

Lavaca-Navidad River Authority

Minutes of June 20, 2018 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, June 20, 2018 at 7:30 a.m. in the Board Meeting Room of the Lavaca Navidad River Authority Office Complex, 4631 FM 3131, located approximately seven (7) miles east of Edna, Jackson County, Texas off FM 3131. Board members present were President Kubecka, Directors Adelman, Parker, Johs, Martin, Sachtleben, Steffek, and Taylor, and LNRA Staff: Brzozowski, Anders, Gregory, Janak, Martin, Pearson, and Fleeman. Also present was Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, Mike Reedy and Jason Ward of Freese and Nichols Inc., Mark Evans of Texas Water Development Board, and James Davis of RSM US LLP.

President Kubecka called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

Brzozowski reported on the following:

- Youth Rodeo Association Finals (June 20-23, 2018)
- Information Technology Policies
- Drought Contingency Conditions
- Tropical Storm and Hurricane Preparedness and Response Plan
- Update on Texana Education Center grant project

Consent Agenda

President Kubecka called for questions or comments to the Consent Agenda items as follows:

1. Approval of May 16, 2018 Board meeting minutes.
2. Acceptance of May 2018 financial statements.
3. Approve invoice summary.
4. Approve proposed budget amendments.

Director Martin moved to approve the Consent Agenda items 1-4 as presented. Director Adelman seconded the motion. Motion passed.

Regular Agenda

Proposed Reserve Contingency Fund Expenditures

Brzozowski briefed the Board on the proposed reserve contingency fund expenditures for improvement projects and purchases as follows:

- | | |
|---|--------------|
| 1) Fence materials only (Brackenridge Park)
(LNRA will install) | \$ 2,500.00 |
| 2) Lighting replacement in five (5) cabins (Brackenridge Park)
(LNRA will install) | \$ 4,000.00 |
| 3) Wastewater Lift Station repairs (Texana Park day use) | \$ 10,000.00 |
| 4) Wastewater Lift Station replacement pump (Texana Park) | \$ 6,000.00 |

Director Parker moved to approve the proposed reserve contingency fund expenditures as presented. Director Steffek seconded the motion. Motion passed.

Expenditure for Heavy Equipment Lease

Brzowski recommended to the Board renewal of the lease with Nueces Power Equipment (NPE) for two (2) Case 580SN backhoes as follows:

	Equipment	Monthly Lease Payment (per unit)	Term
<i>Current</i>	2 Case 580SN backhoes	\$ 1,715.00	Expires 9/2018
<i>Proposed</i>	2 Case 580SN backhoes	\$ 1,784.20	3 Year Lease (beginning 9/2018)

Director Johs moved to approve the expenditure for heavy equipment lease as presented. Director Taylor seconded the motion. Motion passed.

LNRA Employee and Pre-65 Retiree Health Benefits

LNRA currently provides employee health benefits through TML MultiState Intergovernmental Employee Benefits Pool (TML). Under the current plan, the proposed rates for 2018-2019 indicate a 5% increase in cost for medical insurance and a 10% increase in cost for dental insurance. Vision and life insurance costs remain the same.

LNRA also provides pre-65 retirees health benefits through TML. Under the current plan, the proposed rates for 2018-2019 indicate a 5% increase in cost for medical insurance and 15% increase in cost for vision insurance. Dental insurance cost remains the same.

The Board was presented a copy of the Health Benefit Proposal, which includes the current plan and the associated costs and the proposed 2018-2019 plan and associated costs.

Director Martin moved to approve LNRA employee and pre-65 retiree health benefits for 2018-2019 as presented. Director Adelman seconded the motion. Motion passed.

Ratification of LNRA Executive Committee's Approval

Brzowski informed the Board that he contacted the LNRA Executive Committee to seek approval for expenditure of reserve contingency funds for the West Delivery System Pump No. 6 repairs. Executive

Committee members, Kubecka, Adelman, and Parker agreed to expenditure of \$72,500.00 from West Delivery System budget for repairs by RPM Services as necessary.

Director Taylor moved to ratify the LNRA’s Executive Committee’s approval to expend funds for the West Delivery System Pump No. 6 repairs. Director Johs seconded the motion. Motion passed.

Bid for Metal Building/Simons Boat Ramp Improvement Grant Project

Brzowski briefed the Board on the bids received for the purchase and installation of a metal building in conjunction with the Simons Boat Ramp Improvement Grant Project. This project was first bid on May 14, 2018, with one bid received. The Board approved at the May 16, 2018 Board meeting to reject the bid and rebid the project.

Three (3) bids were received on Tuesday, June 12, 2018 as follows:

	Bidder #1	Bidder #2	Bidder #3
	Diamond J. Buildings	Lewing Buildings	A&A Constructors
Item No. 1 – Installation of 30’ x 40’ concrete foundation for the proposed pavilion restroom building including rough-in plumbing and rough-in electrical work	\$23,340.00	\$22,040.00	\$65,600.00
Item No. 2 – Installation of 30’ x 44’ x 14.5” (H) pre-engineered metal building, galvanized metal frame, girts, purlins, metal wall panels, doors, louvers, wire mesh netting, and insulation	\$44,100.00	\$54,400.00	\$66,200.00
Total Base Bid for Items 1 – 2	\$67,440.00	\$76,440.00	\$131,800.00

The General Manager recommended accepting the bid from Diamond J. Buildings in the amount of \$67,440.00. Director Adelman moved to accept the bid for the metal building from Diamond J. Buildings in the amount of \$67,440.00 as recommended by the General Manager. Director Taylor seconded the motion. Motion passed.

Bid for Simons Boat Ramp Improvements Grant Project (Piers/Boat Dock/Bulkhead)

Bids were solicited for the construction of one (1) new fixed pier and one (1) new floating boat dock, and installation of bulkhead in conjunction with the Simons Boat Ramp Improvement Grant Project. Two (2) bids were received as follows:

	Bidder #1	Bidder #2
	CFG Industries	
Item No. 1 - Temporary erosion controls	\$6,500.00	\$9,730.00
Item No. 2 - Installation of 185 LF of sheet pile bulkhead	\$290.00/LF \$53,650.00	\$414.00/LF \$76,590.00
Item No. 3 – Installation of two (2) ADA compliant concrete pier access ramps	\$4,000.00/ramp \$8,000.00	\$4,025.00/ramp \$8,050.00
Item No. 4 – Installation of concrete anchor wall and concrete abutment	\$9,200.00	\$2,850.00
Item No. 5 – Installation of fixed wood pier/dock (130 ft.)	\$94,000.00	\$95,074.00
Item No. 6 – Installation of floating pier/dock	\$120,000.00	\$77,325.00
Total Base Bid for Items 1 – 6	\$291,350.00	\$269,619.00

The General Manager recommended to reject all bids, as the bids received exceeded the budgeted funding by the LNRA.

Director Johns moved to reject all bids received as recommended by the General Manager. Director Parker seconded the motion. Motion passed.

Bid for Simons Boat Ramp Improvements Grant Project (Boat Ramp)

Bids were solicited for the expansion of the existing boat ramp in conjunction with the Simons Boat Ramp Improvements Grant Project as follows:

CFG Industries, LLC	Concrete Placement Design	\$ 63,450.00
	Mat Placement Design	\$ 67,500.00
<i>(includes dewatering)</i>		
ConStar	Concrete Placement Design	\$ 68,480.00
<i>(does not include dewatering)</i>		
D & P Coastal Marine	Concrete Placement Design	\$ 67,200.00
<i>(does not include dewatering)</i>		

The General Manager recommended accepting the bid from CFG Industries, LLC for mat placement design in the amount of \$67,500.00.

Director Taylor moved to approve the bid from CFG Industries, LLC for mat placement design for \$67,500.00 as recommended by the General Manager. Director Adelman seconded the motion. Motion passed.

Board Policy 305 – Information Systems Management

Brzowski informed the Board of the recommended revisions to Board Policy 305 – Information Systems Management. The policy was revised to reflect the Information Technology policies and procedures to be maintained. The Board was presented a copy for their review.

Director Parker moved to approve the revisions to Board Policy 305 – Information Systems Management as presented. Director Taylor seconded the motion. Motion passed.

RSM US LLP Statement of Work – Chief Information Officer (CIO)

Brzowski briefed the Board on the development and introduction of a Chief Information Officer (CIO). As part of the LNRA Information Technology (IT) review and assessment process performed by RSM US LP, staffing needs were addressed to improve and sustain the IT department. The Board was presented a copy of the Statement of Work -CIO for their review which outlines the role of the CIO.

Director Adelman moved to approve the Statement of Work -CIO from RSM US LLP as presented. Director Martin seconded the motion. Motion passed.

Briefing from the Texas Water Development Board

Mark Evans from Texas Water Development Board presented the Board, via PowerPoint, on the Texas Water Development Board (TWDB) State Water Implementation Fund for Texas (SWIFT financing. Information regarding eligible projects, financing options, and State Program requirements were discussed with the Board.

Briefing on Lake Texana Yield Enhancement Project

Reedy discussed and presented the Board with a revised Work Order 28 for the proposed Lavaca River Reach Assessment and Evaluation indicating necessary basic elements to attain a water right for discussion purposes. The revised Work Order 28 estimated cost is \$ 542,000.

The Board was presented a copy of this information for their review.

The Board meeting adjourned at 9:10 a.m.

Ronald Kubecka
President

Terri Parker
Secretary-Treasurer