

MATAGORDA COUNTY NAVIGATION DISTRICT NO. ONE
MINUTES OF THE BOARD OF COMMISSIONERS
REGULAR BOARD MEETING
JULY 16, 2025

I. Chairman Schulman called the meeting of July 16, 2025, to order at 1:04 p.m. Chairman Schulman announced the Notice of Meeting had been duly posted and there was a quorum present. The Pledge of Allegiance was recited. Chairman Schulman welcomed those in attendance and thanked them for coming and announced Commissioner

ATTENDEES:

David Aparicio, Commissioner
Carlos Duran, Commissioner
Victor Eggemeyer, Commissioner
Jimmy E. Neeley, Commissioner
Alan Schulman, Chairman
Isidro Castanon, Port Attorney
Anette Uher, Port Accountant
Tuyen Gonzalez, Adm Assistant

Jose Ortiz, Maintenance Contractor
Ryan West, Palacios Beacon
Cindy Raleigh, City Manager (*left 1:42 pm*)
Noah Raleigh (*left 1:42 pm*)
Matt Glaze, Urban Engineering
D. C. Dunham
Jessica Tran, PCMC (*left 1:50 pm*)
Felicia Harral

Cindy Raleigh, City Manager, just wanted to remind the Board it is Budget Season for the City. We welcome you to be a part of our budget meeting to discuss concerns or views about our Budget.

II. 1. Consideration and approval of minutes of previous meetings (6/11, 6/30, 7/7/2025). Minutes from the Regular Board Meeting of June 11, 2025, were reviewed. Commissioner Eggemeyer moved to accept the minutes. Commissioner Neeley seconded the motion. The motion passed by majority vote. Commissioner Aparicio abstained since he was not present.

Minutes from the Special Called Board Meeting June 11, 2025, were reviewed. Commissioner Eggemeyer moved to accept the minutes. Commissioner Duran seconded the motion. The motion passed by majority vote. Commissioner Aparicio abstained since he was not present.

Minutes from the Special Called Board Meeting June 30, 2025, were reviewed. Commissioner Neeley moved to accept the minutes. Commissioner Eggemeyer seconded the motion. The motion passed by majority vote. Commissioner Aparicio abstained since he was not present.

Minutes from the Special Called Board Meeting July 7, 2025, were reviewed. Commissioner Duran moved to accept the minutes. Commissioner Neeley seconded the motion. All voted affirmatively and the motion passed.

II. 2. Consideration and approval of Lease Activity since last Regular Board Meeting. Chairman Schulman reported on lease activity since the last regular Board meeting. There were two cancelled Recreational Leases (Keen/Padgett) and one renewed lease (Alley). There were two Addendums to Commercial Leases (PAJJ/Trawlers). Occupancy for TB#3 B Dock 33%, C Dock 100%, D & E Docks 89%, and G Dock 71%. A motion was made by Commissioner Neeley 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 a Letter of Agreement for KM&L, LLC to provide annual financial audit services to the Navigation District for FY2025. Agenda Item stated KM&L, LLC conducted a very thorough and objective FY2024 financial audit for the District at a reasonable rate. This Audit's rate will be \$18,000. We have the option of not approving this letter of engagement and putting out an RFQ, I don't think we're going to find much of a different price even with a new Auditor. Port Attorney Castanon stated this includes their agreement to take over some work that Anette Uher was doing on reconciling lease with the new GASBY requirements. It was Ms. Uher's concern with her new contract agreement to exclude this since it was taking a lot of time and work. Tuyen spoke with the Auditor to take over the GASBY requirement which they agreed to do for \$1,000 more. After some discussion, Commissioner Duran made a motion to approve a Letter of Agreement for KM&L, LLC to provide Annual financial audit services to the Navigation District FY2025. Commissioner Neeley seconded the motion. All voted affirmatively and the motion passed.

II. 4. Consideration and possible action to approve a Consulting Agreement between MCND#1 and Anette Uher for professional services related to port accounting. Agenda Item stated, Ms. Uher has consistently provided knowledgeable and reliable account support to MCND#1. Her expertise has contributed to cost-effective financial audits, timely reporting and overall fiscal accountability. Port Attorney Castanon stated everything is the same as her previous contract except the GASBY requirement that has been removed and there is a 5% increase in the monthly payment of \$1,575.00. Commissioner Eggemeyer made a motion to approve a one-year Consulting Agreement between MCND#1 and Anette Uher for professional services related to port accounting. Commissioner Duran seconded the motion. All voted affirmatively and the motion passed.

II. 5. Discussion on Jensen Property Survey. Port Attorney, Castanon, stated we are trying to work out a Surface Use Agreement and a Right of Way & Easement Agreement from the information given to me by Randy Steward who is helping the Company out. I will try to get the draft agreements out to them in the next couple days. The Company's name is Bruington Operating II, LLC in San Antonio. I do want to discuss in Executive Session some of the terms and rates. They have done a preliminary survey at the site and applied for a permit with the Railroad Commission. They are waiting on us for these drafts. No motion required at this time.

II. 6. Discussion and possible action regarding Operations Bulletin Port Preparedness – Tropical Storms Awareness, including enforcing cleanup efforts. Commissioner Eggemeyer made reference to the Operations Bulletin (in their notebooks) sent out May 22, 2025, giving the tenants until June 30, 25 to clean up their areas in preparation for Hurricane Season. As of today, nothing has been done. After some discussion along with City Manager Raleigh and Matt Glaze, Urban Engineering, nothing was decided today.

II. 7. Discussion and possible action regarding the Port's 200' of dock space on TB#3, including potential penalties for vessels that dock without authorization or fail to vacate in a timely manner. Jose Ortiz stated 2 signs have been placed at that dock stating in order to dock a vessel it has to done by appointment. Port Attorney stated it was initially decided to be used for vessels that need to work on their boats and outriggers. Commissioner Duran made a motion to not lease the 200' of dock. This dock will be used by appointment only for vessels that need to work on and possible derelict vessels for a short period of time. Commissioner Eggemeyer seconded the motion. The motion passed by majority vote. Commissioner Aparicio abstained from the motion since it is a conflict of interest.

II. 8. Discussion and possible action on 35' easement enforcement and Application for Improvement Permits. It was noted the Application for Improvements Permit was in Commissioners' notebooks. Port Attorney Castanon stated the leases clearly state there is a 35' easement from the dock bulkhead. Some of the older buildings are grandfather. The issue is some tenants are building on their leases, and they are not coming into the Administration office to fill out the Application. So, the Port knows what is being built and the permit has regulations on what can or cannot be done and states they are to get with the City on their requirements. On the Application permit we are going to add paragraph 5) No permanent structures may be built in the Navigation District's 35-foot maintenance and access easement area. Any structures erected in this area are subject to being removed at Navigation District's request at Lessee's cost. This is the same language in the lease. After some discussion, Commissioner Neeley made a motion to approve the updated Application for Improvement Permit. Commissioner Duran seconded the motion. The motion passed by majority vote. Commissioner Aparicio abstained from the motion since it is a conflict of interest.

II. 9. Discussion and possible action on Oyster Bros 12-year lease. Chairman Schulman stated Jacob Aparicio and David D. Aparicio are looking at Port property. In order to get a loan to improve this property the bank is requiring them to have a 12-year lease. After some discussion Commissioner Eggemeyer made a motion to approve a 12-year lease with the exact area to be determined later. Commissioner Duran seconded the motion. The motion passed by majority vote. Commissioner Aparicio abstained from the motion since it was a conflict of interest.

II. 10 Discussion on CSRS/Collins Engineering “Port Infrastructure Development Program Energy and Resilience Improvement Project”. Port Attorney Castanon stated CSRS provided a July 2025 report, which is in your notebooks. They also sent an email saying that they cannot attend today’s meeting. No other discussion, no motion required.

III. INTERNAL & FINANCIAL REPORTS for Board discussion and appropriate action Internal Reports.

- a. Contractor’s Port Maintenance Report. Commissioner Eggemeyer made a motion to approve Bid of \$11,000 from Cutter King. Commissioner Neeley seconded the motion. All voted affirmatively and the motion passed.
- b. Port Operations Report (Isidro Castanon)

Consideration and approval of Current Voucher Control Report. Commissioner Neeley 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 Neeley made a motion to approve the current Register Reports. Commissioner Eggemeyer seconded the motion. All voted affirmatively and the motion passed.

Consideration and approval of 1st Quarter Financials Report. After review, Commissioner Aparicio made a motion to approve the 1st Quarter Financials Report. Commissioner Duran 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 Neeley made a motion to approve the Current Investment Activity Report. Commissioner Aparicio seconded the motion. All voted affirmatively and the motion passed.

IV. EXECUTIVE SESSION – At 3:32 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 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 personnel matters as pertained under Section 551.074.
 - a. Personnel – Port Director Open Position
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 to the purchase, exchange, lease or value of real property
 - b. Discussion on economic development
 - c. Discussion on concerning default leases
 - d. Discussion on repair of Port property
 - e. Discussion on Turning Basin #4 Property

V. RETURN TO OPEN SESSION – The Commissioners returned to Open Session at 4:38 p.m. Commissioner Eggemeyer made a motion to extend an offer to applicant #2 along the terms as discussed in executive session. Commissioner Neeley seconded the motion. All voted affirmatively and the motion passed. No other motions were offered for action from the Executive Session.

VI. SCHEDULE THE NEXT MEETING DATE, TIME, AND PLACE. The next Regular Board Meeting was scheduled for Wednesday, August 13, 2025, at 1:00 p.m. at the Port Administration Building.

VII. ADJOURNMENT. Commissioner Duran moved to adjourn and was seconded by Commissioner Eggemeyer the motion carried, and the meeting adjourned at 4:45 p.m.



Carlos Duran, Secretary