UTILITIES - TENT & FISH CLEANING TABLE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	47.50
-- PUBLIC UTILITIES - PUMP	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	211.90
--PUBLIC UTILITIES - TRAILER PARK	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	90.40
-- PUBLIC UTILITIES - RESTROOM	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	105.80
-- PUBLIC UTILITIES - HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	97.50
--PUBLIC UTILITIES - MEETING HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	407.90
--PUBLIC UTILITIES – SPRINKLER	
MCCOYS	562.78
--OPERATING SUPPLIES	
QUILL CORPORATION	211.05
--OPERATING SUPPLIES	
SAFETY-KLEEN	659.70
--REPAIRS & MAINTENANCE - HARBOR	
JAY SCHOLTEN	1,300.00
--REPAIRS & MAINTENANCE – HARBOR	
SHARRON'S BOOKKEEPING AND TAX SVC	5,874.16
--OFFICE MANAGER - CONTRACT SERVICES	
--PROFESSIONAL SERVICES	
--TELEPHONE	
--OPERATING SUPPLIES	
--TRAVEL	
SHORELINE CONSTRUCTION	23,894.96
--REPAIRS & MAINTENANCE – HARBOR	
SUTHERLANDS	690.75
--REPAIRS & MAINTENANCE – HARBOR	
THE HOME DEPOT	734.67
--OPERATING SUPPLIES	
VERIZON WIRELESS	137.41
--TELEPHONE	
WCA	483.39
--PUBLIC UTILITIES	
WCA	483.39
--PUBLIC UTILITIES	
WEST MARINE PRO	691.18
--REPAIRS & MAINTENANCE - HARBOR	
WILSCOT	220.25
--MISCELLANEOUS EXPENSE	
CRAIG HLAVINKA	2,525.97
--TRAVEL	
--VEHICLE EXPENSE	
--OPERATING SUPPLIES	
RICHARD LAMKIN	650.00
--DEPOSIT REFUND	
GREG MCMULLIN	250.00
--DEPOSIT REFUND	
MARTIN KEY JR	500.00
--DEPOSIT REFUND	

Item 3 – Sharron Perez reviewed the Billing, Collection, Accounts Receivable Reports, and Financial Reports for March and April 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 March and April 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 eleven 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. Everything is business as usual. There was a minor river rise.

Craig Hlavinka reported on the activity at Matagorda Harbor. Occupancy is at 87% for all docks excluding G-dock which is at 54%. The lighting at the tournament pavilion has been replaced with LED lighting. The flushing system on the toilets have been updated to auto-flush. This seems to be working great.

Item 6 – The audit for the year ended December 31, 2020 was not available for the meeting. ON motion of Commissioner Tommy Countz, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the Independent Auditor's Annual Report for the year ended December 31, 2020 pending Mike Griffith and George Harrison's review.

Item 7 – Loretta Griffin, Matagorda County Treasurer, discussed the depository contract. The current contract ends June 1st. The interest rate will be .05 with ten basis points; therefore, the total interest rate is .15. It is a variable rate. The depository contract was sent to five banks. Of the five banks, three declined to put in a bid and one did not reply. The only bid received was from Prosperity Bank. There are a couple of items still being discussed. The County Attorney is requesting a 180-day notice of termination. At the present time, it takes approximately 90 days to get the bid requests out, replies back, and approval of depository contract. The current contract has 60 days. George Harrison suggested a compromise of 90-day if needed. The collateral agreement has been agreed upon by the bank and the County. There was always one contract until 2015. At that time, separate contracts were submitted for each special district. When the special districts pulled from the County, the interlocal agreement was changed to investments only. This resulted in separate depository contracts to have be entered into. Mike Griffith advised that the Port Authority will accept 90 to 180 days. Allen Cumbie advised that the Port Authority will need to accept the same terms as the County. On motion of Commissioner, Tommy Countz, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the bank depository contract pending Matagorda County's approval and authorized Mike Griffith and Joey Sliva to sign the contracts.

Item 8 – There has been no further discussion requiring modifications to the current tariff. This item was tabled pending the need to modify the current tariff.

Item 9 – Allen Cumbie discussed a couple of items in regards to the proposed lease extension agreement between Craig Hinton and Jeannie Hinton and the Port of Bay City Authority including the definition of the 10,000 square feet, shifting the leased area fifteen feet from the toe of the levee, , the and the parking area.

Item 10 – Allen Cumbie updated the Commissioners on the lease agreement with Sharky's Food Truck. The food truck is wanting to lease an area from June 1st thru October 31st; however, they are requesting a location that is more visible. Mike Griffith suggested the area between the restroom and the boat ramp. Tommy Countz discussed the traffic in that area and the hours that they have been operating. The Commissioners discussed different options regarding the operating hours, location, and the void that the food truck was filling at Matagorda Harbor. No action was taken at this time.

Item 11- The current lease for the bait shop will end in 2023. Allen Cumbie discussed the options for Shaun Kulcak to take over the existing lease, enter into a new lease, the extension options, etc. The history of the lease agreements were discussed for the bait shop. There was a discussion in regards whether or not the lease agreement should include Mr Kulcak's wife. The Commissioners advised Allen Cumbie to allow Mr Kulcak to assume the current lease and to include his wife on the lease.

Items 12 and 13 – Allen Cumbie discussed the two easement agreements with AEP. One agreement is for the substation and the other is for the transmission lines. Allen Cumbie has advised AEP of the consideration but has not had any response. Mike Griffith advised that the board can go ahead and approve the agreements. George Harrison agreed as the item has been ongoing for approximately one year. Allen Cumbie did advise the Commissioners that there was one issue that is still outstanding due to the overlapping of lines. Air Liquide provided a letter to the Port Authority acknowledging the issue and agreeing to the overlap. On motion of Commissioner Lee Weathers, seconded by Commissioner George Harrison, the Commissioners unanimously approved the Easement Agreement for the Substation in favor of AEP and the Easement Agreement for the Transmission Lines in favor of AEP.

Item 14 – Air Liquide will release the 50 by 50 foot area from their current lease agreement to allow Centerpoint to utilize the area as a gas metering station for the Air Liquide project. Allen Cumbie reviewed the agreement and issues that had been discussed. Centerpoint requested documentation on how the consideration was determined. Sharron Perez will prepare the invoice and send it to Centerpoint to document the consideration. Allen Cumbie will include a section in the agreement to require Centerpoint to furnish as built drawings to the Port Authority for record. On motion of Commissioner George Harrison, seconded by Commissioner Tommy Countz, the Commissioners unanimously approved Amendment Number Two to the Lease Agreement between the Port of Bay City Authority of Matagorda County, Texas and Air Liquide Large Industries U.S. LP regarding the release to the Port Authority of a portion of the 20.64 acre tract leased by Air Liquide to be used by Centerpoint Energy Intrastate Pipelines LLC as a natural gas metering station for the Air Liquide project being constructed on the 20.64 acre tract leased from the Port Authority.

Item 15 -The Commissioners discussed the gas line easement between the Port Authority and Centerpoint. On motion of Commissioner Lee Weathers, seconded by Commissioner George Harrison, the Commissioners unanimously approved a gas line easement between the Port of Bay City Authority of Matagorda County Texas and Centerpoint Energy Intrastate Pipelines LLC subject to as built drawings being submitted and consideration being remitted;

Item 16 – The Commissioners discussed the letter agreement regarding from Air Liquide regarding the easement crossing over their property. On motion of Commissioner George Harrison, seconded by Commissioner Joey Sliva, the Commissioners unanimously accepted the letter agreement dated April 29m 2021 from Air Liquide Large Industries U.S. LP consenting and agreeing to the Port Authority entering into a transmission line easement with AEP over a portion of the 20.64 acre tract currently leased by Air Liquide with the easement crossing over a portion of the leased 20.64 acre tract that is to be used by Air Liquide for its facilities and operations.

Item 17 – This item was discussed in Item 10.

Item 18 – Scott Eicke discussed the shoaling on properties along the Colorado River. He provided history of the issue and advised the Commissioners of the various steps he has taken to get dredging done. Mr Eicke asked the Port Authority to assist in the matter with the Corps of Engineers. Seth Jones, with the Corps of Engineers, advised that there are no markings at the finger on Bragg's Cut. This could cause a boat to hit the finger causing damage. The Commissioners discussed the project and subsequent maintenance of Bragg's Cut. There was a discussion regarding Parker's Cut. The resource agency will not open this cut. The Corps of Engineers are not responsible for dredging personal property. Mike Griffith will contact Seth Jones and discuss the matter.

Item 19 – Sharron Perez advised the Commissioners that there was a zoom regarding posting items to the website and she is awaiting the link to review the process.

Item 20 – There has been no further discussions regarding rail possibility at the proposed Barge Terminal in connection with the rail initiative to the former Old Gulf property.

Item 21- Allen Cumbie had no other items to discuss at this time.

Item 22 – Matagorda County Economic Development has hired a new Executive Director. George Harrison discussed Mr Hardwick's experience and advised that he felt his expertise would benefit the area.

Item 23 – Joey Sliva inquired about the Jetties. The area is shoaling back up on the west side. Buddy Treybig discussed the large rocks that are no longer covered by sand. The Colonel and Commander from the US Corps of Engineers visited the area. Joey Sliva asked who the point person was for the project. Mike Griffith did not know at this time.

George Harrison advised the Commissioners that he and Mike Griffith met with TXDOT and there is a possible project in the works to install a roundabout at Hwy 60 and FM 2668. This could affect trucks getting to the Port of Bay City. There have been discussions regarding expanding the wind farm and increased traffic/accidents.

Mike Griffith discussed a conference he had with HDR. It appears the Port Authority will not meet the criteria for the grant. The feasibility study needs to be updated as the studies are good for around five years. The last study was prepared by Hanson. Mike Griffith advised contacting HDR regarding a company to prepare the feasibility study. The Port Authority will work to get everything in line for the next grant application cycle.

Tommy Countz advised that the Oilman's Tournament will be July 14 -16, 2021.

Tenaris is looking to bring materials in by barge. The Commissioners discussed Tenaris being a possible anchor tenant for the proposed barge terminal along the GIWW.

There being no further business to come before the meeting, the Commissioners adjourned the meeting at 8:15pm.

Attest:

Approve:

/s/ Mike Griffith _____

/s/ Joey Sliva _____