

MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
MINUTES OF THE BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
April 28, 2022

I. Chairman Neeley called the meeting of April 28, 2022, 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. He announced Commissioner Aparicio will not be present.

ATTENDEES:

Jimmy E. Neeley, Chairman
Victor Eggemeyer, Commissioner
Greg Seaman, Commissioner
Donny Tran, Commissioner
Victor Martinez, Port Director
Verna H. Williams, Port Office Mgr.
Isidro Castanon, Port Attorney

Alan Schulman, Palacios Beacon
Tom Schmidt, Urban Engineering
Robin Warrick, LJA Engineering
Dan Cobbs, LJA Engineering
Kevin Cadenhead, KM&L, LLC *(1:45 p.m. left)*
Jenna Coulter, KM&L, LLC *(1:45 p.m. left)*
Jose Ortiz, Maintenance Contractor

- I. 5. Robin Warrick and Dan Cobbs with LJA Engineering gave a presentation about their Company's Services.

II. 1. **Public Hearing to consider the approval of resolution electing for MCND #1 to become eligible to participate in tax abatement agreements and adoption guidelines and criteria for granting tax abatements by MCND #1.** Mr. Neeley announce, it is 1:20 p.m. This a Public Hearing and for discussions on this Agenda Item; after asking twice for comments and with no response; the Public Hearing was adjourned at 1:21 p.m.

III. Regular Board Meeting Session started at 1:22 p.m.

III. 1. **Consideration and approval of Minutes of Previous Meetings (2/14/2022, 3/31/22 & 4/21/22).** Minutes from the Regular Board Meeting of February 14, 2022 were reviewed. Commissioner Seaman moved to accept the minutes as presented. Commissioner Tran seconded the motion. Motion was passed by majority vote. Commissioner Aparicio and Commissioner Eggemeyer were not present for this meeting, Therefore, Commissioner Eggemeyer abstained and Commissioner Aparicio is not present at today's meeting.

Minutes from the Regular Board Meeting of March 31, 2022 were reviewed. Commissioner Eggemeyer moved to accept the minutes as presented. Commissioner Seaman seconded the motion. Motion was passed by majority vote. Commissioner Tran abstained since he was not present for this meeting.

Minutes from the Special Called Board Meeting of April 21, 2022 were reviewed. Commissioner Eggemeyer moved to accept the minutes as presented. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

III. 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 only one recreational lease renewal (M Riccio). Occupancy for TB#3 Docks D & E Dock 100%. Seven

vessels at Serendipity during renovations of Port Slips. A motion was made by Commissioner Tran to approve Port Lease Activity, as presented. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

III. 3. Consideration and acceptance the FY2021 Financial Audit from KM&L, LLC.

MCND#1 contracted with the firm to perform our FY2021 Financial Audit. The MCND#1 staff and accountant worked cooperatively with the auditors to provide all requested financial information in a timely manner. Port Director Martinez and Chairman Neeley reviewed the Audit this afternoon before this Board Meeting. Ms. Jenna Coulter introduced Mr. Kevin Cadenhead, both with KM&L, LLC. Ms. Coulter went over their KM&L Annual Financial Report, which she handed out to the Board. Commissioner Eggemeyer made a motion of acceptance for the FY2021 Financial Audit from KM&L, LLC. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

III. 4. Consideration and approval of Interlocal Agreement with the City of Palacios for maintenance of Port roads. Mr. Martinez stated the City Manager, Cynthia Raleigh has the City's Attorney looking over the updated Interlocal Agreement. Therefore, we are not ready to present this Agenda Item at this time.

IV. 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 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 Eggemeyer 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 1st Quarter Financial Report. Mr. Martinez stated the reports are not available at this time. We were waiting on our FY2021 Annual Audit from KM&L before starting the 2022 Financial Reports. No action is at this time on this Agenda Item.

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. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

V. EXECUTIVE SESSION – At 2:15 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.
 - a. Discussion on Insurance Pool
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 concerning future development of properties and leases
 - b. Discussion on economic development
 - c. Discussion on concerning default leases
 - d. Discussion on repair of Port property
 - e. Discussion of a resolution electing for MCND #1 to become eligible to participate in tax abatement agreements and adopting guidelines and criteria for granting tax abatements by MCND #1
 - f. Discussion of Memorandum of Understanding between Kroll, LLC and MCND #1

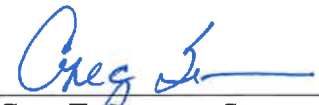
VI. RETURN TO OPEN SESSION – The Commissioners returned to Open Session at 4:55 p.m. Commissioner Eggemeyer made a motion to approve the resolution electing for MCND #1 to become eligible to participate in tax abatement agreements and adopting guidelines and criteria for granting tax abatements by MCND #1. Commissioner Tran seconded this motion. All voted affirmatively and the motion passed. Votes: Eggemeyer-Yea, Neeley-Yea, Seaman-Yea Tran-Yea. The vote was unanimous by all Commissioners present. Commissioner Aparicio was absent. Note: Guidelines and criteria for granting tax abatements are approved as set forth in this document. This document is good for 2 years, at which time it will have to be adopted again.

Commissioner Tran made a motion to approve the Memorandum of Understanding between Kroll, LLC and MCND #1, and authorize the Port Director to sign the Memorandum of Understanding. Commissioner Eggemeyer seconded this motion. All voted affirmatively and the motion passed.

Commissioner Seaman made a motion to approve Change Order No. 2 for the MCND #1 FEMA DOCK Improvements (Docks B, C, F & G) (TO#46), which the Port Director signs. Commissioner Eggemeyer seconded this motion. All voted affirmatively and the motion passed. No other motions were offered for action from Executive Session.

VII. SCHEDULE THE NEXT MEETING DATE, TIME, AND PLACE. The next Regular Board Meeting was scheduled for Wednesday, May 25, 2022, at 1:00 p.m. at the Port Administration Building.

VIII. ADJOURNMENT. Commissioner Eggemeyer moved to adjourn and was seconded by Commissioner Tran the motion carried, and the meeting adjourned at 5:02 p.m.


Greg T. Seaman, Secretary