

MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
MINUTES OF THE BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
September 22, 2021

I. Chairman Neeley called the meeting of September 22, 2021, to order at 1:00 p.m. Chairman Neeley announced the Notice of Meeting had been duly posted and there was a quorum present. The Pledge of Allegiance was recited. Chairman Neeley welcomed those in attendance and thanked them for coming.

ATTENDEES:

David Aparicio, Commissioner
Victor Eggemeyer, Commissioner
Jimmy Neeley, Chairman
Greg Seaman Commissioner
Donny Tran Commissioner
Victor Martinez, Port Director

Isidro Castanon, Port Attorney
Alan Schulman, Palacios Beacon
Jose Ortiz, Maintenance Contractor
Tom Schmidt, Urban Engineering
Scott Hardwick, MCEDC (1:07 pm)
Verna H. Williams, Port Office Mgr.

I. 5. Report from Matagorda County Economic Development Corporation. Scott Hardwick, MCEDC Executive Director, gave a brief report.

II. 1. Consideration and approval of Minutes of Previous Meetings (8/26/2021). Minutes from the Regular Board Meeting of August 26, 2021 were reviewed. Commissioner Eggemeyer moved to accept the minutes as presented. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

II. 2. Consideration and approval of Lease Activity since last Regular Board Meeting. Mr. Martinez reported on lease activity since the last regular Board meeting. There was one Recreational Lease renewal (Sojak) and one Commercial Lease renewal (Azteca Shrimp-Alfred Aparicio). Occupancy for TB#3 Docks B-E is 92% and 60% for F&G slips are occupied. A motion was made by Commissioner Seaman to approve Port Lease Activity, as presented. Commissioner Eggemeyer seconded the motion. Motion passed by majority vote. (Commissioner Aparicio abstained due to a conflict of interest).

II. 3. Consideration and approval of FY2022 Maintenance & Operations Budget. Mr. Martinez stated, the proposed FY2022 M&O Budget was reviewed at our August 26th Regular Meeting. All suggested changes were made. I've spoken to each of you during since the last Board Meeting and I've met personally with Mr. Neeley and Mr. Eggemeyer. Routine M&O expenditures are projected to use 84% of estimated revenue. Capital Improvement projects in the budget totaling \$335,000 include: Admin Building Upgrades/Repairs, Dock Repair or Replacement, Rider 38 Hwy 35 & Main St. Project. If there are no other updates or questions about the M&O Operations Budget, I recommend approving as it is. If there are more updates, I recommend approving the M&O Operations Budget with the understanding all updates and changes will be made before final signatures. Commissioner Aparicio made a motion to approve the FY2022 Maintenance & Operations Budget. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

II. 4. Consideration and approval of FY2022 Committed Funds Budget. Mr. Martinez stated, MCND#1 has committed adequate funds for designated projects and contingency situations for FY2022. Generally, readily available cash is in our depository accounts throughout the year for projected expenses and other planned usage. Commissioner Eggemeyer made a motion to approve the FY2022 Committed Funds Budget. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

II. 5. Consideration and approval of Order to Adopt 2021 Tax Rate. Chairman Neeley announced, as Mr. Martinez reads the Order to Adopt 2021 Tax Rate, each Commissioner must be poled separately for their vote. The Maintenance & Operation Tax Rate for 2021 is our no-new revenue rate that was proposed for 2021 by the County Tax Assessor \$0.01031 per \$100 of value. David C. Aparicio: Yes; Victor L Eggemeyer Yes; Jimmy E. Neeley: Yes; Greg T. Seaman; Yes; Donny L. Tran: Yes. All voted affirmatively and the motion passed.

III. INTERNAL & FINANCIAL REPORTS for Board discussion and appropriate action Internal Reports.

- a. Contractor's Port Maintenance Report
- b. Port Director's Operations, Promotion & Development Activity

Consideration and approval of Current Voucher Control Report. Commissioner Tran made a motion to accept the Current Voucher Control Report. Commissioner Aparicio seconded the motion. All voted affirmatively and the motion passed.

Consideration and approval of Current Register Reports. After review, Commissioner Seaman made a motion to approve the current Register Reports. Commissioner Aparicio seconded the motion. All voted affirmatively and the motion passed.

Consideration and approval of 1st Quarter Financial Report. After review, Commissioner Aparicio made a motion to approve the 1st Quarter Financial Report. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

Consideration and approval of Current Investment Activity Report. Mrs. Gonzalez reported on the Current Investment Activity Report. Commissioner Tran made a motion to approve the Current Investment Activity Report. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

IV. EXECUTIVE SESSION – At 2:32 p.m., the Board went into an Executive Session, as authorized by the Texas Government Code Sections 551.071, 551.072, 551.074 and 551.087 of the Open Meetings Act, permitting discussion and deliberation in an Executive Meeting for the following purpose:

1. Consultation with Attorney on legal matters as permitted under Sections 551.071 including, but not limited to some of the other matters listed below to be discussed in Executive Session.
2. To conduct deliberations regarding real property and to conduct deliberations regarding economic development as permitted under Sections 551.072 and 551.087 including, but not limited to the following matters:
 - a. Discussion on sale of Marine Education Center property
 - b. Discussion concerning future development of properties and leases
 - c. Discussion on economic development
 - d. Discussion on concerning default leases
 - e. Discussion on repair of Port property
 - f. Discussion on Investment Strategy

V. RETURN TO OPEN SESSION – The Commissioners returned to Open Session at 4:33 p.m. Chairman Neeley made a motion to approve the current MCND#1 Investment Policy with an updated Appendix B, Authorized List of Banks/Brokers/Dealers. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

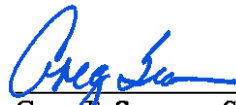
Chairman Neeley made a motion to allow the Investment Committee to start liquidating the C2 portfolio and put into guaranteed investments. Commissioner Aparicio seconded the motion. All voted affirmatively and the motion passed.

Commissioner Eggemeyer made a motion to re-bid the MEC Property 75.79 acres with a minimum bid of \$3,350,000. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

No other motions were offered for action from Executive Session.

VI. SCHEDULE THE NEXT MEETING DATE, TIME, AND PLACE. The next Regular Board Meeting was scheduled for Wednesday, October 27, 2021, at 1:00 p.m. at the Port Administration Building.

VII. ADJOURNMENT. Commissioner Seaman moved to adjourn and was seconded by Commissioner Aparicio the motion carried, and the meeting adjourned at 4:37 p.m.



Greg T. Seaman, Secretary