

MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
MINUTES OF THE BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
July 26, 2023

I. Chairman Neeley called the meeting of July 26, 2023, 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.

ATTENDEES:

David Aparicio, Commissioner
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 (*arrived 1:23 pm*)
Jose Ortiz, Maintenance Contractor
Ron Linton, Coldwell Banker Realty

Mr. Martinez presented Verna H. Williams with an award in appreciation of her 20 years' service.

II. 1. Consideration and approval of minutes of previous meetings (6/21/2023). Minutes from the Regular Board Meeting of June 21, 2023 were reviewed. Commissioner Eggemeyer moved to accept the minutes with a correction. 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 Recreational Leases (Alley, Lothar, Rusk). 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 Seaman to approve Port Lease Activity, as presented. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

II. 3. Consideration and approval of the Port's TXDOT 2023 Maritime Seaport Connectivity Program (SCP) 88 project and matching funds. Mr. Martinez stated, on July 9th applications for TXDOT's Rider program now known as the Seaport Connectivity Program were due by midnight. I was able to submit an application on behalf of the District in a "Tentative" status. TXDOT has a very strict timeline of when they need to submit projects up to their commissioners. So, I along with several other ports were able to submit projects that were not fully approved by our own Boards, but with the understanding at the next regular meeting of the Board we would get approval from our Board to have our project Confirmed. As discussed, before I submitted the Truck Queuing Area on Garcia Road here on the Port Commercial Center Property. I was able to get several cost estimates, but the one I submitted was a 5-acre site near the curve, that would cost \$3 million. See the next page for details, looking at the first section which reads Cement Stabilized Fill. Now, this approval would also require the District to commit to a 25% Match of this project. That Match would equal \$750,000. The truck queuing area would allow trucks visiting the Port to be in a safe area off the Port and off the roads if they need to wait to get into the Port proper. This would also provide an area for other trucks visiting Palacios to park safely and out of the way of regular traffic. What we also have to think about is, would this attract businesses that maybe would build or put their business near this area to utilize as well? Finally, the 5-acre site is not definite. If we are approved for the \$3 million project with \$2.50 million coming from TXDOT. As we finalize plans, we could break the Truck Queuing Area up into two

smaller areas or make it bigger if we want to put in more funds. Really, up to the Board on how and what they want to do with this. No motion was presented Therefore, there is no motion for this Agenda Item.

II. 4. Consideration and approval of recommended Contractor for a Small Construction Project Contract for the buildout of Administration Building New Office Area. Mr. Martinez stated we are looking to buildout the rest of the Admin Building as offices so that we are able to market it for leasing. We have had several inquiries over the last couple of years from people looking for office space. With that we went out and asked for estimates from several local contractors. We knew this project would be considered a “small project,” less than \$50K since the area we are building out is as big or smaller than the other offices we built out a few years ago for less than \$50K. We received four cost estimates with the lowest one coming in at \$48,735.34. I am recommending we go with AGM Construction. This company has worked with other entities across the County with favorable results. Additionally, they have worked with Jose in the past and have had no issues with them. If this is approved, I will work with them to finalize a Small Project Contract Agreement to begin work as soon as possible. Commissioner Aparicio made a motion to approve AGM Construction as the Contractor for a Small Construction Project Contract for the buildout of Administration Building New Office Area estimated at \$48,735.34. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

II. 5. Consideration and approval of Interlocal Contract between The General Land Office and Matagorda County Navigation District #1 for continuous operation and maintenance of the Oily Bilge Wastewater Program – Amendment No. 1 to GLO Contract No. 22-180-005-D561. Mr. Martinez stated, This is just a one-year extension as we continue to work with the GLO on adjusting this contract. As you remember we did not approve the current contract until the first part of the year after GLO made the updates we requested. Which is why this seemed to come up so quickly. Again, I will work with Isidro and GLO to get the next full contract adjusted to best reflect our needs. I recommend approving this extension. Commissioner Eggemeyer made a motion to approve one year extension of the Interlocal Contract between The General Land Office and Matagorda County Navigation District #1 for continuous operation and maintenance of the Oily Bilge Wastewater Program. In the amount of \$12,925.00. Commissioner Schulman seconded the motion. All voted affirmatively and the motion passed.

II. 6. Discussion on FY2024 Budget and FY2023 Tax Rate. Mr. Martinez and the Board discussed the FY2024 Budget and FY2023 Tax Rate. No motion required.

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. 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 Aparicio 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. Commissioner Schulman seconded the motion. Motion passed by majority vote. Commissioner Aparicio had stepped out of the meeting.

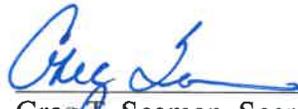
IV. EXECUTIVE SESSION – At 3:30 p.m., the Board went into an Executive Session, as authorized by the Texas Government Code Sections 551.071, 551.072, 551.074, 551.076 and 551.087 of the Open Meetings Act, permitting discussion and deliberation in an Executive Meeting for the following purposes:

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 4:36 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, August 24, 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 4:36 p.m.



Greg L. Seaman, Secretary