

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE  
MINUTES OF THE BOARD OF COMMISSIONERS  
REGULAR BOARD MEETING  
December 19, 2019**

I. Chairman Jimmy Neeley called the meeting of December 19, 2019 to order at 1:06 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  
Jimmy Neeley, Chairman  
Greg Seaman Commissioner (1:13 pm)  
Donny Tran, Commissioner  
Victor Eggemeyer, Commissioner  
Victor Martinez, Port Director  
Verna H. Williams, Port Office Mgr.

Isidro Castanon, Port Attorney  
Jose Ortiz, Maintenance Contractor  
Matt Glaze, Urban Engineering  
Rusty Moon, Texas General Land Office (1:45 pm)  
Alan Schulman, Palacios Beacon  
Mike Ferdinand, MCEDC (1:38 pm)

**I. 5. Report from Matagorda County Economic Development Corporation.** Mike Ferdinand, MCEDC Executive Director, gave his report in Executive Session.

**II. 1. Consideration and approval of Minutes of Previous Meetings (11/14/19).** Minutes from the Regular Board Meeting of November 14, 2019 were reviewed. Commissioner Eggemeyer moved to accept the minutes as presented. Commissioner Aparicio 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 were three renewed Recreational Leases (Bari/Lother/Segal). There were two renewed Commercial Leases (Anchor #001/Brady #014) and renewed Commercial Sublease (Fauquenot). Occupancy for TB#3 Docks B-E is 92% and 87% for F&G slips are occupied. A motion was made by Commissioner Tran to approve Port Lease Activity, as presented. Commissioner Eggemeyer seconded the motion. Motion passed by majority vote. Commissioner Aparicio abstained since there is a lease activity in his interest.

**II. 3. Consideration and possible action to approve MCND#1 Sick Leave Bank Policy Updates.** Mr. Martinez stated, the Sick Leave Bank exists in the Matagorda County Personnel Policy and MCND#1 has had its own for many years. Sick leave hours earned by full time employees can be voluntarily donated to the Sick Leave Bank for use by full time employees with a qualifying condition who have used up their earned sick leave and need more hours. Since our Office Staff is now limited and we need at least three people to serve on the Sick Leave Bank Governing Committee, we are proposing to change Position #2 Chairman of MCND#1 Board to be a permanent position just as Position #1, Port Director, is permanent. Position #3 representative may be full time employee or a part time employee, a Board member as appointed by the Port Director. The term will be from January 1<sup>st</sup> through December 31<sup>st</sup> of each year. Each Position #3 representative serves for two years and meets only when an employee requests Sick Leave Bank hours. Commissioner Aparicio made a motion to approve the Sick Leave Bank changes as presented. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

**II. 4. Consideration and possible action to accept a bid for Rider 45 FY2019, Port Roads (TO#42).** Mr. Martine stated, Bid notices were posted and calls were made by Urban and MCND#1 in order to secure as many qualified bidders as possible for the project. There were 2 companies in attendance at the pre-bid meeting held by Matt Glaze on Wednesday, December 11, 2019. Reminder that this is a matching grant project. Our cost will be approximately \$63,000. We have this in our 2019 Budget. The bids were as follows: Lester Contracting, Inc. \$549,906.75 for 180 days and Brannan Paving Co., Ltd. \$622,768.00 for 240 days. Commissioner Aparicio made a motion to accept Urban Engineering's recommendation for Lester Contracting, Inc., as a successful bidder for Rider 45 FY2019, Port Roads (TO#42). Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

**II. 5. Consideration and possible action to accept a bid for FEMA Project, Dock Repair (TO#43).**

Mr. Martinez stated, Bid notices were posted and calls were made by Urban and MCND#1 in order to secure as many qualified bidders as possible for the project. There were 2 companies in attendance at the pre-bid meeting held by Matt Glaze on Wednesday, December 11, 2019. This is a 90/10 Match. However, our costs will be substantially higher because we have more pilings that need to be repaired/replaced in addition to the FEMA known damage. The lowest bid is at \$575,000 with FEMA's damage estimate came in at \$338,000. At 90% FEMA would pay \$304,000 we would pay the additional \$271,000. We have \$175,000 in our budget for 2020 to go towards dock repairs and replacement. Do we want to do this job? If not, then do we want to rebid without the additional pilings that need to be fixed? After discussion Commissioner Eggemeyer made a motion to accept Urban Engineer's recommendation for Shirley and Sons Co., Inc. as a successful bidder for FEMA Project, Dock Repair (TO#43). There was no second motion. The motion dies due to lack of a second motion.

**II. 6. Consideration and possible action to renew the Agreement for Economic Development Services between MCND#1 and Matagorda County Economic Development Corporation.** Mr. Martinez stated, Mr. Ferdinand continues to work on possible projects for us as well as bring in new potential clients. This agreement just renews our annual commitment to the MCEDC. I recommend approval to renew the Agreement for the Economic Development Services between the MCND #1 and the MCEDC for one year at a contribution amount of \$30,000. Commissioner Aparicio made a motion to approve renewal of the Agreement for Economic Development Services as presented. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

**II. 7. Consideration and approval of a 2-year Renewal of the Master Agreement between MCND#1 and Victoria Engineering, Inc. d/b/a Urban Engineering for Professional Services.** Mr. Martinez, stated the most recent Agreement (referenced above) with Urban Engineering was for a term of two years beginning January 24, 2018 and expires January 24, 2020. This Agreement sets forth the general terms and conditions which govern the relationships and performance of "Owner" and "Engineer" during engagement of Engineer to provide professional services. Urban Engineering has provided engineering services for MCND#1 projects with professionalism and expertise during the term of the previous agreement. The Port Director has reviewed Appendix 1 to Exhibit C (Current Standard Rate Schedule) and finds it acceptable. No other modifications to the Master Agreement have been made. Commissioner Aparicio made a motion to approve a 2-year Renewal of the Master Agreement between MCND#1 and Victoria Engineering, Inc. d/b/a Urban Engineering for Professional Services. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

**II. 8. Consideration and acceptance of the Urban Engineer's Task Order #44, Shipyard Center Lift Ramp.** Mr. Martinez stated, this Task Order would be to design and complete plans for the Shipyard ramp needed in order for them to be able to use the air bags to pick up bigger vessels. Thus, making them more competitive when bidding on TxDot Ferry Contracts. Urban's estimated cost for their services is at \$26,500. Commissioner Seaman made a motion to table this Agenda Item to Executive Session. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

**II. 9. Consideration and possible action to approve amending the FY2019 Budget.**

- a. Promotion and Development budget needs to be amended by adding \$25,000 to the line item. These funds are available in the Promotion and Development account.
- b. Amend the Grant Revenue budget to reflect the TxDOT Maritime Grant of \$1,283,355 for the Construction extension of Richman Road to connect to Highway 35.
- c. Amend the Capital Outlay budget Rider 45 FY2018 Port Commercial Center Road line item by \$857,000. This is covered by the revenue from the TxDOT Maritime Grant.

- a. Commissioner Eggemeyer made a motion to Amend the Promotion and Development budget by adding \$25,000 to the line item. These funds are available in the Promotion and Development account. Commissioner Aparicio seconded the motion. All voted affirmatively and the motion passed.
- b. Commissioner Aparicio made a motion Amend the Grant Revenue budget to reflect the TxDOT Maritime Grant of \$1,283,355 for the Construction extension of Richman Road to connect to Highway 35. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.
- c. Commissioner Seaman made a motion to Amend the Capital Outlay budget Rider 45 FY2018 Port Commercial Center Road line item by \$857,000. This is covered by the revenue from the TxDOT Maritime Grant.

**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.** After review, 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 Current Investment Activity Report.** Mrs. Gonzalez reported on the Current Investment Activity Report. Commissioner Eggemeyer made a motion to approve the Current Investment Activity Report. Commission Tran seconded the motion. All voted affirmatively and the motion passed.

**IV. EXECUTIVE SESSION** – At 3:10 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 551.07.
2. To conduct deliberations regarding personnel matters as pertained under Section 551.074.
  - a. Personnel – Port Director Evaluation & 2020 Compensation
3. 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 concerning future development of properties and leases
  - b. Discussion concerning default leases
  - c. Discussion on repair of Port property
  - d. Discussion on Marine Education Center
  - e. Discussion on 2020 Investment Strategy

Agenda II. 8. Consideration and acceptance of the Urban Engineer's Task Order #44, Shipyard Center Lift Ramp, tabled to Executive Session.

**V. RETURN TO OPEN SESSION** – The Commissioners returned to Open Session at 5:14 p.m. Commissioner Seaman made a motion to approve the acceptance of the Urban Engineer's Task Order #44, Shipyard, Phase 1 only. Further motion will be needed for other Phases. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

Commissioner Eggemeyer made a motion to withdraw one million dollars from the C2 Portfolio and put it into First Financial Trust Account. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

Commissioner Aparicio made a motion to withdraw five hundred thousand dollars from Prosperity Money Market. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

Commissioner Neeley made a motion to approve a 5% pay increase to all employees, include the Port Director, compensation and liabilities for 2020. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

Commissioner Neeley made a motion to enter into Trust Agreement with First Financial Trust & MCND#1 and to authorize the Port Director, Victor Martinez, Jr., to execute the agreement. Commissioner Eggemeyer 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 Thursday, January 16, 2020 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 5:27 p.m.

  
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Greg T. Seaman, Secretary