

**MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
MINUTES OF THE BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
MAY 18, 2023**

I. Chairman Neeley called the meeting of May 18, 2023, to order at 1:02 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 (Left 5 pm)
Victor Eggemeyer, Commissioner
Jimmy Neeley, Chairman
Greg Seaman, Commissioner
Alan Schulman, Commissioner
Victor Martinez Jr., Port Director

Verna H. Williams, Port Office Mgr.
Isidro Castanon, Port Attorney
Jose Ortiz, Maintenance Contractor
Brandi West, Palacios Beacon
Ron Linton, Coldwell Banker Realty

Victor Martinez presented Victor Eggemeyer a canvas of the Port for his 12 years of service.

II. 1. Consideration and approval of minutes of previous meetings (4/18/2023). Minutes from the Regular Board Meeting of April 18, 2023 were reviewed. Commissioner Seaman moved to accept the minutes as presented. Commissioner Eggemeyer 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 two Recreational Leases (M Ricco-Segal). There was no Commercial Lease activity for this month. Occupancy for TB#3 B Dock 30%, C Dock 0%, D & E Docks 100%, and G Dock 89%. A motion was made by Commissioner Aparicio to approve Port Lease Activity, as presented. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

II. 3. Consideration and possible action to approve CSRS's Task Order No. 6 – GIS Implementation Phase I. Mr. Martinez stated, I'm asking for this this Task Order to be approved so we can begin to digitize our documents and also to be able to work towards a better asset management process. If you remember in our Master Plan Study that we had done, one of the recommendations was to utilize an Asset Management system to help us better manage our leases, properties and infrastructure for the District. That's where this starts. This would cost us \$36,000 and we have the funds in our budget to cover this cost. Donald Brinkman with CSRS was supposed to be at our normal meeting, but since we had to change it to today, he was unable to attend. But he sent an email that I'll read to you. This can be paid under Professional services in our Budget. After some discussion, it was asked to table this item until further discussion on it can be done. Commissioner Seaman made a motion to table the CSRS's Task Order No. 6 – GIS Implementation Phase I to a future Board Meeting. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

d. Discussion on repair of Port property. Mr. Martinez stated, I wanted to give you an update on the repair and rehabilitation of bulkhead on Turning Basins 1 and 2. As you know we are going to be doing this from the receipt of the Port Infrastructure Development Program grant funds. We have had two meetings with CSRS and the MARAD staff to begin working on the items needed to be completed before we get to a funding agreement. This includes grant administration services, Environmental engineering for the NEPA process and pre-design of the construction/rehabilitation. The estimated cost of the repair is \$12 million with the Port being reimbursed \$9.6 million and a match from the Port at \$2.4 million. In saying that I'm asking for two motions as we continue to move forward with this

project. First, we had budgeted \$2.4 million for Repair/Upgrade Docks & Wharves Grant under Designated Funds in our 2023 Budget. We need to move it from the Committed Funds to our M&O Budget under Capital improvements. As we will start to incur costs in the next few weeks or so. I'm asking for an amendment to our Budget to move \$2.4 million under Repair/Upgrade Docks and Wharves Grant from Designated Funds to under the Capital Improvements line item. Commissioner Eggemeyer made a motion to move \$2.4 million for Repair/Upgrade Docks & Wharves Grant under Designated Funds to our M&O Budget under Capital Improvements. Commissioner Schulman seconded the motion. All voted affirmatively and the motion passed.

Secondly, it has been recommended by other Ports who have received this funding to establish a separate bank account specifically for payments and receipt of reimbursements for this project. After speaking with our Consultants, they said it makes things look much cleaner and less questions when MARAD is reimbursing us. I have already spoken to Prosperity Bank, and they indicated we could do this without having to adjust the Depository Contract. I'm asking for a motion to allow me to open up an account with Prosperity for MCND #1's PIDP - Port of Palacios Energy & Resilience Improvement Project. After some discussion, Commissioner Aparicio made a motion to allow the Port Director to open up a Prosperity Account for MCND #1's PIDP – Port of Palacios Energy & Resilience Improvement Project in the amount to f \$1,000,000 (interest bearing account). 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

Consideration and approval of Current Voucher Control Report. Commissioner Seaman made a motion to accept the Current Voucher Control Report. Commissioner Eggemeyer seconded the motion. Motion passed by majority vote. Commissioner Aparicio stepped out of the meeting.

Consideration and approval of Current Register Reports. After review, Commissioner Seaman made a motion to approve the current Register Reports. Commissioner Eggemeyer seconded the motion. Motion passed by majority vote. Commissioner Aparicio stepped out of the meeting.

Consideration and approval of 1st Quarter Financial Report. After review, Commissioner Aparicio made a motion to approve the 1st 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 Schulman 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 2:51 p.m., the Board went into an Executive Session, as authorized by the Texas Government Code Sections 551.071, 551.072, 551.074, 551.076 and 551.087 of the Open Meetings Act, permitting discussion and deliberation in an Executive Meeting for the following purposes:

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 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 on real estate (Brookings Property)

V. RETURN TO OPEN SESSION – The Commissioners returned to Open Session at 5:11 p.m. (Commissioner Aparicio not present-left 5:00 pm) Commissioner Eggemeyer made a motion to accept Coldwell Banker Realty Agreement. Commissioner Seaman seconded the motion. Motion passed by majority vote. 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, June 21, 2023, at 1:00 p.m. at the Port Administration Building.

VII. ADJOURNMENT. Commissioner Eggemeyer moved to adjourn and was seconded by Commissioner Seaman the motion carried, and the meeting adjourned at 5:13 p.m.



Greg T. Seaman, Secretary