

MINUTES OF MEETING

BE IT REMEMBERED that the Commissioners of the Port of Bay City Authority met Thursday, November 11, 2021, at the office of the Authority, 1305 Seventh Street, Bay City, Texas. The following Commissioners and staff were present:

George Harrison	Vice-Chairman
Joey Sliva	Secretary
Lee Weathers	Commissioner
Tommy Countz	Commissioner
Buddy Treybig	Commissioner
Craig Hlavinka	Harbor Master
Sharron Perez	Office Manager
Allen Cumbie	Port Attorney
Visitors:	
Trey Treybig	Visitor
Matt Ashcraft	Visitor
Craig Hinton	Waterfront Restaurant
Colton Coates	Snapper's
Abigail Coates	Snapper's
Alyssa Dibbern	City of Bay City Engineering Tech
Absent:	
Mike Griffith	Chairman

The meeting was called to order at 6:30pm by Commissioner George Harrison.

Item 1 – The minutes of the regular meetings held September 9, 2021 and October 14, 2021 and the public hearing of September 9, 2021 were unanimously approved on motion of Joey Sliva, seconded Tommy Countz.

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

ACE HARDWARE	579.98
--OPERATING SUPPLIES	
ACE HARDWARE	875.72
--OPERATING SUPPLIES	
ACE HARDWARE	465.20
--OPERATING SUPPLIES	
AQUA-ZYME SERVICES INC	480.00
--PUBLIC UTILITIES	
AQUA-ZYME SERVICES INC	320.00
--PUBLIC UTILITIES	
AT&T	679.51
--TELEPHONE	
AT&T	69.18
--TELEPHONE	
ALLEN CUMBIE	2,273.50
--ATTORNEY FEES	
DIRECT ENERGY	3,479.61
--PUBLIC UTILITIES	
DIRECT ENERGY	20.85
--PUBLIC UTILITIES	
DIRECT ENERGY	196.90
--PUBLIC UTILITIES	
DIRECT ENERGY	84.74
--PUBLIC UTILITIES	
DIRECT ENERGY	39.72
--PUBLIC UTILITIES	
ELLEN DODD	1,360.00
--SPECIAL DISTRICT ACCOUNTING FEES	
GFL	555.90
--PUBLIC UTILITIES	
HDR	7,036.00
--PROFESSIONAL SERVICES	
KLEPAC PEST & TERMITE CONTROL	64.00
--REPAIRS & MAINTENANCE – OFFICE	
LOWE'S	1,929.07
--OPERATING SUPPLIES	
MATAGORDA COUNTY ECONOMIC DEVELOPMENT CORPORATION	1,136.00
--PROMOTION & DEVELOPMENT	
MATAGORDA LAWN SERVICE	220.00
--REPAIRS & MAINTENANCE - HARBOR	

MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	188.45
--PUBLIC UTILITIES - BOAT SHED	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	297.90
--PUBLIC UTILITIES - TENT & FISH CLEANING TABLE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	47.50
-- PUBLIC UTILITIES - PUMP	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	227.60
--PUBLIC UTILITIES - TRAILER PARK	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	110.30
-- PUBLIC UTILITIES - HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	93.10
--PUBLIC UTILITIES - MEETING HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	405.10
--PUBLIC UTILITIES – SPRINKLER	
MCCOYS	588.82
--OPERATING SUPPLIES	
PURCHASE POWER	504.95
--OPERATING SUPPLIES	
SAFETY-KLEEN SYSTEMS INC	123.44
--REPAIRS & MAINTENANCE - HARBOR	
JAY SCHOLTEN	1,600.00
--REPAIRS & MAINTENANCE – HARBOR	
SHARRON'S BOOKKEEPING AND TAX SVC	5,900.13
--OFFICE MANAGER - CONTRACT SERVICES	
--PROFESSIONAL SERVICES	
--TELEPHONE	
--OPERATING SUPPLIES	
--TRAVEL	
SHORELINE CONSTRUCTION	6,420.00
--REPAIRS & MAINTENANCE – HARBOR	
SIGNCITY	1,734.00
--REPAIRS & MAINTENANCE - HARBOR	
SUTHERLANDS	1,051.77
--REPAIRS & MAINTENANCE – HARBOR	
TEXAS PORTS ASSOCIATION	5,000.00
--SEMINARS, DUES	
THE BAY CITY SENTINEL	1,940.48
--ELECTION EXPENSE	
THE HOME DEPOT	775.64
--OPERATING SUPPLIES	
URBAN SURVEYING	750.00
--PROFESSIONAL SERVICES	
VERIZON WIRELESS	99.72
--TELEPHONE	
VERSATILE STEEL BUILDINGS	9,000.00
--REPAIRS & MAINTENANCE - HARBOR	
WILLSCOT	264.25
--MISCELLANEOUS EXPENSE	
CRAIG HLAVINKA	5,151.65
--TRAVEL	
--VEHICLE EXPENSE	
--OPERATING SUPPLIES	
--REPAIRS & MAINTENANCE – HARBOR	
--REPAIRS & MAINTENANCE - EQUIPMENT	
THOMAS NAJVAR	450.00
--DEPOSIT REFUND	
JOSE RODRIGUEZ	350.00
--DEPOSIT REFUND	
ROBERT FAAS	450.00
--DEPOSIT REFUND	

Item 3 – Sharron Perez reviewed the Billing, Collection, Accounts Receivable, and Financial Reports for September and October 2021. There were no significant items to report on at this time, and Sharron Perez asked if there were any other questions regarding the financial information. On motion of Commissioner Tommy Countz, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the financial reports for September and October 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 four 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 continues to ship three shipments per month. Tenaris is still looking at options to bring their feed stock in. The load capacity is an issue with the existing dock. Tenaris is looking at options to increase the load capacity or possibly utilizing the west side of the terminal to create a work area. The dock will hold the billets but not the crane. George Harrison suggested that Craig Hlavinka take Trey Treybig and Matt Ashcraft to the Port facility to give them a better idea of the area being discussed. Roehm is interested in bringing shipments into the low water dock; however, the existing road will need to be upgraded. Craig Hlavinka advised Roehm that previous users have upgraded existing structures with an offset of tariffs. Craig Hlavinka estimated Roehm would incur \$50-60,000 in tariffs. Roehm is also visiting with AEP regarding running electric lines under the road.

Craig Hlavinka reported on the activity at Matagorda Harbor. Occupancy is at 87% for all docks excluding G-dock which is at 60%. J&S Contractors discussed installing a new cap rail at the fuel dock. Craig Hlavinka does not feel that the sheet piling needs replaced at this time just the cap rail. Craig Hlavinka gave a history of the sheet piling and cap rail. Allen Cumbie advised that an engineer would need to be hired to develop bid specs for the cap rail replacement. Craig Hlavinka will contact HDR. Craig Hlavinka then discussed the tournament pavilion options. There was a discussion in regards to developing bid specs and putting the project out for bid.

Item 6 – George Harrison discussed the various AEP issues. George Harrison is working towards getting a meeting with AEP legal, AEP Regional Director Vee Strauss, Allen Cumbie, and two Commissioners to try to get the issues resolved. No action was taken at this time.

Item 7 – Allen Cumbie asked the Commissioners to advise on the amount of consent to be considered for a perpetual easement. The Commissioners discussed the amount of land in the easements, the substation, the availability of the substation to be used by other tenants, and the capacity. No action was taken at this time.

Item 8 – Craig Hinton introduced Colton and Abigail Coates. The Coates are interested in purchasing the Waterfront Restaurant. Abigail Coates gave a brief history of them moving to Matagorda and purchasing Snappers. Allen Cumbie discussed the issues with the guidelines of the loan and the loan being for improvements only not a real estate loan. The current lease with Craig Hinton is thru 2024; however, the bank is wanting a thirty-year lease. Craig Hinton questioned the ground versus improvement lease. George Harrison suggested that a couple of Commissioners meet with Colton and Abigail Coates and work to resolve the issues. Craig Hinton advised that he and Colton and Abigail Coates had agreed on terms and that the issue is obtaining the financing. George Harrison will contact Tami Savage at Prosperity Bank to determine what exactly is needed.

Item 9 – George Harrison discussed the engagement letter for the 2021 audit. KM&L cannot prepare the audit for 2021 but will be able to prepare audits beginning in 2022. This item was tabled until the December meeting.

Item 10 - George Harrison asked if there were any questions regarding the canvass of the Port Authority's Commissioner Election held on November 2, 2021. On motion of Commissioner Joey Sliva, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the canvass of the Port Authority's Commissioner Election held on November 2, 2021.

Item 11 – The Commissioners reviewed the resolution canvassing the election and declaring the results. George Harrison asked if there were in questions regarding the resolution. On motion of Commissioner Joey Sliva, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved Resolution No. PA-R-003-2021 "Resolution of the Port of Bay city Authority of Matagorda County, Texas, Canvassing the Returns and Declaring the Results of a General Election of Two Commissioners of the Port of Bay City Authority for Positions One and Five, Each for a Six-Year Term".

Item 12 – George Harrison reviewed the Texas County and District Retirement System (TCDRS) rates for 2021 and the proposed rates for 2022. On motion of Commissioner Joey Sliva, seconded by Commissioner Tommy Countz, the Commissioners unanimously approved the proposed rate of 12.45% for 2022.

Item 13 – Sharron Perez advised the Commissioners that she is trying to reschedule the website training for Craig Hlavinka and herself.

Item 14 – George Harrison provided an update for Matagorda County Economic Development Corporation. One funding entity has dropped out of the Matagorda County Economic Development Corporation; however, this should not affect the contributions of the other entities. George Harrison updated the Commissioners on the status of ongoing projects. Big Hill has discussed constructing a commercial harbor on the Old Gulf property and having the Port Authority operate the facility. If this

project is developed, then this could possibly lead to further expansion of the recreational harbor. George Harrison contacted HDR to provide updated information to the Port Authority and to be involved in future meetings with Big Hill.

Item 15 – Buddy Treybig advised the jetties are okay right now if you navigate down the middle. George Harrison advised that a long-term solution is still needed. The new infrastructure bill may provide funding for this type of project. The Port Authority would have to provide a 16% match on the project. George Harrison discussed going to Washington DC, as they did in prior years, to try to get funding for the project.

Craig Hlavinka discussed TIRZ 1 and TIRZ 2. There is a potential amendment to TIRZ 2 that will take in the Bold Fox project. The Port Authority has the option of participating or not participating.

Allen Cumbie advised the Commissioners that there was an issue with the signed lease agreement between the Port Authority and the Hintons. The wrong version of the lease was signed by the Hintons. Allen Cumbie also advised that a current certificate of insurance has not been provided. Allen Cumbie will contact Craig Hinton and get these matters resolved. The requirements by the lender would require the lease to be entered into prior to funding being obtained. The Commissioners discussed other options regarding the requirements by the lender.

There being no further business to come before the meeting, the Commissioners adjourned the meeting at 7:47pm.

Attest:

Approve:

/s/ Mike Griffith

/s/ Joey Sliva