

MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
MINUTES OF THE BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
July 27, 2022

I. Chairman Neeley called the meeting of July 27, 2022, 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. Announced Commissioner Seaman will not be present.

ATTENDEES:

David Aparicio, Commissioner

Victor Eggemeyer, Commissioner

Jimmy Neeley, Chairman

Donny Tran, Commissioner

Victor Martinez, Port Director

Verna H. Williams, Port Office Mgr.

Isidro Castanon, Port Attorney

Jose Ortiz, Maintenance Contractor

Matt Glaze, Urban Engineering

Ryan West, Palacios Beacon

Cynthia Raleigh, City Manager (1:25 p.m.)

II. 1. Consideration and approval of Minutes of Previous Meetings (6/15/2022). Minutes from the Regular Board Meeting of June 15, 2022 were reviewed. Commissioner Tran moved to accept the minutes as presented. Commissioner Eggemeyer seconded the motion. Motion carried by majority vote. Commissioner Aparicio abstained-not present-Arrived 2:35 p.m.)

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 one renewed recreational lease (Alley) and two cancelled recreational leases (McNeely/Tausch). There was one new Commercial Lease renewal (Capt. Tom #31) and one renewed Commercial Lease (Aparicio/Dock 35 LLC). Occupancy for TB#3: B Dock 30%, C Dock 0%, D&E Dock 100% and G Dock 86% occupied. A motion was made by Commissioner Eggemeyer to approve Port Lease Activity, as presented. Commissioner Tran seconded the motion. Motion carried by majority vote. Commissioner Aparicio abstained due to conflict of interest in a lease.

II. 3. Consideration and approval of an Order Calling for a Joint Election with Matagorda County. Mr. Martinez stated the term for MCND#1 Board of Commissioner Positions No. 1 and No. 5 are expiring in November. An Order for Joint Election with Matagorda County must be approved by the Board which sets out the details of the election and appoints the Port Director as the Board Secretary's "Agent". The Port Director will perform duties related to conducting the election, including contracting with Matagorda County for joint election services. Commissioner Eggemeyer made a motion to approve the Order for Joint Election with Matagorda County for November MCND Commissioners' election. Commissioner Aparicio seconded the motion. All voted affirmatively and the motion passed.

II. 4. Consideration and approval of a Contract for General Election Services with the County Elections Officer of Matagorda County. Mr. Martinez stated upon approval of the Order for Joint Election with the County, the Board should approve a contract for general election services with the County. The County Election's Officer will provide certain equipment, supplies and labor for the Navigation District Commissioners elections. Commissioner Aparicio made a motion to approve the Contract for General Election Services with the Matagorda County Elections Officer and authorize the Port Director to execute the contract on behalf of MCND#1. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

II. 5. Consideration and action to approve Task Order No. 2 Economic Government, Port & Development Advisory Services to the Master Agreement Between MCND#1 & CSRS, LLC.

Mr. Martinez stated, this Master Service Agreement between MCND#1 and CSRS Inc., was approved February 14, 2022. This Task Order is needed in order to engage CSRS with Economic Development inquiries with the Port. CSRS will provide professional services such economic, government, port and development advisory services to the Port of Palacios on an as needed and authorized basis related to the Highly Innovative Fuels and other developments that may impact the Port. Time will be billed hourly not to exceed \$25,000. (Example services may include the following, review lease agreements with logistics providers, evaluate the financial implications of tax abatement, provide negotiation and compensation advice on lease structure, minimum annual guarantees; evaluate the impact leases and cargo movement will have on port infrastructure.) Commissioner Eggemeyer made a motion to approve Task Order No. 2 Economic, Government, Port & Development Advisory Services to the Master Agreement Between MCND#1 & CSRS, LLC. Commissioner Tran seconded the motion. All voted affirmatively and the motion passed.

II. 6. Consideration and possible action to approve an annual Consulting Agreement between MCND#1 and Anette Uher for professional services related to port accounting. Mr. Martinez stated, we reengaged with Ms. Uher after our current bookkeeper was dismissed. Ms. Uher has proven history to be an asset to MCND#1 needs by providing excellent and knowledgeable accounting skills. Her expertise has resulted in keeping costs down for our annual financial audit and meeting deadlines for monthly and quarterly reporting. Ms. Uher is also a County Investment Officer and assists the Port Director with investment accounting. To approve Ms. Uher's agreement for one year covering the period of July 5, 2022, through July 4, 2023, in the amount of \$12,000. Commissioner Aparicio made a motion to approve a one-year Consulting Agreement between MCND#1 and Anette Uher for professional services related to port accounting. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

II. 7. Discussion on FY2023 Budget. Mr. Martinez gave the Commissioners the proposed 2023 P&D Budget item to look over. Some discussion was on Capital Improvements, dock improvements, replacement of the Clean Harbor Building, etc. We will start the Budget process at our next meeting. No motion required on this item.

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 Eggemeyer 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 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.

City Manager, Cynthia Raleigh, was introduced to speak since she arrived late. Mrs. Raleigh assured the Board; she intends on working with everyone. Whether it is the Navigation District the County; we are all one region. Mrs. Raleigh covered several items.

IV. EXECUTIVE SESSION – At 2:27 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 & 551.073 including, but not limited to some of the other matters listed below to be discussed in Executive Session.
 - a. Discussion concerning a contribution of funds for In-Kind Services
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

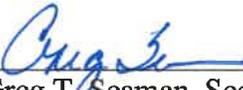
V. RETURN TO OPEN SESSION – The Commissioners returned to Open Session at 4:15 p.m. Commissioner Aparicio made a motion to approve \$20,000 a one-time donation to the City of Palacios Police Department for needed safety and emergency equipment to keep the Officers safe and to help them provide the best service to the Community as possible to be paid out of the Promotion and Development Fund 2022 Budget line item. Commissioner Tran second the motion. Motion carried by majority vote. 3 ayes (Aparicio/Neeley/Tran) and 1 nay (Eggemeyer).

Commissioner Aparicio made a motion to approve a budget amendment of a \$20,000 increase to the Promotion and Development Fund 2022 Budget line item. Commissioner Tran second the motion. Motion carried by majority vote. 3 ayes (Aparicio/Neeley/Tran) and 1 nay (Eggemeyer). No other motions were offered for action from Executive Session.

Port Director Martinez, referenced for the record; due to advice from the council, there was some emergency repair work done at Azteca (TB#1) dock. I am authorized to purchase the materials for the dock and sign a contract with Machacek Marine to do the repairs in the amount of over \$12,000. 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, August 17, 2022, at 1:00 p.m. at the Port Administration Building.

VII. ADJOURNMENT. Commissioner Aparicio moved to adjourn and was seconded by Commissioner Eggemeyer the motion carried, and the meeting adjourned at 4:19 p.m.



Greg T Seaman, Secretary