

Lavaca-Navidad River Authority

Minutes of September 22, 2021 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, September 22, 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 was also available through video teleconference. Board members present were President Adelman, Vice President Johs, Secretary-Treasurer Parker, Directors Aimone, Kucera, Mitchell, Steffek, Storz, and Taylor. Also present was LNRA Staff: Brzozowski, Anders, Gregory, Martin, Pearson, Terry, Hartl, Sklar, and Crenshaw; and Jessica Coleman of Jackson County Herald Tribune. Bill Dugat of Bickerstaff Heath Delgado Acosta LLP attended via video teleconference.

President Adelman called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

- Community Education Center Update
Grand Opening November 17th immediately following Board meeting
- Sunset Commission Update – Self Evaluation Report
- Update on Truck Traffic on the Spillway
- Texana Park Road Crossing Rehabilitation Project
- Briefing on Special Use Permit to Max Midstream for use of water
- Board Attendance effective September 1, 2021
- TWCA Fall Conference October 20-22, 2021 – San Antonio Rivercenter Marriott
- Meeting with Formosa regarding water usage
- Emergency Action Plan (EAP)
- Freese and Nichols – Dam Safety Issues

Consent Agenda

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

1. Consider approval of Board meeting minutes of August 18, 2021 and act as necessary.
2. Consider acceptance of August 2021 financial statements and act as necessary.
3. Consider approval of invoices for payment and act as necessary.
4. Consider approval of proposed budget amendment (s) and act as necessary.

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

CDPP Grants

The Community Development Partnership Program (CDPP) grant applications were due on July 30, 2021. Available LNRA grant funds are \$100,000.00. Seven (7) grant applications were received. The CDPP Review Committee received copies via email of the grant applications for their review and ranking.

The CDPP Review Committee met on August 31, 2021 to discuss the application reviews and rankings. The Committee acted recommending for the LNRA Board to approve the following grant awards based on eligibility and ranking:

Organization	Project Title	Grant Request	Recommended
Jackson County	JC Jail Renovations	\$ 50,000.00	\$ 50,000.00
Redeemer Lutheran Church	Sidewalk for School Children	\$ 19,250.00	-
Vanderbilt Baptist Church	Fellowship Hall	\$ 50,000.00	\$ 50,000.00
JC Chamber of Commerce	Upgrade LED Sign	\$ 3,204.20	*
Cross Roads Ham Radio Club	Radio Antenna Relocation	\$ 4,250.00	*
Edna Youth Football, Inc.	Equipment Purchase	\$ 7,000.00	Ineligible
Gardening with Geary	City Community Garden	\$ 4,999.00	*

**LNRA small grants. Funding will be determined according to availability of LNRA funds.*

Director Taylor moved to approve the grant requests as recommended by the CDPP Review Committee. Director Johs seconded the motion. Motion passed.

Inteplast Corporation – Water Supply Contract

Brzowski briefed the Board on the Water Supply Contract between LNRA and Inteplast Corporation which is expiring on October 21, 2022. LNRA Management will meet with Inteplast to discuss the volume of water Inteplast desires and the term of the new contract.

The Board will be informed as information is available.

Proposed Agreement with CEC Contractor

Brzowski informed the Board that LNRA's Legal Counsel, working with LNRA and LNRA's project engineer, prepared and submitted a legal position letter to Gourley Contracting addressing workmanship issues, project delays, and the resulting contractual liquidated damages due to LNRA. Upon review, the contractor's legal counsel has indicated the contractor desires to settle the issue with the contractor walking away from the project and forfeiting the balance of project funding. After our owner-assumed work is expensed for the flooring correction, the total funds remaining is \$68,125.59.

LNRA Management has requested LNRA Legal Counsel to prepare the necessary documentation for review and acceptance by Gourley Contracting. LNRA Management also recommends placing the remaining project balance into a reserve fund to be used to pay for any repairs needed in the coming 12-month period.

Texas Senate Bill 3

Brzozowski briefed the Board on Senate Bill 3 relating to preparing for, preventing, and responding to weather emergencies and power outages. Determination has not been made if LNRA is an “affected utility” or if LNRA’s electrical load is a “critical load”.

City of Corpus Christi has requested that LNRA investigate adding auxiliary generation to support the West Water Delivery System.

Once LNRA gets a clear understanding of what is required to do within the guidelines of the law, appropriate steps will be taken.

Proposed Capital Improvement Fund

Brzozowski informed the Board that the contractor, Palacios Marine and Industrial (PMI), has completed stop log #6 refurbishment. Management recommends continuing the stop log refurbishment project and begin work on stop log #7 and #8. Funds are available in the capital improvement fund.

Director Storz moved to approve the proposed capital improvement fund expenditure for stop log #7 and #8 as presented. Director Steffek seconded the motion. Motion passed.

Proposed LNRA Board of Director Meeting Dates

The Board was presented a copy of the proposed FY2022 LNRA Board of Directors meeting dates as follows:

LNRA Board of Director Meeting Dates Fiscal Year 2022	
Wednesday	October 20, 2021
Wednesday	November 17, 2021
Wednesday	December 15, 2021
Wednesday	January 19, 2022
Wednesday	February 16, 2022
Wednesday	March 16, 2022
Wednesday	April 20, 2022
Wednesday	May 18, 2022
Wednesday	June 15, 2022
Wednesday	July 20, 2022
Tuesday	August 9, 2022
Wednesday	August 17, 2022
Wednesday	September 21, 2022

Director Parker moved to approve FY2022 LNRA Board of Director meeting dates as presented. Director Kucera seconded the motion. Motion passed.

Briefing on Lake Texana Yield Enhancement Project

The Board was presented a copy of Freese and Nichols Status Report as of August 1-31, 2021.

Texas Commission on Environmental Quality may release a draft permit to LNRA for review and comment as early as December 2021.

The Board was presented a letter received from the National Wildlife Federation regarding the LNRA Water Rights Permit for Lake Texana Yield Enhancement Project. LNRA, Freese and Nichols, and Bickerstaff team will meet in early October to develop a response to each point on the stated issues/wish list.

The Board meeting adjourned at 8:48 a.m.

Jerry Adelman
President

Terri Parker
Secretary-Treasurer