

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
Allen Cumbie	Port Attorney
Craig Hlavinka	Harbor Master
Sharron Perez	Office Manager
Visitors:	
Michael Ferdinand	MCEDC Executive Director
Absent:	
Buddy Treybig	Commissioner

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 for the regular meetings of November 12, 2020 were unanimously approved as read.

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

ACE HARDWARE	608.32
--OPERATING SUPPLIES	
ACE HARDWARE	312.28
--OPERATING SUPPLIES	
ACE HARDWARE	7.58
--OPERATING SUPPLIES	
ACE HARDWARE	310.59
--OPERATING SUPPLIES	
AQUA-ZYME SERVICES INC	480.00
--PUBLIC UTILITIES	
AQUA-ZYME SERVICES INC	320.00
---PUBLIC UTILITIES	
A TEAM LANDSCAPING	180.00
--REPAIRS & MAINTENANCE – OFFICE	
AT&T	442.23
--TELEPHONE	
AT&T	441.73
--TELEPHONE	
AT&T	68.44
--TELEPHONE	
CPL BUSINESS	43.70
--PUBLIC UTILITIES	
B ALLEN CUMBIE	2,813.68
--ATTORNEY'S FEES	
DIRECT ENERGY	19.45
--PUBLIC UTILITIES	
DIRECT ENERGY	82.99
--PUBLIC UTILITIES	
DIRECT ENERGY	253.51
--PUBLIC UTILITIES	
DIRECT ENERGY	3,376.18
--PUBLIC UTILITIES	
ELLEN DODD	1,360.00
--SPECIAL DISTRICT ACCOUNTING FEES	
EATON CORPORATION	2,413.80
--REPAIRS & MAINTENANCE - HARBOR	
GRAINGER	771.64
--OPERATING SUPPLIES	
KRONBERG'S FLAGS & FLAGPOLES	286.00
--OPERATING SUPPLIES	
LOWES	762.08
--OPERATING SUPPLIES	

LYLE PRINTING	226.48
--OPERATING SUPPLIES	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	188.40
--PUBLIC UTILITIES - BOAT SHED	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	430.20
--PUBLIC UTILITIES - TENT & FISH CLEANING TABLE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	76.65
-- PUBLIC UTILITIES - PUMP	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	226.00
--PUBLIC UTILITIES - TRAILER PARK	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	121.80
-- PUBLIC UTILITIES - RESTROOM	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	125.70
-- PUBLIC UTILITIES - HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	92.80
--PUBLIC UTILITIES - MEETING HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	612.75
--PUBLIC UTILITIES – SPRINKLER	
MCCOY’S BUILDING SUPPLY	316.48
--REPAIRS & MAINTENANCE – HARBOR	
MCCOY’S BUILDING SUPPLY	84.87
--REPAIRS & MAINTENANCE – HARBOR	
MYRA’S GARDEN NURSEY	550.00
--REPAIRS & MAINTENANCE – HARBOR	
PITNEY BOWES	183.57
--MISCELLANEOUS EXPENSE	
PURCHASE POWER	500.00
--OPERATING SUPPLIES	
QUILL CORPORATION	134.77
--OPERATING SUPPLIES	
QUILL CORPORATION	26.58
--OPERATING SUPPLIES	
JAY SCHOLTEN	1,300.00
--REPAIRS & MAINTENANCE – HARBOR	
SHARRON’S BOOKKEEPING AND TAX SVC	5,641.50
--OFFICE MANAGER - CONTRACT SERVICES	
--PROFESSIONAL SERVICES	
--TELEPHONE	
--OPERATING SUPPLIES	
--TRAVEL	
SHORELINE CONSTRUCTION	9,999.23
--REPAIRS & MAINTENANCE – HARBOR	
SUTHERLANDS	325.44
--REPAIRS & MAINTENANCE – HARBOR	
THE HOME DEPOT	507.87
--OPERATING SUPPLIES	
VERIZON WIRELESS	137.24
--TELEPHONE	
WCA	443.49
--PUBLIC UTILITIES	
WEST MARINE PRO	178.47
--REPAIRS & MAINTENANCE - HARBOR	
WILSCOT	220.25
--MISCELLANEOUS EXPENSE	
CRAIG HLAVINKA	3,520.93
--TRAVEL	
--OPERATING SUPPLIES	
--VEHICLE EXPENSE	
--REPAIRS & MAINTENANCE – HARBOR	
MIKE GRIFFITH	897.00
--TRAVEL	
DONALD WOOD	600.00
--DEPOSIT REFUND	
--PREPAID RENT REFUND	
HUNTER PURYEAR	50.00
--DEPOSIT REFUND	
PAUL DAVEY	50.00
--DEPOSIT REFUND	

Item 3 – Sharron Perez reviewed the Billing, Collection, Accounts Receivable Reports, and Financial Reports for November 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 November 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 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. Everything is running smoothly. GulfMark Energy is shipping a barge approximately every ten days. Air Liquide and the Esperanza Substation are both moving forward. The Palacios Seawall is looking to refurbish the beach area. A sand hauler contacted Craig Hlavinka regarding sand price and quantity needed.

Craig Hlavinka reported on the activity at Matagorda Harbor. Occupancy is at 86% for all docks excluding G-dock which is at 63%. Everything is running smoothly.

Item 6 – The Commissioners discussed the amended budget for the year 2020 as prepared by Sharron Perez. There was a brief discussion of the accounts that were being amended. On motion of Commissioner George Harrison, seconded by Commissioner Joey Sliva, the Commissioners unanimously approved the following amended budget totals:

Total Amended Budgeted Revenues	\$ 3,026,451.19
Total Amended Personnel Expenses	\$ 248,698.00
Total Amended Operations Expenses	\$ 1,158,411.00
Total Amended Promotion & Development	\$ 51,533.00
Total Capital Expenses	\$ 25,000.00

A copy of the detailed amended budget is attached as part of these minutes, and a properly signed amended budget will be provided to the Port's bookkeeper.

Item 7 – The Commissioners discussed the 2021 Plan Rate for Texas County and District Retirement System. The current rate is 9.64% with .10% for group term life. On motion of Commissioner George Harrison, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved keeping the Texas County and District Retirement System 2021 Plan Rate for the Port of Bay City Authority at the current rate of 9.64% with .10% for group term life.

Items 8 and 9 – Allen Cumbie advised the Commissioners that until approval of the drill site location has been received no action can be taken on the location of easements. AEP wants two easements one for the substation and one for the transmission line. Allen Cumbie submitted information to AEP and received a form easement from AEP. Craig Hlavinka advised that at this time AEP is wanting to know the fee for the easement. There was a discussion in regards to the current land rental rate of \$500 per acre. On motion of Commissioner Tommy Countz, seconded by Commissioner Joey Sliva, the Commissioners unanimously approved a rate of \$1500 per annum for the easement on approximately 2.36 acres out of the 20.64 acre tract from the Fondren purchase adjacent to OXEA's plant at the Port terminal.

In regards to the transmission line easement, the Commissioners discussed passing the hard cost on to AEP which is projected to be in the \$15,000 to \$20,000 range. The Commissioners discussed ways to expedite the drill site location. The mineral engineer for FASH did not approve the shape of the location. The drill site needs to be at least 300' by 300' to allow for the necessary equipment. Allen Cumbie suggested that Craig Hlavinka outline the potential drill site locations on a map of the site to submit to FASH for approval. Once FASH approves a potential site, the area will be resurveyed. The Commissioners discussed the potential downsizing of the drill site from four acres to two acres based on the current agreement. No action was taken at this time.

Item 10 – Allen Cumbie discussed the Esperanza substation easement. The Port of Bay City Authority needs indemnification in the agreement. AEP has not addressed access to the substation and Air Liquide will have to consent to an access easement. AEP has not indicated the location of the easement. Allen Cumbie also discussed insurance provisions for the easement agreement with the Port of Bay City Authority being the additional insured.

Item 11 – Michael Ferdinand, MCEDC Executive Director, thanked the Commissioners for their continued support. 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 regards to a potential prospect looking to assume a current lease 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 lease and current lease were discussed as well as the issues with delinquent property taxes in the past.

Item 12 – Allen Cumbie spoke to Bill Orton regarding the sale of the boat at Matagorda Harbor. The Writ of Execution has been posted.

Craig Hlavinka and Mike Griffith discussed the meeting they had with the Corps of Engineers. The repairs to the Jetty Walkway have been completed and this was the last time the Corps of Engineers will make the repairs. The Commissioners discussed the dredging that was completed down to the top of the jetties. Dredging has not been done outside of the jetties which is projected to be dredged in March or April and will bring the area to its original depth. The Commissioners discussed the Jetty project and possible extension of the jetties to extend to ocean depth and alleviate the shoaling issue. Mike Griffith had discussed with Buddy Treybig the distance needed for the extension which is projected to be 1500 feet. The original jetty project had a cost share of 16%. Mike Griffith advised the Corps of Engineers that the Port Authority had funds available for a cost share of 16%. Mike Griffith advised the Corps of Engineers that the Port Authority had funds available for a cost share of 16%. If the project costs \$20,000,000, then the Port Authority's share is \$3,200,000. The extension would not allow sand to bypass the end of jetties. Mike Griffith has emailed the Corps of Engineers regarding a survey of the area; however, he has not received a response.

There being no further business to come before the meeting, the Commissioners adjourned the meeting at 7:20pm.

Attest:

Approve:

/s/ Mike Griffith

/s/ Joey Sliva