

MINUTES OF MEETING

BE IT REMEMBERED that the Commissioners of the Port of Bay City Authority met Tuesday, October 10, 2023, at the Matagorda County Economic Development Corporation Board Room, 1112 Seventh Street, Bay City, Texas. The following Commissioners and staff were present:

Joey Sliva	Vice-Chairman
Matt Ashcraft	Secretary
Lee Weathers	Commissioners
Trey Treybig	Commissioner
Sharron Perez	Office Manager
Allen Cumbie	Port Attorney
Virtual:	
Craig Hlavinka	Harbor Master
Leslie Bacon	Norton Rose Fulbright
Dimitri Millas	Norton Rose Fulbright
Luke Cressman	HDR Engineering
Hayden Smith	Anchor QEA
Audio:	
George Harrison	Chairman
Visitors:	
Mike Ferdinand	MCEDC Executive Director
Mike Reddell	Bay City Sentinel
Aaron Horine	Anchor QEA
Mike Estlinbaum	Matagorda County Commissioner Pct 2
Absent:	
Buddy Treybig	Commissioners

The meeting was called to order at 6:45pm by Commissioner Joey Sliva.

Item 1 – The Commissioners, staff, and visitors recited the pledge of allegiance to the flags.

Item 2 – Joey Sliva led the Commissioners, staff, and visitors in prayer.

Item 3 – The minutes of the regular meeting of September 14, 2023 were discussed. On motion of Commissioner of Trey Treybig, seconded by Commissioner Matt Ashcraft, the Commissioners unanimously approved the minutes of the regular meeting of September 14, 2023.

Item 4 – On motion of Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the following disbursements were unanimously ratified and approved:

ACE HARDWARE	226.74
--REPAIRS & MAINTENANCE – HARBOR	
ACE HARDWARE	925.96
--REPAIRS & MAINTENANCE – HARBOR	
AQUA-ZYME SERVICES	320.00
--PUBLIC UTILITIES	
AQUA-ZYME SERVICES	320.00
--PUBLIC UTILITIES	
AT&T	944.84
--TELEPHONE	
AT&T	69.18
--TELEPHONE	
AT&T	756.53
--TELEPHONE	
AT&T	1,279.98
--TELEPHONE	
A TEAM LANDSCAPING	200.00
--REPAIRS & MAINTENANCE – OFFICE	
B&C MOWING & LANDSCAPING	500.00
--REPAIRS & MAINTENANCE – HARBOR	
B ALLEN CUMBIE	7,043.56
--ATTORNEY FEES	
DIRECT ENERGY	540.32
--PUBLIC UTILITIES	
DIRECT ENERGY	123.17
--PUBLIC UTILITIES	
DIRECT ENERGY	51.31
--PUBLIC UTILITIES	
ELLEN DODD	1,360.00
--SPECIAL DISTRICT ACCOUNTING FEES	
FRONTZ ELECTRICAL	179.00

--REPAIRS & MAINTENANCE – OFFICE	
GFL	1,116.39
--PUBLIC UTILITIES	
GRAINGER	553.66
--REPAIRS & MAINTENANCE – HARBOR	
GRAINGER	229.62
--REPAIRS & MAINTENANCE – HARBOR	
HART INTERCIVIC	1,542.59
--ELECTION EXPENSE	
LOWES	1,933.79
--REPAIRS & MAINTENANCE – HARBOR	
MATAGORDA VOLUNTEER FIRE DEPT	39,994.83
--OPERATING SUPPLIES	
MATAGORDA WD & WSC	282.80
--PUBLIC UTILITIES (HOUSE)	
MATAGORDA WD & WSC	798.65
--PUBLIC UTILITIES (SPRINKLER)	
MATAGORDA WD & WSC	351.45
--PUBLIC UTILITIES (TENT AND FISH CLEANING)	
MATAGORDA WD & WSC	139.00
--PUBLIC UTILITIES (RESTROOM)	
MATAGORDA WD & WSC	47.50
--PUBLIC UTILITIES (PUMP)	
MATAGORDA WD & WSC	278.30
--PUBLIC UTILITIES (TRAILER PARK)	
NORTON ROSE FULBRIGHT	19,307.50
--ATTORNEY FEES	
PURCHASE POWER	1,033.33
--OPERATING SUPPLIES	
JAY SCHOLTEN	1,600.00
--REPAIRS & MAINTENANCE – HARBOR	
SHARRON'S BOOKKEEPING AND TAX SERVICE	6,867.15
--OFFICE MANAGER – CONTRACT SERVICES	
SHORELINE CONSTRUCTION	14,707.65
--REPAIRS & MAINTENANCE – HARBOR	
SUTHERLANDS	114.91
--REPAIRS & MAINTENANCE – HARBOR	
SUTHERLANDS	291.45
--REPAIRS & MAINTENANCE – HARBOR	
THE BAY CITY TRIBUNE	265.00
--ADVERTISEMENT	
THE HOME DEPOT	2,766.15
--REPAIRS & MAINTENANCE – HARBOR	
THE SHERWIN WILLIAMS	90.88
--REPAIRS & MAINTENANCE – HARBOR	
TOWN SQUARE PUBLICATIONS	850.00
--PROMOTION & DEVELOPMENT	
VERIZON WIRELESS	135.29
--TELEPHONE	
WEST MARINE PRO	848.54
--REPAIRS & MAINTENANCE – HARBOR	
WILLSCOTT	286.05
--MISCELLANEOUS EXPENSE	
CRAIG HLAVINKA	1,373.19
--OPERATING SUPPLIES	
--PROMOTION & DEVELOPMENT	
--VEHICLE EXPENSE	
--TRAVEL	
ANTHONY BESS	1,650.00
--PREPAID RENT REFUND	
LEON HOZEK	87.50
--DEPOSIT REFUND	

Item 5 – Sharron Perez reviewed the Billing, Collection, Accounts Receivable, Financial Reports, and Delinquent Report for September 2023. There were no significant items to report on at this time. There were twelve accounts to which ten-day letters will be sent. Sharron Perez asked if there were any questions regarding the financial information. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the financial reports for September 2023. Detailed copies of the reports are kept as part of the current records of the Port of Bay City Authority.

Item 6 – Sharron Perez reviewed the proposed budget for the year beginning January 1, 2024 and ending December 31, 2024. George Harrison, Sharron Perez, and Craig Hlavinka had discussed various

budget items prior to the meeting. On motion of Commissioner Matt Ashcraft, seconded Commissioner Trey Treybig unanimously approved the following budget totals:

Total Budgeted Revenues	\$ 4,106,096
Total Budgeted Personnel Expenses	\$ 278,502
Total Budgeted Operations Expenses	\$ 1,643,286
Total Budgeted Promotion & Development Expenditures	\$ 82,357
Total Budgeted Capital Expenditures	\$ 555,000

The individual accounts in the budget are provided for informational purposes only. A detailed budget is attached as part of these minutes, and a properly signed copy will be provided to Ellen Dodd.

Item 7 – The Commissioners discussed the 2023 proposed voter approval rate of \$0.04754. On motion of Commissioner Trey Treybig, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved Resolution No. PA-R-005-2023 “Resolution Adopting Tax Rate for Port of Bay City Authority of Matagorda County, Texas for the tax year 2023”, which resolution adopts and establishes for the Port of Bay City Authority of Matagorda County, Texas the 2023 tax rate of \$0.04754 per \$100 valuation.

Item 8 – The Commissioners discussed the 2024 Texas County and District Retirement System rate. On motion of Commissioner Trey Treybig, seconded by Commissioner Matt Ashcraft, the Commissioners unanimously approved the 2024 Texas County and District Retirement System rate of 13.22%.

Item 9 – Hayden Smith, with Anchor QEA, introduced Aaron Horine, with Anchor QEA. Aaron is a Principal Coastal Engineer and has worked on projects from Galveston to Brownsville. Hayden Smith discussed the dredging needed at Matagorda Harbor. The area was last dredged in 2011. Hayden Smith has contacted the US Corps of Engineers regarding the dredging project, including the tasks and reasoning for each. An Analysis Plan will need to be prepared and submitted to both the Port Authority and the Corps for approval. Samples of the dredge material will have to be taken. Tasks 2 and 3 will be discussed during the process to ensure that the project is moving forward as determined by the Port Authority. Coordination with the Port Authority and the bait shop will be necessary regarding the dredging. Hayden Smith reviewed the future tasks which are not priced at this time due to numerous unknowns. Hayden Smith reviewed the timeline and the proposed costs totaling \$231,000 for the known tasks. George Harrison advised that the quantity to be removed is approximately 50,000 cubic yards. The quantity for the dredging of Caney Creek is 9400 cubic yards. The Harbor will be dredged to thirteen feet. George Harrison advised the Commissioners that the dredge material from the Harbor will be placed in the Corps of Engineers’ spoil disposal area. The plans for dredging have to go thru Corps of Engineers operations division, the real estate division, and also the Dallas division. George Harrison advised that the dredge material will have to be tested for contaminants. Matt Ashcraft asked if there are contaminants would cause the Harbor to have to be closed. Hayden Smith advised that the harbor would not have to be closed. Allen Cumbie asked where any contaminated material would be placed. Aaron Horine advised that any contaminated material would have to be placed in a designated area. Trey Treybig asked how many samples will need to be taken. Hayden Smith advised that six samples will be taken. Matt Ashcraft asked how long the findings would be good for due to the start of fishing season. Aaron Horine advised the Commissioners that the harbor will not be dredged when the Corps of Engineers has a dredge in the area during the first quarter of 2024. George Harrison advised that the Port Authority needs to move forward with the project. Craig Hlavinka advised that the current scope of work has omitted the fairway between F dock and G dock. If a smaller barge is utilized, the Port Authority could include the fairway as an option. Hayden Smith agreed. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the Commissioners unanimously approved the Scope of Work for Matagorda Harbor Maintenance Dredging in the amount of \$231,000 as prepared by Anchor QEA.

Item 10 – Hayden Smith, with Anchor QEA discussed the wetlands delineation that was prepared as part of the harbor development project. The Corps of Engineers requires verification of waters and wetlands boundaries within one year from the delineation. Filing this with the Corps of Engineers and requesting an Approved Jurisdictional Determination (AJD) would solidify the results. Since the wetlands delineation was prepared, there have been newly updated waters of the US rules that are favorable to the Port and could eliminate the jurisdictional status of certain wetlands on the property. The AJD would be valid for five years. It would differentiate between the wetlands that are connected to water and those not connected to water. Hayden Smith reviewed the various tasks of the scope of work, the schedule, and the budget of \$23,900. George Harrison advised that the Port Authority should secure the investment that has been made. Hayden Smith discussed a possible site visit by the Corps and revising the wetlands delineation report if these are required by the Corps. On motion on Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the Commissioners unanimously approved the Scope of Work for Submittal of Waters and Wetlands Delineation Report Task 1 in the amount of \$23,900.

Item 11 – Allen Cumbie prepared an interlocal agreement between the Port of Bay City and Matagorda County and submitted it to the Matagorda County Attorney Jennifer Chau for the West Mooring Park Restoration. Allen Cumbie contacted Jennifer Chau to inquire if it had been approved. The agreement was considered by Matagorda County during Executive Session; however, there were matters that needed discussed further. The Corps of Engineers is requiring more information from the County. Matagorda County Precinct 2 Commissioner Mike Estlinbaum advised that there are some wording changes that need to be made. The Port Authority is limited to navigation related expenditures, such as the boat ramp. Matagorda County would be responsible for the maintenance. Allen Cumbie advised that he thought the County would construct the boat ramp but the Port Authority would be responsible for the cost. Mike Estlinbaum advised that Matagorda County has not signed a lease for the property. Matagorda County is looking at a twenty-five-year lease. Currently, the county is looking at the deficiencies including the boat ramp. Matagorda County will have two years to complete the improvements. Once completed, Matagorda County could enter into a twenty-five-year lease. Once Matagorda County has a lease for the property in place, Jennifer Chau will provide the necessary wording for the agreement. The Port Authority will then move forward with reviewing the agreement.

Item 12 – Hayden Smith and Aaron Horine, with Anchor QEA, discussed the proposed scope of work for the West Mooring Dock Park Restoration. Aaron Horine advised that he visited the site and the existing parking lot is in decent shape. Most of the damage is on the chip seal near the boat ramp. The original construction was blocks with concrete over it which prevents sections of the ramp from being individually replaced. The pilings are not very tall and hard to tie into. The fish cleaning table is usable but not close to the boat ramp. It is located where there is fresh water. The parking lot needs some patching done. Hayden Smith reviewed the number of meetings, future tasks, schedule, and projected cost. Allen Cumbie asked if the Port Authority will put the project out for bid and fund the project or if this be done by Matagorda County. George Harrison assumed the Port Authority would take the reigns and be in control of the boat ramp area. Allen Cumbie advised that he will need to redo the interlocal agreement to reflect this. George Harrison wants alignment with the Commissioners on this project to replenish the existing ramps. Matt Ashcraft asked if having the meetings would be best due to the various opinions that would be received. George Harrison advised that Sargent residents have asked for updates. Allen Cumbie asked if the Port Authority is involved in the bid process will Anchor QEA be reviewing the bids to ensure they meet the requirements. Hayden Smith advised that would be a future task and a new scope of work. George Harrison asked the Commissioners to table this item until the county has signed a lease. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the Commissioners unanimously approved tabling the Scope of Work for the West Mooring Dock Park Restoration. Mike Estlinbaum thanked the Commissioners for working with the county on this project.

Item 13 – Joey Sliva advised that the Confidentiality Non-Disclosure Agreement for Project Motion would be discussed after executive session.

Item 14 – The rail spur agreement between Air Liquide and the Port of Bay City is close to being finalized. Dimitri Millas advised that Air Liquide has agreed to consideration in the amount of \$400,000 for the easement. Leslie Bacon stated that this will an amendment to the lease agreement. Sharron Perez advised that Air Liquide contacted the Port office to get access to the property for the surveyors. Craig Hlavinka advised that David Svec will meet the surveyors. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the rail spur agreement between the Port of Bay City Authority of Matagorda County, Texas and Air Liquide including the consideration of \$400,000 subject to legal approving the terms.

Items 15 -17 – Leslie Bacon updated the Commissioners on the agreements with AEP. There are a few outstanding comments critical to the Port Authority. Norton Rose Fulbright has responded and sent a copy to AEP for their review. The substation agreement is the focus and will be utilized in finalizing the other two agreements. No action was taken at this time.

Item 18 – George Harrison advised that Matagorda County is working with a grant writer on a grant to improve the public access to the beach. The grant writer has asked for a letter of support for the project. The Port Authority will have no financial obligation on the project. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the Commissioners unanimously approved providing a letter of support for the Matagorda County public beach access improvements project.

Item 19 – Allen Cumbie explained the different contracts with Roehm America. Allen Cumbie had submitted the Barge and Wharfage Agreement to them in June. In September, the signed agreement was provided to the Port Authority; however, it was only valid thru October 31, 2023. Roehm wanted to revisit the agreement and had some changes to it. Allen Cumbie advised that some of wording is agreeable to the Port Authority; however, the indemnification and insurance sections are not. The property is being used by Roehm America, and the Port Authority does not have access to it. Allen Cumbie advised that all liability should be on Roehm America. Also, Roehm America will need to have the Port Authority as additional insured on their insurance policies. Allen Cumbie asked if the Port Authority wants to hold

them to the indemnification clause. George Harrison, Joey Sliva, and Matt Ashcraft met with representatives of Roehm America. Roehm America does not want to be held liable if Sunoco had an event. Wording will be added to the agreement to state "if caused by Roehm America". The Port Authority does want to be additional insured. Allen Cumbie proposed to use the wording "if caused by a third party". George Harrison wants to clarify in the wording that if it is caused by Roehm. Allen Cumbie had advised Roehm's attorneys that the Port Authority would have to make a decision, and then Allen Cumbie would advise. No action was taken at this time.

Item 20 – Allen Cumbie updated the Commissioners regarding the election to be held on November 7, 2023. The required publications have been scheduled to be published. Early voting will begin October 23, 2023.

Item 21 – Mike Ferdinand, Executive Director of Matagorda County Economic Development Corporation, advised that there is continued activity. Prospective companies are renewable energy and fuel. Commissioners' Court will be receiving an abatement application soon for a new project.

Item 22 – There were no public comments or comments from Commissioners.

Item 23 – At approximately 8:10pm, on motion of Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the Commissioners adjourned to Executive Session. All members of the general public exited the meeting.

Item 24 – At approximately 8:25pm, the Commissioners entered Regular Session with no action being taken in Executive Session.

On motion of Commissioner Matt Ashcraft, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the Confidentiality Non-Disclosure Agreement for Project Motion.

George Harrison discussed possibly having the meeting earlier on December 14, 2023 and having the Christmas dinner at the Bay City Country Club.

On motion of Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the Commissioners unanimously adjourned the meeting at 8:28pm.

Attest:

Approve:

/s/ George Harrison

/s/ Matthew Ashcraft