

Lavaca-Navidad River Authority

Minutes of April 17, 2019 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, April 17, 2019 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, Bubela, Johs, Martin, Sachtleben, Steffek, and Taylor, and LNRA Staff: Brzozowski, Anders, Gregory, Janak, Martin, Pearson, Hartl, Sklar, and Crenshaw. Also, present was Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, James Davis, LNRA Chief Information Officer of RSM US LLP, Mike Rivet of Formosa Plastics Corporation, and Eric Rivera of Hanson Professional Services.

President Kubecka called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

Brzozowski reported on the following:

- General Manager's Quarterly Report as of March 31, 2019
- Simons Boat Ramp Grant Project
- Community Education Center Grant Project Update
- Restated 1990 Formosa Water Supply Contract
- Texana Church Window Project Update
- Personal Financial Statements Due April 30, 2019 – Texas Ethics Commission
- Jackson Electric Cooperative Arc Flash – Aid to Construction – May Board meeting
- City of Corpus Christi Quarterly Meeting Update
- Freese and Nichols Meeting Update - MRPII

Consent Agenda

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

1. Approval of Board meeting minutes of March 20, 2019.
2. Acceptance of March 2019 financial statements.
3. Approval of invoices for payment.
4. Approval of Quarterly Investment Report as of March 31, 2019.
5. Approval of proposed budget amendments.

Gregory briefed the Board on the activity of investments as reported on the Quarterly Investment Report as of March 31, 2019. TexPool investments earned an average rate of 2.34% for the quarter. The Board was presented a copy of the quarterly report for their review.

Director Parker moved to approve the Consent Agenda items 1-5 as presented. Director Adelman seconded the motion. Motion passed.

Regular Agenda

Reserve Contingency and Capital Fund Expenditures

Brzowski briefed the Board on the proposed Reserve Contingency and Capital Improvement Fund expenditures as follows:

Reserve Contingency Fund

Wastewater Treatment Plant Office Improvements

Painting of office, lab, restroom, cost includes labor and paint	\$ 3,200.00
Floor Tile Replacement	\$ 2,801.18

Harry Hafernack Recreation Center Improvements

Roof and Awning Replacement	\$ 52,000.00
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Capital Improvement Fund

Texana Park Maintenance Facility Improvements

Construction of new employee office space to include interior finishes and furnishings.	\$150,000.00
Maintenance Shop improvements to include removal and replacement of roofing, walls and purlins.	

In accordance with LNRA Board Policy 304 – Procurement, bids were solicited for the above proposed expenditures.

Director Martin moved to approve the proposed Reserve Contingency and Capital Improvement Fund expenditures as presented. Director Taylor seconded the motion. Motion passed.

Restated Water Supply Contract with Formosa Plastics Corporation Briefing

Brzowski briefed the Board on the Restated Water Supply Contract with Formosa Plastics Corporation as approved at the March 20th Board meeting. Upon review, Formosa suggested an alternative approach, that would necessitate a comprehensive update to the 1990 Contract instead of the agreed upon restatement. Further discussion with Formosa will be necessary to determine the final product.

Interruptible Water Supply Contract Briefing

Brzowski briefed the Board on Interruptible Water Supply Contracts between City of Corpus Christi and LNRA. The Board reviewed the background of the contracts, the determined availability, and delivery of the interruptible water. The Board discussed how the interruptible water supply could be maximized and enhanced in the future.

Lake Texana Yield Enhancement Project Briefing

Brzowski informed the Board that meetings with potential affected landowners were scheduled and access agreements are being reviewed. Plans are made for interested Board members to visit the LCRA Bay City Dam on Friday, April 26th.

The Board meeting adjourned at 8:42 a.m.

Ronald Kubecka
President

Terri Parker
Secretary-Treasurer