

MINUTES OF MEETING

BE IT REMEMBERED that the Commissioners of the Port of Bay City Authority met Thursday, October 8, 2020 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
Buddy Treybig	Commissioner
Tommy Countz	Commissioner
Allen Cumbie	Port Attorney
Craig Hlavinka	Harbor Master
Sharron Perez	Office Manager
Visitors:	
Michael Ferdinand	MCEDC Executive Director
Heather Case	MCEDC Director of Communications

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

Item 1 – On motion of Commissioner Joey Sliva, seconded by Commissioner Lee Weathers, the minutes for the regular meetings of August 13, 2020 and September 10, 2020 and the public hearing of September 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	9.82
--OPERATING SUPPLIES	
ACE HARDWARE	777.35
--OPERATING SUPPLIES	
AQUA-ZYME SERVICES INC	480.00
--PUBLIC UTILITIES	
AQUA-ZYME SERVICES INC	320.00
---PUBLIC UTILITIES	
A TEAM LANDSCAPING	240.00
--REPAIRS & MAINTENANCE – OFFICE	
AT&T	328.09
--TELEPHONE	
AT&T	68.44
--TELEPHONE	
AT&T	437.33
--TELEPHONE	
BAY CITY JANITORIAL & BEST CARPET CARE	437.85
--OPERATING SUPPLIES	
CPL BUSINESS	43.70
--PUBLIC UTILITIES	
B ALLEN CUMBIE	4,073.75
--ATTORNEY'S FEES	
DIRECT ENERGY	84.10
--PUBLIC UTILITIES	
DIRECT ENERGY	383.83
--PUBLIC UTILITIES	
DIRECT ENERGY	4,295.80
--PUBLIC UTILITIES	
ELLEN DODD	1,360.00
--SPECIAL DISTRICT ACCOUNTING FEES	
GERNAND BUILDERS SUPPLY	160.10
--REPAIRS & MAINTENANCE - HARBOR	
GRAINGER	20.65
--OPERATING SUPPLIES	
GRAINGER	403.47
--OPERATING SUPPLIES	
HARRISON, WALDRIP & UHEREK LLP	12,950.00
--INDEPENDENT AUDITOR FEES	
MATAGORDA COUNTY APPRAISAL DISTRICT	6,448.53
--APPRAISAL DISTRICT FEES	
MATAGORDA LAWN SERVICE	220.00
--REPAIRS & MAINTENANCE - HARBOR	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	236.30
--PUBLIC UTILITIES - BOAT SHED	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	433.15

--PUBLIC UTILITIES - TENT & FISH CLEANING TABLE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	47.50
-- PUBLIC UTILITIES - PUMP	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	256.90
--PUBLIC UTILITIES - TRAILER PARK	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	127.00
-- PUBLIC UTILITIES - RESTROOM	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	120.40
-- PUBLIC UTILITIES - HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	105.00
--PUBLIC UTILITIES - MEETING HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	582.65
--PUBLIC UTILITIES – SPRINKLER	
PURCHASE POWER	500.00
--OPERATING SUPPLIES	
QUILL CORPORATION	912.64
--REPLACEMENT CHECK FOR OPERATING SUPPLIES	
JAY SCHOLTEN	1,300.00
--REPAIRS & MAINTENANCE – HARBOR	
SIGNCITY	8,962.00
--REPAIRS & MAINTENANCE - HARBOR	
SHARRON'S BOOKKEEPING AND TAX SVC	5,696.41
--OFFICE MANAGER - CONTRACT SERVICES	
--PROFESSIONAL SERVICES	
--TELEPHONE	
--OPERATING SUPPLIES	
--TRAVEL	
SHORELINE CONSTRUCTION	10,403.79
--REPAIRS & MAINTENANCE – HARBOR	
SOUTH TEXAS CORRUGATED PIPE	1,400.00
--REPAIRS & MAINTENANCE – HARBOR	
SUTHERLANDS	206.30
--REPAIRS & MAINTENANCE – HARBOR	
THE BAY CITY SENTINEL	262.35
--OPERATING SUPPLIES	
THE HOME DEPOT	1,346.55
--OPERATING SUPPLIES	
VERIZON WIRELESS	137.20
--TELEPHONE	
WCA	443.94
--PUBLIC UTILITIES	
WEST MARINE PRO	165.82
--REPAIRS & MAINTENANCE - HARBOR	
WILSCOT	220.25
--MISCELLANEOUS EXPENSE	
CRAIG HLAVINKA	1,992.53
--TRAVEL	
--OPERATING SUPPLIES	
--VEHICLE EXPENSE	
--REPAIRS & MAINTENANCE – HARBOR	
WILLIAM SANDERS	25,000.00
--CAPITAL OUTLAY – LAND	

Item 3 – Sharron Perez reviewed the Billing, Collection, Accounts Receivable Reports, and Financial Reports for August and September 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 Tommy Countz, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the financial reports for August and September 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 five 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 moving as usual. GulfMark Energy is shipping more product.

Craig Hlavinka reported on the activity at Matagorda Harbor. Occupancy is at 88% for all docks excluding G-dock which is at 73%. There has been interest for slips from those with larger boats. Mike Griffith advised the Commissioners that there is a dredge at Bragg's Cut; however, he could not get information on if it is just spot dredging. Mike Griffith discussed the spoil disposal areas. There is an issue at the Mouth of the Colorado Reiver due to erosion. The crew is still under travel restrictions to repair

the Jetty walkway. The boat at the end of C-dock sank due to the owner's work on the wet exhaust. The owner had J&S pick up the boat, pump it out, and seal the exhaust. The owner wants to get one engine running and drive the boat to Freeport.

Item 6 – Craig Hinton thanked the Commissioners for the 19 years and 7 months that he has had Waterfront Restaurant at Matagorda Harbor. Craig Hinton would like to continue with a three-year lease with a three-year option. Mike Griffith discussed a 10-year lease with a ten-year option. Craig Hinton expressed his concern with something happening to him and his family being held to a long-term lease. There was a discussion in regards to the ownership of the building and Craig Hinton's plan once lease has ended. Mike Griffith advised Craig Hinton that a decision did not have to be made at the meeting and told him to think about the options. The Commissioners expressed that a three-year lease with three-year extension would be satisfactory. Craig Hinton would like to continue the current lease terms and escalator clause other than the dates. Joey Sliva advised Craig Hinton that he appreciated the way the restaurant has been operated. The Commissioners will wait to hear from Craig Hinton regarding the timeline before moving forward with a new lease. The current lease expires February 28, 2021.

Item 7 – The Commissioners discussed the current investment policy which provides for a WAM term of two years or less. The outside auditor discussed the investments and WAM during the preparation of the audit for the year ended December 31, 2019. Mike Griffith suggested that the investment policy be amended to change the WAM to five years. On motion of Commissioner Tommy Countz, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved Resolution No. PA-R-002-2020 "A Resolution Adopting Investment Policy of the Port of Bay City Authority of Matagorda County, Texas for 2020-2022" which changes the WAM to five years.

Item 8 – The Commissioners discussed the resolution supporting MCEDC Strategic Plan. On motion of Commissioner Lee Weathers, seconded by Commissioner Joey Sliva, the Commissioners unanimously approved the Resolution Supporting the MCEDC strategic Plan.

Item 9 – The Commissioners discussed the relocation of the drill site. Due to the various easements for power and rail the proposed drill site area location will need to be relocated. The drill site location is four acres. The Commissioners looked at the proposed relocation site and will need a survey with legal description of the site prepared to submit the FASH Family Partnership 1992 for approval. On motion of Commissioner Tommy Countz, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved Allen Cumbie to have Urban Surveying survey the proposed relocation site and prepare the legal description to submit to FASH Family Partnership 1992 for review.

Item 10 - The Commissioners reviewed a map with the proposed AEP easement shown in the dotted line area. Allen Cumbie advised the Commissioners that the Port Authority could approve the easement location; however, AEP hasn't reviewed the proposed location. On motion of Commissioner Joey Sliva, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the AEP easement location pending AEP's approval and the relocation of the drill site location.

Item 11 – The Commissioners discussed the preliminary location and layout of the proposed rail spur and switch. Allen Cumbie advised that the drawing has not been received. This item was tabled awaiting the drawing showing the location.

Item 12 – The Commissioners discussed the possible alternate electrical transmission line routes to accommodate the rail spur. This item was tabled.

Item 13 – The Commissioners discussed the request by AEP for a 3.2 acre substation easement on the 20 acre tract leased by Air Liquide. This item was tabled.

Item 14 – The Commissioners thanked Allen Cumbie for negotiating and the Rule 11 filing in order to close out the 2007 condemnation of an undivided 77.78% interest out of approximately 8.11 acres out of Coastal Tract No. 3 and out of the townsite of Matagorda, Matagorda County, Texas. Allen Cumbie advised the Commissioners that once the Judge signs the ruling the final payment of \$25,000 will be made. Allen Cumbie would like the check to be issued and provided to his office. George Harrison asked Allen Cumbie to verify that all Port owned properties have been transferred to prevent the appraisal district and tax office from sending tax statements to the previous owners.

Items 15 and 16 – There were no items to discuss in Executive Session; therefore, none was entered into.

Item 17 – Allen Cumbie had no other items to report on at this time.

Item 18 – Michael Ferdinand, MCEDC Executive Director, introduced Heather Case, MCEDC Director of Communications, to update the Commissioners on the websites. Heather Case announced

that MCEDC is up, BCCDC will be online next, and the links to the two Palacios sites are active but going to their old sites presently. Craig Hlavink will contact Kristina Walters with Insyteful to discuss the Port of Bay City website. George Harrison will get with MCEDC to provide pictures of local cattle and rice fields to replace the stock images used. Michael Ferdinand then updated the Commissioners on the various prospects interested in Matagorda County. One prospect has been approved for tax abatement and should be making a final decision soon between Matagorda County and two other sites. The activity in Clemville was briefly discussed.

There being no further business to come before the meeting, the Commissioners adjourned the meeting at 7:19pm.

Attest:

Approve:

*/s/ Mike Griffith*

*/s/ Joey Sliva*