

MINUTES OF MEETING

BE IT REMEMBERED that the Commissioners of the Port of Bay City Authority met Thursday, May 8, 2025, at the office of the Authority, 1305 7th Street, Bay City, Texas. The following Commissioners and staff were present:

George Harrison	Chairman
Joey Sliva	Vice-Chairman
Matt Ashcraft	Secretary
Lee Weathers	Commissioner
Trey Treybig	Commissioner
Craig Hlavinka	Harbor Master
Sharron Perez	Office Manager
Dimitri Millas	Norton Rose Fulbright
Virtual:	
Luke Cressman	HDR Engineers Inc
Ian Fisher	Anchor QEA
Visitors:	
Jessica Sheppard	The Bay City Sentinel
Hayden Smith	Anchor QEA LLC
Clay Cook	Matagorda VFD
Gale Cook	Matagorda VFD
Don Pickle	Visitor
Bill Wade	Visitor
Absent:	
Buddy Treybig	Commissioner

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

Item 1 – Those in attendance recited the pledge of allegiance to the flags led by George Harrison.

Item 2 – Joey Sliva led those in attendance in prayer.

Item 3 – The Commissioners were provided copies of the minutes of the regular meetings of March 4, 2025 and April 9, 2025 and the special called meeting of April 14, 2025 prior to the meeting. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the Commissioners unanimously approved the minutes of the regular meetings of March 4, 2025 and April 9, 2025 and the special called meeting of April 14, 2025.

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

ACE HARDWARE	1,746.11
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
ALLISON CUSTOM HOMES LLC	15,725.00
--IMPROVEMENTS – PORT OF BAY CITY	
ANCHOR QEA	30,582.62
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
--IMPROVEMENTS – MATAGORDA HARBOR	
--MOCR/DIVERSION CHANNEL	
ANCHOR QEA	6,490.75
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
--MOCR/DIVERSION CHANNEL	
ANCHOR QEA	8,908.75
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
--MOCR/DIVERSION CHANNEL	
AQUA-ZYME SERVICES INC	320.00
--PUBLIC UTILITIES	
AQUA-ZYME SERVICES INC	320.00
--PUBLIC UTILITIES	
A-TEAM LANDSCAPING & LAWN	500.00
--REPAIRS & MAINTENANCE – OFFICE	
AT&T	206.85
--TELEPHONE	
AT&T	761.59
--TELEPHONE	
AT&T	112.90
--TELEPHONE	

CITY OF BAY CITY	7,986.68
--TIRZ FEES (TIRZ #1)	
CITY OF BAY CITY	6,643.88
--TIRZ FEES (TIRZ #2)	
CITY OF BAY CITY	39.08
--TIRZ FEES (TIRZ #4)	
B ALLEN CUMBIE	112.50
--ATTORNEY FEES	
DANIEL INDUSTRIES	205.00
--REPAIRS & MAINTENANCE - PORT	
DANIEL INDUSTRIES	205.00
--REPAIRS & MAINTENANCE - PORT	
DIRECT ENERGY	116.46
--PUBLIC UTILITIES	
DIRECT ENERGY	245.31
--PUBLIC UTILITIES	
DIRECT ENERGY	223.03
--PUBLIC UTILITIES	
DIRECT ENERGY	3,734.62
--PUBLIC UTILITIES	
DIRECT ENERGY	183.16
--PUBLIC UTILITIES	
ELLEN DODD	1,600.00
--SPECIAL DISTRICT ACCOUNTING FEES	
GFL ENVIRONMENTAL	1,199.10
--PUBLIC UTILITIES	
GRAINGER	683.95
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
GRAINGER	56.90
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
HDR ENGINEERING INC	1,034.00
--WEST BASIN BULKHEAD	
HDR ENGINEERING INC	51,720.00
--WEST BASIN BULKHEAD	
HDR ENGINEERING INC	73,247.00
--WEST BASIN BULKHEAD	
HDR ENGINEERING INC	2,295.00
--WEST BASIN BULKHEAD	
HDR ENGINEERING INC	463.00
--CANEY CREEK DREDGING	
HDR ENGINEERING INC	1,217.00
--CANEY CREEK DRDGING	
INSYTEFUL	1,680.00
--PROMOTION & DEVELOPMENT	
KLEPAC PEST & TERMITE CONTROL	74.00
--REPAIRS & MAINTENANCE – HARBOR	
LOWES	721.41
--OPERATING SUPPLIES	
MATAGORDA COUNTY SIP	145,261.00
--INSURANCE & BONDS (PROPERTY DISASTER)	
MATAGORDA COUNTY SIP	24,458.00
--INSURANCE & BONDS (LIABILITY PACKAGE)	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	47.50
--PUBLIC UTILITIES – PUMP	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	205.70
--PUBLIC UTILITIES – TRAILER PARK	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	125.00
--PUBLIC UTILITIES – HOUSE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	637.45
--PUBLIC UTILITIES – BOAT SHED	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	325.75
--PUBLIC UTILITIES – TENT AND FISH CLEANING TABLE	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	1,700.85
--PUBLIC UTILITES – SPRINKLER	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	101.00
--PUBLIC UTILITIES – RESTROOM	
MATAGORDA WASTE DISPOSAL & WATER SUPPLY CORPORATION	107.80
--PUBLIC UTILITIES – MEETING HOUSE	
QUILL	339.20
--OPERATING SUPPLIES	
JAY SCHOLTEN	1,600.00
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
SHARRON'S BOOKKEEPING AND TAX SERVICE	7,823.57
--OPERATING SUPPLIES	

--PROFESSIONAL SERVICES	
--TRAVEL	
--OFFICE MANAGER	
SHORELINE CONSTRUCTION	29,140.84
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
SOUTH TEXAS CORRUGATED PIPE	2,800.00
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
SUTHERLAND LUMBER CO	1,573.81
--REPAIRS & MAINTENANCE – MATAGORDA HARBOR	
THRYV	29.00
--PROMOTION & DEVELOPMENT	
VERIZON WIRELESS	169.61
--TELEPHONE	
CRAIG HLAVINKA	3,833.31
--TRAVEL	
--OPERATING SUPPLIES	
--VEHICLE EXPENSE – GAS & OIL	
--MISCELLANEOUS EXPENSE	
--TELEPHONE	
JENNIFER MORAW	450.00
--SECURITY DEPOSIT	

Item 5 – The financial reports and monthly billing and collection reports for March and April 2025 were provided to the Commissioners. Sharron Perez reviewed the financials and asked if the Commissioners had any questions. On motion of Commissioner Joey Sliva, seconded by Commissioner Matt Ashcraft, the Commissioners unanimously approved the financials for March and April 2025.

Item 6 – Sharron Perez advised that there are seventeen delinquent accounts that ten-day letters will be sent to. There are no accounts that she is concerned about at this time.

Item 7 – Craig Hlavinka gave a report on the activity at the Port of Bay City Turning Basin. Everything is running smoothly. The new roof on the warehouse is defective and will be replaced under warranty. The Port Authority will not have to pay anything for the roof replacement.

Craig Hlavinka gave a report on the activity at Matagorda Harbor. Everything is running smoothly. A lot gear plates are being replaced due to their thirty-year age.

Item 8 – Don Pickle and Bill Wade addressed the Commissioners regarding the shoaling by Bragg's Cut and the effect it has on the houses along the Colorado River. The shoaling has prevented boating access and fishing access for the properties across from Bragg's Cut. Don Pickle showed the Commissioners a picture facing north at low tide showing the area is inaccessible. George Harrision encouraged Don Pickle and Bill Wade to remain in the meeting for updates from Hayden Smith with Anchor QEA regarding the Mouth of the Colorado River/Diversion Channel project.

Item 9 – Clay and Gale Cook, with the Matagorda Volunteer Fire Department, thanked the Commissioners for the previous assistance in purchasing the firefighting boat which was dedicated on May 3, 2025. George Harrison thanked MVFD for asking him to speak at the event. Clay Cook addressed the Commission regarding additional items needed for MVFD to provide services to the area. Matagorda County is donating \$20,000 to go towards the purchases. Clay Cook went over the items needed. The pagers connect to Bay City Volunteer Fire Department. George Harrision felt these would be helpful if there was a fire at the Port of Bay City Turning Basin. George Harrison asked Dimitri Millas, with Norton Rose Fulbright, for guidance under the water code regulations. Dimitri Millas does not see a legal problem with it. Craig Hlavinka advised that he felt the Rescue Kit, Alert Pagers, and Thermal Binoculars would be useful in firefighting on Port properties. Joey Sliva is in favor of the items that Criag Hlavinka suggested. George Harrison asked the Commissioners about adding a foam system. Craig Hlavinka advised foam is effective in firefighting. Lee Weathers asked if it will put out a boat fire. Craig Hlavinka questioned if foam can be used to put out a fire involving lithium batteries since water cannot be used to extinguish these fires. George Harrison asked about the Pro Pack Foam Systems. Clay Cook advised that two would stay on the boat as there are two water lines on the boat. On motion of Commissioner Joey Sliva, seconded by Matt Ashcraft, The Commissioners approved the purchase of one ResQmax Coastal Rescue Kits, one pair of Thermal Binoculars, six of the Alert Pagers, and two of the Pro/Pak Portable Foam Systems.

Item 10 – Luke Cressman, with HDR Engineering Inc, updated the Commissioners on the NEPA draft to be submitted to MARAD. There will need to be some mitigation due to the industrial impact being greater than one-tenth of and acre. The Port Authority can set aside 0.17 acres that will not be touched or buy into an easement. George Harrison advised that all land is commercial other than the spoil disposal area. There is not a lot of land to utilize. George Harrison feels buying into credits would be the best option. Matt Ashcraft agrees. Luke Cressman discussed the projected cost of the project. With the four hundred feet of waterfront, the projected cost is \$13,000,0000. If the waterfront is reduced to three

hundred fifty-one feet of waterfront, the projected cost is \$11,500,000. George Harrison asked if this would be too much of a change for the MARAD grant. George Harrison bringing the project back to the \$10,000,000 grant with the Port Authority taking on \$1,500,000 contingency. George Harrison advised that the Port authority needs to hold to the grant. The design will need to be tweaked to stay on budget. George Harrison asked Luke Cressman to relay this to MARAD in order to insure funding. George Harrison discussed this not being a formal change in design as the final design has not been approved. George Harrison asked Luke Cressman if there would be an opportunity for the Port Authority to request additional funding. The Port Authority agreed to move forward with the potential contingency to be covered by the Port Authority. Luke Cressman discussed looking at watershed mitigation. George Harrison discussed possible easements on Huebner property and asked if this cost would be recoverable. Luke Cressman advised that the cost would be recoverable.

Item 11 – The Commissioners discussed the project scope change for the Port of Bay City Turning basin – West Basin Bulkhead Improvements by HDR Engineering Inc. The scope change covers the identification of the environmental mitigation required and complete the USACE Permit application. On motion of Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the Commissioners unanimously approved the project scope change for the Port of Bay City Turning Basin – West Basin Bulkhead Improvements by HDR Engineering Inc in the amount of \$48,000.

Item 12 – Luke Cressman, with HDR Engineering Inc, updated the Commissioners on the Caney Creek Dredging project. A dredging contract has been executed with Viking on Wednesday, May 7, 2025. The contract was reviewed by legal, Matagorda County Drainage District No. 1 Chairman Barrett Franz, and Port of Bay City Authority Chairman George Harrison. Luke Cressman prepared a press release that Sharron Perez will send to The Bay City Tribune and The Bay City Sentinel. Jessica Sheppard, with The Bay City Sentinel, advised that she will post to their website and Facebook. Luke Cressman advised that there will be a preconstruction meeting on Monday, May 12, 2025 to obtain the proposed timeline of dredging. George Harrison advised Dimitri Millas that this project falls under the current MOU for the project. Matagorda County Drainage District No. 1 will fund the dredging, while the Port of Bay City Authority funded the design and permitting. The two organizations will meet and reconcile the accounts. Luke Cressman advised that the placement fee is not accounted for at this time. The estimated additional payment from the Port of Bay City Authority will be between \$100,000 and \$150,000.

Item 13 – Ian Fisher, with Anchor QEA, update the Commissioners on the Matagorda Harbor Maintenance Dredging Project. Anchor QEA has wrapped up the 100% design and is waiting for final approval so it can be submitted to the Port Authority for approval. If the project is started this summer, restrictions will be in place to ensure that the harbor is operational. When dredging inside Matagorda Harbor, one boat ramp will remain open. George Harrison advised that the channel will need to remain open at all times, along with one boat ramp. The morning traffic will need to be taken into consideration. The Port Authority and Norton Rose Fulbright will need to review and approve the plans then put them out for bid. George Harrison advised that there will be no dredging on the weekends. All work will have to be done on a five-day work week. Trey Treybig asked what the timeline would be for the dredging. George Harrison asked Ian Fisher to put a timeline in the bid documents for consideration. George Harrison asked Matt Ashcraft and Trey Treybig to look at the timeline. George Harrison advised it would be 33,000 cubic yards; however, Ian Fisher advised that it is projected to be 63,000 cubic yards but could be more due to the past two hurricanes.

Item 14 – Hayden Smith, with Anchor QEA, updated the Commissioners on the Colorado River Diversion Channel and Parker's Cut Phase 1 project and provided some history for those in attendance. The Port Authority suggested this project as part of the MCEDC flood plan. The USACE asked for a jurisdictional letter. The Port Authority met with various agencies and submitted the jurisdictional letter. On January 10, 2025, the Port Authority submitted a letter of intent for the project to fall under CAP funding. Anchor QEA assisted with information. CAP assists with funding for small projects. The USACE feels the project is competitive. No funding will occur until after September which is the end of the fiscal year. Anchor QEA is staying in contact with the USACE. The spoil will be utilized to create bird habitats and enhance wildlife habitats. The first phase of the project is a 50/50 cost share, while the design phase would be a 65/35 cost share. Hayden Smith advised that there could be additional tasks. Hayden Smith reviewed some of the tasks in the project scope. Once the USACE approves the project, the USACE would utilize \$100,000 for them to study the project. Hayden Smith advised that the Port Authority could do some studies, which would not be part of the cost share, to move the project along. Second would be the cost share and project share agreement which would maximum the Port Authority's ability to push the time and plans. Third would be the grant support. Anchor QEA would assist the Port Authority in pursuing grants to cover the Port Authority's cost share. The USACE does not care where the Port Authority's share comes from. Initially, it was thought that only state or local grants could be utilized, but federal grant funds can be used. TXDOT and PAAC coordination will be helpful. There could be leftover funds from prior years in the Maritime and Infrastructure Program. CAP is currently asking for \$900,000,000 but may only receive \$200,000,000. Hayden Smith suggested uploading the Matagorda Harbor improvements for consideration. Hayden Smith advised there is a form that can be completed. George Harrison advised

sending a letter first but not a formal grant application. It is in the state flood plan so grants can be beneficial. Next, Hayden Smith discussed the coordination efforts. After meeting with the USACE, he will keep the Port Authority informed about risks. The initial timeline was short; however, the Port Authority has time now. Hayden Smith will submit the Scope of Work when the USACE is moving forward with CAP funding. George Harrison asked if any grants would come before CAP funding. Hayden Smith advised that the Port Authority will have to wait a little longer to see if CAP funding can be obtained for the project.

Item 15 – Dimitri Millas, with Norton Rose Fulbright, advised that there were no additional items to discuss at this time. When Leslie Bacon gets back in the office, they will coordinate with Allen Cumbie and develop a calendar showing all of the various items governed by law, ie budget, tax rate, etc in order to ensure that all items are taken care of on a timely basis.

Item 16 – Michael Ferdinand, Matagorda County Economic Development Executive Director, was attending the Tenaris Scholarship program. HIF is waiting on government review on products and incentives. George Harrison sent a note to Peter Wenzel, with PCC Chemicals, for an update on the on the project. George Harrison will update the Commissioners once Peter Wenzel responds.

Item 17 – Don Pickle asked if the issue of silting caused by Bragg's Cut is a separate project. George Harrison advised that it all one large project. Once the federal interest is determined, the USACE will review the project. The modeling and studies should take 18 to 24 months depending on the resource agencies. The USCAE will be the lead on the project which should speed up the permitting process. Don Pickle asked where Parker's Cut was located. George Harrison advised that it is closer to the Mouth of the Colorado River on the west side of the river. Don Pickle asked if this will impact home values. George Harrison advised that it will have economic effects. Don Pickle discussed the decreased home values due to the silting along the river front. Hayden Smith advised that the main focus is on flood control but social and economic factors are also considered.

Craig Hlavinka asked if there is a timeframe for dredging the jetties. The USACE hoped to have the dredge in the area; however, it was redeployed by another federal agency. The Sargent project was delayed. The USACE is looking for a solution as \$73,000,000 has been allocated to the project.

Gale Cook, with Matagorda VFD, advised that there will be a BBQ fundraiser for the fire department on May 24, 2025 and thanked the Port Authority for all of their help. George Harrison thanked the Matagorda VFD for all of their help.

There were no additional public or Commissioner comments at this time.

Item 18 – At approximately 7:50pm, on motion of Commissioner Matt Ashcraft, seconded by Commissioner Trey Treybig, the Commissioners unanimously closed the regular meeting and adjourned to Executive Session to discuss the purchase, exchange, lease, or value of real property if deliberations in an open meeting would have a detrimental effect on the position of the government body in negotiations with a third party. All members of the general public were asked to exit the meeting.

Item 19 – The meeting was called back into regular session at approximately 8:23pm with no action being taken in Executive Session.

Item 20 – Craig Hlavinka will contact Air Liquide to obtain additional information regarding the requested easement.

Item 21 – On motion of Commissioner Joey Sliva, seconded by Commissioner Matt Ashcraft, the Commissioners unanimously adjourned the meeting at 8:24pm.

Attest:

Approve:

/S/ George Harrison

/S/ Matthew Ashcraft