

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
MINUTES OF THE BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
October 24, 2019**

I. Chairman Jimmy Neeley called the meeting of October 24, 2019 to order at 1:03 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	Matt Glaze, Urban Engineering
Jimmy Neeley, Chairman	John Kock, Texas General Land Office
Greg Seaman Commissioner	Alan Schulman, Palacios Beacon
Donny Tran, Commissioner	Mike Ferdinand, MCEDC (1:15 p.m.)
Victor Eggemeyer, Commissioner	Jose Ortiz, Maintenance Contractor
Victor Martinez, Port Director	Brent Miller, First Financial Trust & Asset
Verna H. Williams, Port Office Mgr.	Gwangmyeong Park, Remitite Co., Ltd.
Isidro Castanon, Port Attorney	Sam Hyun Cho, Remitite Co., Ltd.
Anette Uher, Port Accountant Consultant	Y. J. Cho, Remitite Co., Ltd.

I. 5. Report from Matagorda County Economic Development Corporation. (1:15 p.m.) Mike Ferdinand, MCEDC Executive Director, gave a report on Matagorda County projects. He will give more detail on Palacios Projects during Executive Session.

II. 1. Consideration and approval of Minutes of Previous Meetings (9/11/19). Minutes from the Regular Board Meeting of September 11, 2019 were reviewed. Commissioner Seaman moved to accept the minutes as presented. Commissioner Tran seconded the motion. Commissioner Eggemeyer abstained since he was not present for the 9/11/2019 Meeting. Motion carried by majority vote.

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 is one Commercial Building Lease Renewal (Shipyards Bldg. #2), one Commercial Office Lease (Seawall) and one Commercial Slip Renewal (Gar E-5) and one Recreational Lease Renewal (T Ricco). Occupancy for TB#3 Docks B-E is 92% and 87% for F&G slips are occupied. A motion was made by Commissioner Eggemeyer to approve Port Lease Activity, as presented. Commissioner Aparicio seconded the motion. All voted affirmatively and the motion passed.

II. 3. Consideration and possible action to approve the Matagorda County 2019 Levy Tax Roll Report and the Matagorda County 2019 Grand Total Report. Mr. Martinez stated the Property Tax Code Section 26.09 (e) requires us as the governing body to approve the Levy Tax Roll Report and the Grand Total Report as given by the Tax Assessor. I've looked over each of the reports and they match up with the estimated taxes we budgeted for in FY2020. Commissioner Eggemeyer made a motion to approve the Matagorda County 2019 Levy Tax Roll Report. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed. Commissioner Tran made a motion to approve the Matagorda County 2019 Grand Total Report. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

II. 4. Consideration and approval of selecting a Certified Public Accounting Firm to perform and Independent Audit beginning 2019 and beyond. Mr. Martinez state, Notices for Request for Qualifications/Proposals were put in the papers for two weeks with an end date and time of 4 pm Monday September 9th. We received two submissions. I reviewed each of the submitted RFPs. Mr. Afadapa has been our Auditor for the last three Audits. He has done an outstanding job working with our staff and has provided on-time and professional reports each year. Kennemer, Masters and Lunsford (KML) have been the Auditor for the County, the County Self Insurance Pool and the Palacios Seawall for at least two Audit years now. They have an excellent background and good working reputation with each of those entities. Either of these firms are capable of completing our Audit to the Governmental Accounting Standards Board requirements.

Their costs are similar, with Mr. Afadapa's being slightly higher. I recommend either of these firms are capable of completing our Audit to the Governmental Accounting Standards Board requirements. Their costs are similar, with Mr. Afadapa's being higher. Commissioner Aparicio made a motion to select Kennemer, Masters and Lunsford (KML) as the Certified Public Accounting Firm to perform an Independent Audit beginning 2019. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

II. 5. Consideration and possible action to amend the MCND #1 Investment Policy (Appendix B) by revising the Authorized List of Banks/Brokers/Dealers. Mr. Martinez stated, we are adding First Financial Trust and Asset Management to be included on our Authorized List of Banks/Brokers/Dealers, which is Appendix B of our Investment Policy. This will allow us to open an investment account with them in the future as we look to diversify our investment strategy. No other changes are needed in the Policy. After discussion between Brent Miller and the Commissioners, Commissioner Aparicio 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.

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 verbal report.

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

Consideration and approval of 2nd Quarter Financial Report. After review, Commissioner Aparicio made a motion to approve the 2nd Quarter Financial Report. Commissioner Eggemeyer 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. Commission Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

IV. EXECUTIVE SESSION – At 2:17 p.m., the Board went into an Executive Session, as authorized by the Texas Government Code Sections 551.071, 551.072 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.
 - a. Discussion on Marine Education Center
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 limited to the following matters:
 - a. Discussion concerning future development of properties and leases
 - b. Discussion concerning default leases
 - c. Discussion on repair of Port property
 - d. Discussion on Commercial Lease Agreements

V. RETURN TO OPEN SESSION – The Commissioners returned to Open Session at 5:10 p.m. 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 Thursday, November 14, 2019 at 1:00 p.m. at the Port Administration Building.

VII. ADJOURNMENT. Commissioner Eggemeyer moved to adjourn and was seconded by Commissioner Tran the motion carried, and the meeting adjourned at 5:15 p.m.



Greg T. Seaman, Secretary