

## **Lavaca-Navidad River Authority**

### **Minutes of January 20, 2021 Board Meeting**

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, January 20, 2021 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 and also was available through video teleconference. Board members present were President Kubecka, Secretary Treasurer Terri Parker and Directors Johs, Kucera, Steffek, and Storz. Also present was LNRA Staff: Brzozowski, Anders, Gregory, Martin, Pearson, Terry, Sklar, and Crenshaw and Jessica Coleman of the Jackson County Herald Tribune. Vice President Adelman, Directors Aimone and Taylor, Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, Jason Afinowicz of Freese and Nichols, and Scott Hartl, LNRA staff, were present via video conference.

President Kubecka called the meeting to order.

### **Public Comments**

There were no public comments.

### **General Manager's Report**

- General Manager's Quarterly Report as of December 31, 2020
- Interruptible Water Availability
- River Pump Access Improvement – Bay City
- Community Education Center Project Update
- Texana Bridge Culvert Project Update
- Youth Deer Hunt – January 15-17, 2021
- Texana Chili Spill February 12-13, 2021
- Recreation Strategic Planning 2/18/21
- Spillway Investigation

### **Consent Agenda**

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

1. Consider approval of Board meeting minutes of December 16, 2020 and act as necessary.
2. Consider acceptance of December 2020 financial statements and act as necessary.
3. Consider approval of invoices for payment and act as necessary.
4. Consider approval of proposed budget amendment and act as necessary.
5. Consider approval of LNRA Quarterly Investment Report as of December 31, 2020 and act as necessary.

Gregory briefed the Board on the activity of investments as reported on the Quarterly Investment Report as of December 30, 2020. Texpool earned an average rate of .13% while Prosperity Bank earned .20% for the quarter. The Board was presented a copy of the quarterly report for their review.

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

### **Regular Agenda**

#### **2020 Fund Balance Allocations**

Brzowski briefed the Board on the proposed 2020 fund balance allocations. The Board was presented a copy of the proposed 2020 fund balance allocations for their review.

Director Parker moved to approve the proposed 2020 fund balance allocations as presented. Director Steffek seconded the motion. Motion passed.

#### **Proposed Capital Improvement Fund Expenditure**

Brzowski informed the Board that the contractor, Palacios Marine and Industrial, had completed stop log #4 refurbishment. Final cost for stop log #4 was approximately \$20,000. Management recommends continuing this project and have the contractor begin work on stop log #5.

Funds are available in the capital improvement fund.

Director Johs moved to approve the proposed capital improvement fund expenditure for stop log #5 refurbishment. Director Aimone seconded the motion. Motion passed.

#### **Proposed Capital Expenditure**

Brzowski updated the Board on the West Delivery System repairs and refurbishments. The Board previously authorized expenditures up to \$150,000 for the repair of WWDS Intake Pump No. 5.

Refurbishment of IP No.4 by LNRA and RPM Services was completed in 2020. As a matter of efficiency, resources and timing, IP No. 4 was placed back into service using LNRA's spare high-head three (3) stage impeller section.

The Impeller Section from IP No. 4 is now being refurbished by RPM Services and will be used in conjunction with current refurbishment of IP No. 5. *(Ultimately, IP No. 5 Impeller Section will need to be refurbished and will become the spare. The plan is to wait until summer 2021 to have this work performed using Fiscal 2021 operating budget)*

The refurbishment of the 1250 HP Electric motor for IP No. 5 is to be performed by Etheredge.

In addition to the motor and pumping equipment, the Control Valve for IP No. 5 needs to be refurbished. The WWDS control valves are manufactured by Golden Anderson and are the original equipment commissioned in 1998. We have concluded LNRA cannot perform the level of repair necessary and intend to engage GA Industries (valve manufacturer representative) to completely

refurbish the control valve at a cost of \$49,985 plus startup services. Considering unforeseen issues etc., we intend to appropriate \$55,000 to this item.

Management recommends additional authorization with adjusted total not to exceed \$250,000 Capital Expenditure.

Director Steffek moved to approve the proposed West Delivery System capital expenditures as presented. Director Parker seconded the motion. Motion passed.

**Proposed Reserve Contingency Fund Expenditures**

Brzozowski briefed the Board on proposed reserve contingency fund expenditures as follows:

*General Fund*

Kubota 75HP Utility tractor with Loader	\$22,992.63
Audio and Visual Equipment and Installation	\$75,000.00
O&M Equipment Shed Expansion for Generator	\$ 6,500.00

*Recreation*

Arena & Stall Barn Maintenance	\$ 10,000.00
BRC Campsite Supplies	\$ 15,000.00
Two (2) Kubota 72" Lawnmowers	\$ 24,594.44
Kubota UTV	\$ 15,314.75
Outdoor Ice Merchandiser for Texana Park	\$ 2,400.00
AgVag Agricultural Vacuum	\$ 13,400.00
HHRC Replacement of Rear Doors/Roof Repairs	\$ 7,000.00
HHRC Audio/Visual Equipment/Cart	\$ 1,500.00
CEC Travel Cages for Exhibits	\$ 1,400.00

In accordance with LNRA BOARD POLICY 304 – PROCUREMENT, bids were solicited for the above proposed expenditures.

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

**Lease Agreement between LNRA and TAMU**

Brzozowski briefed the Board on the most recent version of the proposed lease agreement between LNRA and Texas Native Seeds, Caesar Kleberg Wildlife Research Institute – Texas A&M University-Kingsville. The agreement includes 50% reimbursement of the water supply and 100% for the fencing. Fencing cost has not been determined. Cost from Jackson Electric to install power is approximately \$14,000.00. When total costs are determined, the Board will be asked to consider approval at the February Board meeting.

Director Taylor moved to approve the most recent version of the proposed lease agreement between LNRA and TAMU as presented. Director Adelman seconded the motion. Motion passed.

**Lake Texana Yield Enhancement Project**

Brzozowski informed the Board that an update from TCEQ had been requested, but LNRA has not received a response. Conversation with Formosa regarding the property is ongoing with plans to meet with the Company in late January or February.

The Board was presented a copy of the status report from Freese and Nichols for December 1-31, 2020 and a copy of the memorandum from Bickerstaff regarding tasks to address title issues.

The Board meeting adjourned at 8:25 a.m.

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Ronald Kubecka  
President

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Terri Parker  
Secretary-Treasurer