

MINUTES OF MEETING

BE IT REMEMBERED that the Commissioners of the Port of Bay City Authority met Thursday, March 12, 2026 at 6:30pm in a regular meeting at the Office of the Authority, 1305 Seventh St, Bay City, Texas. The following Commissioners, staff, and guests were present:

George Harrison	Chairman
Joey Sliva	Vice- Chairman
Lee Weathers	Commissioner
Buddy Treybig	Commissioner
Trey Treybig	Commissioner
Craig Hlavinka	Harbor Master
Jessica Russell	Director of Business Development
Sharron Jones	Office Manager
Absent:	
Matt Ashcraft	Secretary
Visitors:	
Jessica Sheppard	The Bay City Sentinel
Mike Ferdinand	MCEDC Executive Director
Hayden Smith	Anchor QEA
Megan Mutlu	HIF
James Outtrim	HIF
Virtual:	
Leslie Bacon	Norton Rose Fulbright
Dimitri Millas	Norton Rose Fulbright
Luke Cressman	HDR Engineering
Elizabeth Bonorden	HWU

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

Item 1 - Commissioner Joey Sliva led those in attendance in prayer.

Item 2 – Chairman George Harrison led those in attendance in the pledge of allegiance to the flags.

Item 3 – The minutes of the regular meeting of February 12, 2026 were provided to the Commissioners prior to the meeting. On motion of Commissioner Trey Treybig, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the minutes of the regular meeting of February 12, 2026.

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

ACE HARDWARE	65.97
--VEHICLE EXPENSE	
ACE HARDWARE	1,107.76
--OPERATING SUPPLIES	
ANCHOR QEA	18,297.00
--MATAGORDA HARBOR IMPROVEMENTS	
ANCHOR QEA	21,857.75
--SARGENT PROJECT	
ANCHOR QEA	9,467.75
--MATAGORDA HARBOR IMPROVEMENTS	
ANDREA SAVAGE	500.00
--REPAIRS & MAINTANCE - OFFICE	
A-TEAM LANDSCAPING	500.00
--REPAIRS & MAINTENANCE – OFFICE	
AT&T	765.30
--TELEPHONE	
AT&T	207.40
--TELEPHONE	
AT&T	75.27
--TELEPHONE	
B ALLEN CUMBIE	225.00
--ATTORNEY FEES	

DIRECT ENERGY	124.72
--PUBLIC UTILITIES	
DIRECT ENERGY	57.77
--PUBLIC UTILITES	
DIRECT ENERGY	4,019.35
--PUBLIC UTILITIES	
DIRECT ENERGY	22.16
--PUBLIC UTILITIES	
DIRECT ENERGY	196.09
--PUBLIC UTILITIES	
ELLEN DODD	1,600.00
--SPECIAL DISTRICT ACCOUNTING	
GFL ENVIRONMENTAL	1,015.68
--PUBLIC UTILITIES	
GRAINGER	1,266.21
--REPAIRS & MAINTENANCE – HARBOR	
GRANT MACKAY ABATEMENT	7,125.00
--BAY CITY OFFICE IMPROVEMENTS	
GULF PORTS ASSOCIATION	400.00
--SEMINARS, DUES	
CRAIG HLAVINKA	8,389.12
--TRAVEL	
--VEHICLE EXPENSE	
--OPERATING SUPPLIES	
--SAFETY & SECURITY	
--MISCELLANEOUS EXPENSE	
--PUBLIC UTILITIES	
MATAGORDA COUNTY	396.28
--TAX LEVY	
MATAGORDA COUNTY	600.00
--PROFESSIONAL SERVICES	
MATAGORDA COUNTY APPRAISAL DISTRICT	8,393.68
--APPRAISAL DISTRICT FEES	
MATAGORDA WASTE DISPOSAL AND WATER SUPPLY CORPORATION	921.85
--PUBLIC UTILITIES (SPRINKLER)	
MATAGORDA WASTE DISPOSAL AND WATER SUPPLY CORPORATION	351.55
--PUBLIC UTILITIES (BOAT SHED)	
MATAGORDA WASTE DISPOSAL AND WATER SUPPLY CORPORATION	167.10
--PUBLIC UTILITIES (HOUSE)	
MATAGORDA WASTE DISPOSAL AND WATER SUPPLY CORPORATION	199.60
--PUBLIC UTILITIES (MEETING HOUSE)	
MATAGORDA WASTE DISPOSAL AND WATER SUPPLY CORPORATION	252.90
--PUBLIC UTILITIES (TRAILER PARK)	
MATAGORDA WASTE DISPOSAL AND WATER SUPPLY CORPORATION	93.40
--PUBLIC UTILITIES (RESTROOM)	
MATAGORDA WASTE DISPOSAL AND WATER SUPPLY CORPORATION	47.50
--PUBLIC UTILITIES (PUMP)	
MATAGORDA WASTE DISPOSAL AND WATER SUPPLY CORPORATION	460.95
--PUBLIC UTILITIES (TENT & FISH CLEANING TABLE)	
MCCOY'S BUILDING SUPPLY	591.62
--OPERATING SUPPLIES	
MYRA'S GARDEN NURSERY	7,446.00
--REPAIRS & MAINTENANCE – HARBOR	
NORTON ROSE FULBRIGHT	6,853.75
--ATTORNEY FEES	
PITNEY BOWES GLOBAL FINANCE SERVICES	194.31
--MISCELLANEOUS EXPENSE	
PITNEY BOWES BANK INC PURCHAS POWER	1,000.00
--OPERATING SUPPLIES	
PROSPERITY BANK	206.15
--TRAVEL	
JOHN RILEY	6,200.00
--REPAIRS & MAINTENANCE – HARBOR	
JAY SCHOLTEN	1,600.00
--REPAIRS & MAINTENANCE – HARBOR	
SHARRON'S BOOKKEEPING AND TAX SERVICE	7,727.00
--OPERATING SUPPLIES	
--OFFICE MANAGER	
--PROFESSIONAL SERVICES	
--TRAVEL	

SHORELINE CONSTRUCTION	56,719.05
--REPAIRS & MAINTENANCE – HARBOR	
--REPAIRS & MAINTENANCE – PORT	
--HARBOR IMPROVEMENTS	
THE HOME DEPOT	879.19
--REPAIRS & MAINTENANCE – HARBOR	
THRYV	30.95
--PROMOTION & DEVELOPMENT	
VERIZON WIRELESS	345.69
--TELEPHONE	
ANTHONY SLACALEK	725.00
--SECURITY DEPOSIT REFUND	
--PREPAID RENT REFUND	

Item 5 – The Commissioners were provided the financial reports and monthly billing and collection reports for February 2026. Sharron Jones reviewed the financial reports and asked the Commissioners if there were any questions. There being none, on motion of Commissioner Trey Treybig, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the financial reports and monthly billing and collection reports for February 2026.

Item 6 – Sharron Jones advised the Commissioners that there are twenty 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 did not have any items to report on regarding the activity at the Port of Bay City.

Craig Hlavinka gave a report on the activity at Matagorda Harbor. Everything is running smoothly. The breaker panel, wiring, and connectors on A-dock have been replaced.

Item 8 – Elizabeth Bonorden, with HWU LLP, presented the outside auditor's report for the year ending December 31, 2024. The Port of Bay City Authority was given an unmodified opinion. Elizabeth Bonorden reviewed the letter of governance from HWU. HWU implemented the new GASB regulations. There were no significant changes indicated in the audit. Elizabeth Bonorden advised that the Port exceeded its liabilities and deferred inflows at the end of 2024 by approximately \$32 million, with \$23 million of this being available to meet ongoing obligations. Elizabeth Bonorden reviewed the Port's Net Position. A large portion of funds are unrestricted. The change in net position from 2023 to 2024 was an increase of \$1.7 million. Investment earnings decreased \$390K, property tax revenue increased \$143K even though the tax rate decreased. Elizabeth Bonorden reviewed the Balance Sheet which showed the fund balance to be \$23 million which was 525% of the expenditures for 2024. Revenue and expenditures were reviewed next. The tax revenue increased 7%, investment income decreased \$390K, and the net change in fund balance was \$969K. The allowances for receivables was increased, and \$431K in tax revenue had not been remitted to the Port at the end of 2024. The receivables are spread over a sixty-year period due to the length of current lease agreements. Elizabeth Bonorden reviewed the increased capital assets including the Bay City office remodel, the new office at the Port Turning Basin, the purchase of property, and the work at the Port Turning Basin. Elizabeth Bonorden discussed the budget to actual variances. A large portion of the income difference resulted from the deferral of the easement income. The largest variances in expenditures resulted from insurance and capital outlay. Elizabeth Bonorden asked the Commissioners if there were any questions and/or comments. The Commissioners had none.

Item 9 – On motion of Commissioner Trey Treybig, seconded by Commissioner Lee Weathers, the Commissioners unanimously approved the independent audit report for the year ended December 31, 2024.

Item 10 – Elizabeth Bonorden, with HWU LLP, had provided an engagement letter for the independent audit report for the year ended December 31, 2025. The 2025 audit should be consistent to the 2024 audit; therefore, the proposed fee will be the same as the fee for the 2024 audit which was \$11,925. On motion of Commissioner Joey Sliva, seconded by Commissioner Trey Treybig, the Commissioners unanimously approved the engagement letter for the independent audit report for the year ended December 31, 2025 as submitted by HWU LLP with the fee not to exceed \$11,925.

Item 11 – Luke Cressman, with HDR Engineering Inc, updated the Commissioners on the Port of Bay City Turning Basin – West Basin Bulkhead Improvements by HDR Engineering Inc. The NEPA concurrence has been received and now the grant agreement can move forward. Once MARAD completes their review, then the Port Authority can sign the agreement. The Port Authority can then begin to submit all approved costs for reimbursement. Luke Cressman advised that all costs are approved and

reimbursable. Norton Rose Fulbright has reviewed the grant agreement and some minor changes have been made. The grant agreement should be provided to the Port Authority in two to four weeks pending staff availability. Georg Harrison asked when the bidding for construction could begin. Luke Cressman advised that the Corps permit will need to be obtained, but the proposed timeline would be by the end of 2026. Full construction would occur in 2027.

Luke Cressman then updated the Commissioners on the Caney Creek Dredging Project. The Corps of Engineers closed the permit. Matagorda County Drainage District No. 1 has an item to complete. George Harrison will contact Barrett Franz to finalize the project.

Item 12 – Hayden Smith, with Anchor QEA, was briefed by Ian Fisher to update the Commissioners on the harbor improvements project. The project is on schedule. The permit application will be submitted by the end of March. The 30% design will be ready for review in April.

Item 13 – Hayden Smith, with Anchor QEA, updated the Commissioners on the West Mooring Dock Park Restoration. The plans are in senior review. The permit application has been drafted and will be submitted in the next couple of weeks. The project is moving forward. The 30% design will be completed by the end of March. George Harrison asked if the project was within budget. Hayden Smith advised it is.

Item 14 – Hayden Smith, with Anchor QEA, updated the Commissioners on the Commercial Fishing Port project. Anchor QEA is waiting on the FOIA request to determine the depth which is affecting the permitting. Once Anchor QEA receives the depth survey and the FOIA, the project can move forward.

Item 15 – Leslie Bacon, with Norton Rose Fulbright, advised the Commissioners that a motion needed to be made regarding the grant agreement for the West Basin Bulkhead Improvements. On motion of Commissioner Joey Sliva, seconded by Commissioner Trey Treybig, the Commissioners unanimously approved the grant agreement between the Port of Bay City Authority of Matagorda County, Texas and MARAD for the Port of Bay City Turning Basin – West Basin Bulkhead Improvements. Leslie Bacon advised that Air Liquide has remitted payment for the easement for the valve on the existing pipeline.

Item 16 – Mike Ferdinand, MCEDC Executive Director, updated the Commissioners on the various projects and prospects interested in Matagorda County. He continues to work on and support a number of projects. An update on the flood studies will be sent out next week. The requests for proposals have slowed but should increase mid-April. The aquatic center is moving forward and is currently going through financing options.

Item 17 – Hayden Smith updated the Commissioners on a meeting he had with Aaron Chastain, with the USACE Galveston District, where he was informed that the CAP program is being overhauled. The Texas General Land Office has opened the GOMESA grants. Jessica Russell will reach out to our federal representatives regarding the various federal funding related inquiries the Port Authority had.

Items 18 & 19 – The general public exited the meeting. On motion of Commissioner Trey Treybig, seconded by Commissioner Lee Weathers, the Commissioners entered into executive session at 7:03pm.

Item 20 - The motion to go back into open session was made by Commissioner Trey Treybig and seconded by Commissioner Lee Weathers. At 7:30 pm, the board unanimously approved going back into open session with no action being taken in executive session.

On motion of Commissioner Joey Sliva, seconded by Commissioner Trey Treybig, the Commissioners unanimously approved Norton Rose Fulbright to draft an exclusivity agreement with HIF for a six-month period at a rate of \$35,000 unless the Port Authority is provided with all of the test results. Leslie Bacon, with Norton Rose Fulbright, requested that a list of the various tests be provided to her in order for these to be included in the agreement.

Item 21 – There was no unfinished business and the motion was made by Commissioner Joey Sliva, seconded by Commissioner Trey Treybig, the Commissioners unanimously adjourned the meeting at 7:31 pm.

Attest:

Approve:

/s/ George Harrison

/s/ Matthew Ashcraft