

MINUTES OF MEETING

BE IT REMEMBERED that the Commissioners of the Port of Bay City Authority met Monday, May 16, 2022, at the Office of the Authority, 1305 Seventh Street, Bay City, Texas. The following Commissioners and staff were present:

George Harrison	Chairman
Joey Sliva	Vice-Chairman
Matt Ashcraft	Secretary
Lee Weathers	Commissioner
Buddy Treybig	Commissioner
Craig Hlavinka	Harbor Master
Sharron Perez	Office Manager
Allen Cumbie	Port Attorney
Visitors:	
Scott Hardwick	MCEDC Executive Director
Alyssa Dibbern	City of Bay City Engineering Tech
Hayden Smith	Anchor QEA
Steve Cappellino	Anchor QEA
Dan Opdyke	Anchor QEA
Sara Flaherty	BEI
Charles Belaire	BEI
Zachary Phillips	ZPI
Luvy Bracken	Visitor
Mel Bracken	Visitor
Absent:	
Trey Treybig	Commissioner

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

Item 1 – The Commissioners discussed the minutes from the regular meetings of April 13, 2022. Commissioner Joey Sliva advised that the section regarding the Hinton lease should state that Brandy Ryman and Russell Durham would like to assume the current lease with an additional five years added to the primary term and a five-year option. On motion of Commissioner Joey Sliva, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the minutes of April 13, 2022 with the changes regarding the Hinton lease.

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

ACE HARDWARE	411.10
--OPERATING SUPPLIES	
AQUA MARINE SUPPLY	1,853.62
--REPAIRS & MAINTENANCE - HARBOR	
AQUA-ZYME SERVICES INC	480.00
--PUBLIC UTILITIES	
AQUA-ZYME SERVICES INC	320.00
--PUBLIC UTILITIES	
AT&T	612.78
--TELEPHONE EXPENSE	
AT&T	612.67
--TELEPHONE EXPENSE	
AT&T	69.18
--TELEPHONE EXPENSE	
AT&T	804.98
--TELEPHONE EXPENSE	
BAY CITY JANITORIAL & BEST CARPET CARE	467.80
--OPERATING SUPPLIES	
B ALLEN CUMBIE	8,562.25
--ATTORNEY’S FEES	
DEXYP	26.86
--PROMOTION & DEVELOPMENT	
DEXYP	26.50
--PROMOTION & DEVELOPMENT	
DIRECT ENERGY	21.35
--PUBLIC UTILITIES	
DIRECT ENERGY	90.62
--PUBLIC UTILITIES	
DIRECT ENERGY	41.41
--PUBLIC UTILITIES	

DIRECT ENERGY	205.15
--PUBLIC UTILITIES	
DIRECT ENERGY	2,913.78
--PUBLIC UTILITIES	
ELLEN DODD	1,360.00
--SPECIAL DISTRICT ACCOUNTING FEE	
GFL	722.70
--PUBLIC UTILITIES	
INSYTEFUL	1,680.00
--PROFESSIONAL SERVICES	
KLEPAC PEST & TERMITE CONTROL	64.00
--REPAIRS & MAINTENANCE - HARBOR	
MATAGORDA LAWN SERVICE	110.00
--REPAIRS & MAINTENANCE – HARBOR	
MATAGORDA WD&WSC	116.50
--PUBLIC UTILITIES (HOUSE)	
MATAGORDS WD&WSC	603.35
--PUBLIC UTILITIES (SPRINKLER)	
MATAGORDA WD&WSC	215.00
--PUBLIC UTILITIES (TRAILER PARK)	
MATAGORDA WD&WSC	250.25
--PUBLIC UTILITIES (BOAT SHED)	
MATAGORDA WD&WSC	307.95
--PUBLIC UTILITITES (TENT AND FISH CLEANING)	
MATAGORDA WD&WSC	47.50
--PUBLIC UTILITIES (PUMP)	
MATAGORDA WD&WSC	86.20
--PUBLIC UTILITIES (MEETING HOUSE)	
MATAGORDA WD&WSC	113.70
--PUBLIC UTILITIES (RESTROOM)	
MCCOYS	729.09
--OPERATING SUPPLIES	
NAPA AUTO & TRUCK PARTS	607.71
--VEHICLE EXPENSE	
NORTON ROSE FULBRIGHT US LLP	5,017.25
--ATTORNEY FEES	
PURCHASE POWER	1,100.00
--OPERATING SUPPLIES	
QUILL CORPORATION	249.99
--OPERATING SUPPLIES	
QUILL CORPORATION	143.94
--OPERATING SUPPLIES	
QUILL CORPORATION	25.99
--OPERATING SUPPLIES	
JAY SCHOLTEN	1,600.00
--REPAIRS & MAINTENANCE – HARBOR	
SHARRON’S BOOKKEEPING AND TAX SERVICE	5,935.51
--OFFICE MANAGER – CONTRACT SERVICES	
--PROFESSIONAL SERVICES	
--OPERATING SUPPLIES	
--TELEPHONE EXPENSE	
--TRAVEL	
SHORELINE CONSTRUCTION	22,981.71
--REPAIRS & MAINTENANCE – HARBOR	
SOUTH TEXAS CORRUGATED PIPE	1,038.72
--REPAIRS & MAINTENANCE - HARBOR	
SUTHERLANDS	299.94
--REPAIRS & MAINTENANCE – HARBOR	
SUTHERLANDS	169.96
--REPAIRS & MAINTENANCE – HARBOR	
TERRACON	2,850.00
--PROFESSIONAL FEES	
THE HOME DEPOT	1,885.87
--REPAIRS & MAINTENANCE - HARBOR	
VERIZON	99.59
--TELEPHONE EXPENSE	
WEST MARINE PRO	48.36
--REPAIRS & MAINTENANCE – HARBOR	
WILLSCOT	264.25
--MISCELLANEOUS EXPENSE	
CRAIG HLAVINKA	6,132.80
--TRAVEL	
--VEHICLE EXPENSE	
--OPERATING SUPPLIES	

DAVID SOWDER	750.00
--DEPOSIT REFUND	
--PREPAID RENT REFUND	
CRAIG HINTON	3,188.71
--PREPAID LAND RENT REFUND	

Item 3 – Sharron Perez reviewed the Billing, Collection, Accounts Receivable, and Financial Reports for April 2022. 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 Joey Sliva, seconded by Commissioner Buddy Treybig, the Commissioners unanimously approved the financial reports for April 2022. 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 eight 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 is continuing to ship regularly. A representative of Bechtel contacted Craig Hlavinka regarding bringing equipment in for HIF; however, there is concern about the FM 521 bridge. Once HIF is constructed, their product is going to be shipped by rail.

Craig Hlavinka reported on the activity at Matagorda Harbor. Craig Hlavinka introduced Zachary Phillips with ZPI. Zachary Phillips is constructing the tournament pavilion and discussed safety issues with the current ramps. Extending the ramps would result in an increase of \$14,995. The Commissioners advised Zachary Phillips to extend the ramps. Craig Hlavinka discussed the fence on the Dunbar property is leaning and cows are getting in. Craig Hlavinka has verified that the corners are still intact. The Commissioners discussed placing t-posts 300 to 400 feet apart to prop the fence. Joey Sliva asked about installing the gates on the fence between the Port property at the Harbor and the Storm Shack.

Item 6 – The Commissioners discussed the termination of the lease between Craig and Jeannie Hinton and the Port of Bay City Authority for the Waterfront Restaurant located at Matagorda Harbor. On motion of Commissioner Joey Sliva, seconded by Commissioner Matt Ashcraft, the Commissioners unanimously approved the termination of the lease between Craig and Jeannie Hinton and the Port of Bay City Authority for Waterfront Restaurant located at Matagorda Harbor.

Item 7 – The Commissioners discussed the lease between Brandi Ryman, Ry Ryman, Russell Durham, and Debbi Durham and the Port of Bay City Authority for the Waterfront Restaurant located at Matagorda Harbor. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved and ratified the lease between Brandi Ryman, Ry Ryman, Russell Durham, and Debbi Durham for the Waterfront Restaurant located at Matagorda Harbor for a primary term of seven years with a five-year option.

Item 8 – Hayden Smith, with Anchor QEA, introduced the members of Anchor QEA and BEI that were in attendance as well as their backgrounds. Anchor QEA specializes in environmental and coastal engineering. Sara Flaherty, with BEI specializes in permitting. Charles Belaire, with BEI, worked with various ports and specializes in Corps of Engineers matters. Hayden Smith discussed Anchor QEA's background. Anchor QEA has four hundred employees, has been operating in Texas for twenty years, and has three offices. Commissioner George Harrison discussed some of the issues with the Mouth of the Colorado River including the channel, impound, and Sargent Beach nourishment. George Harrison is dealing with the Corps of Engineers on a deficiency review for the Mouth of the Colorado River. The shoaling makes it hard to attract large boats in Matagorda Harbor. There was a general discussion regarding different options such as a reevaluation report, limited reevaluation report, and deficiency report which would establish the flaws in the project. There was a discussion regarding a similar situation that Anchor QEA worked on where a pipe was placed under the entrance to pump the shoaling to the opposite side of the entrance. There are different ideas that can be explored to improve the area. Buddy Treybig discussed the current has been strong to the east. The change in currents limit the routes that can be taken and changes the routes. George Harrison asked Sara Flaherty if the weather is factored into models. Buddy Treybig discussed Parker's Cut and Bragg's Cut. Sara Flaherty discussed her prior work history with the Corps of Engineers including permitting and navigation. Sara Flaherty also discussed getting the Corps of Engineers more engaged in the process. George Harrison questions if it is easier to get a limited reevaluation report or a deficiency report. Hayden Smith discussed the safety issue caused by the traffic moving thru the jetties. This is both a safety and liability issue. The need for a deeper draft for commercial traffic was discussed as well as its direct economical impact. There was some discussion regarding the possible harbor expansion. Charles Belaire worked to develop the harbor at Rockport and a marketing plan to enable the sale to a developer. Charles Belaire also started a tourism development group in Rockport. Hayden Smith discussed developing a larger harbor area by expanding the RV spaces and boat slips. An economic analysis can be done to show the revenue for each level of the expansion.

Hayden Smith discussed potential businesses that could locate inside Matagorda Harbor and birding areas that could be designed not only to increase tourism but to provide local birders with access to additional areas near the harbor. George Harrison discussed the need for restroom facilities. Hayden Smith discussed the outdoor recreational area design that was utilized at Long Beach to provide areas for quick connect trailers. George Harrison discussed including a community walk/bike trail into Matagorda. Potential grant opportunities were discussed. There are government grants that have funds set aside for infrastructure. Other funding sources were also discussed. The project will need to be shovel ready. In order to have the project shovel ready, permitting and preliminary plans will need to be completed. George Harrison asked for a cost estimate for the design. Dan Opdyke will go thru the plan and develop an estimate. Joey Sliva expressed his interest in the shoaling at the jetties. Joey Sliva asked for a projected timeline to work with the Corps of Engineers to address the issue and for models to be designed. George Harrison discussed the amount spent on dredging in past years. The Commissioners discussed the economic issues caused by shoaling, the effects the shoaling has had on the community, the benefits of increased recreational and commercial usage. Hayden Smith will prepare contracts for both the Harbor expansion and the jetty project to present to the Commissioners at the next meeting.

Item 9 – AEP has requested a Right of Way easement to access the electric lines on the northeast corner of the Fondren property at the Port of Bay City. AEP is replacing the wooden poles with metal poles between the lake and the river. Allen Cumbie advised the Commissioners that there is no AEP easement that he is aware of for the transmission line. Matt Ashcraft advised that AEP had asked for a Right of Way to replace the poles. George Harrison discussed possibly granting a temporary access easement. AEP has done soil borings on the property. George Harrison advised Craig Hlavinka that AEP has no legal access. Any current easements arrangements will be reviewed.

Item 10 – The Commissioners discussed the rail easement requested by Air Liquide. Matt Ashcraft and George Harrison met with Loadstar regarding rail easements. The main focus of a rail easement are the legal requirements. George Harrison stressed that the rail easement needs to meet the needs of Air Liquide, PCCSE, and future Port of Bay City needs. There was no action taken at this time.

Item 11 – There was no discussion in regards to additional rail spurs and rail access for the Port Authority and other possible users of the Port property.

Item 12 – There was no new information to report in regards to the AEP electric line, substation, and access easements.

Item 13 – Craig Hlavinka discussed two changes to the proposed lease of approximately ten acres at the Port of Bay City to Roehm America LLC. Roehm will not have unrestricted access to the sandpit road. The area will be on the west side of the basin. Craig Hlavinka will meet with Roehm next week, and Allen Cumbie believes the lease will be agreed to. Roehm needs the property to get the modules delivered for construction of their facility. Roehm will begin bringing in modules during October thru December. The proposed lease will be twenty-four months.

Items 14 & 15 – The Commissioners discussed having a tax abatement policy in place for new prospective companies. The tax abatement policy was kept the same as the previous police that has expired. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the Port of Bay City Authority Resolution No. PA-R-001-2022 concerning the adopting of tax abatement guidelines by the Port of Bay City Authority for 2022-2024.

Item 16 – The Commissioners reviewed Tariff No. 17 for the Port of Bay City. The slip rates for all slips, excluding T-heads and G-dock increased \$25 per month while the RV spaces increased \$50 per month. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Joey Sliva, the Commissioners approved the Port of Bay City Authority Tariff No. 17 effective July 1, 2022. Sharron Perez will send notice to all boat slip tenants and RV space tenants with the June billing.

Item 17 – The Commissioners discussed the representatives to Matagorda County Economic Development Board. On motion of Commissioner Joey Sliva, seconded by Commissioner Buddy Treybig, the Commissioners unanimously ratified and approved George Harrison and Matt Ashcraft as the representatives to Matagorda County Economic Development Corporation.

Item 18 – Sharron Perez advised the Commissioners that website training is not available at this time. Information is being provided to Insyteful to be uploaded to the website.

Item 19 – Scott Hardwick, Executive Director of Matagorda County Economic Development Corporation, updated the Commissioners on various projects and prospects. HIF is moving forward. HIF will be transporting product by rail and is utilizing Loadstar's facility. George Harrison will meet with Port of Corpus Christi next week regarding the Big Hill project. Big Hill project will need to load barges to ship

to Port of Corpus Christi and Port of Freeport in order to transfer product to ocean going vessels. George Harrison will be traveling to Poland next week and will visit the PCC plant while he is there.

Item 20 – Air Liquide has paid the annual lease and wharfage. Allen Cumbie advised that the tariff was due May 1, 2022 and is based on the name plate capacity.

Item 21 – There was no new or unfinished business to discuss at this time.

There being no further business to come before the meeting, the Commissioners adjourned the meeting at 8:00pm.

Attest:

Approve:

*/S/ George Harrison*

*/S/ Matthew Ashcraft*