

Lavaca-Navidad River Authority

Minutes of May 18, 2022 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, May 18, 2022, 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 Parker, and Directors Aimone, Kucera, Mitchell, Steffek, and Taylor. Also present was LNRA Staff: Brzozowski, Anders, Gregory, Martin, Pearson, Terry, Sklar, and Crenshaw, and Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, and Jason Ward and Cody Cockcroft of Freese and Nichols. Mathew Moses, Tony Bosecker, and Michael Reedy of Freese and Nichols attended via video teleconference.

President Adelman called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

- Sunset Commission Review – June 14-15, 2022
- Cybersecurity Training
- Janik Alligator Update
- First Responders and Health Care Heroes Appreciation – June 4, 2022
- Sedimentation Survey Information
- Recreation Advisory Committee/LNRA Recreation Committee Meeting May 19, 2022
- Student Summer Work Program

Consent Agenda

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

1. Consider approval of Board meeting minutes of April 20, 2022 and act as necessary.
2. Consider acceptance of April 2022 financial statements and act as necessary.
3. Consider approval of invoices for payment and act as necessary.
4. Consider approval of proposed budget amendments and act as necessary.

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

Regular Agenda

Briefing on Dam Safety Issues

Brzozowski briefed the Board on the Dam Safety Consultant's recommended treatment of current dam safety issues.

RSM US LLP Arrangement Letter for Annual Financial Audit

Brzozowski briefed the Board on the arrangement letter from RSM US LLP to perform LNRA’s annual independent audit for the period ending September 30, 2022. Fee for the services is not to exceed \$68,000, plus out of pocket expenses of approximately 12%-15% of fees. The fee for the adoption of GASB Statement No. 87 will range from \$5,500 to \$7,500.

Director Johs moved to approve the arrangement letter from RSM US LLP for the FY2022 annual independent audit as presented. Director Parker seconded the motion. Motion passed.

GCRPC General Assembly Voting Delegate

Brzozowski informed the Board that LNRA’s membership in the Golden Crescent Regional Planning Commission (GCRPC) provides the Board with opportunity to annually appoint and nominate a member of the Board of Directors for one (1) General Assembly Voting Delegate.

The General assembly meets at least annually. Terms begin September 1st through August 31st. LNRA’s current Voting Delegate representative is Sandy Johs.

Director Steffek moved to approve the continued appointment of Sandy Johs as General Assembly Voting Delegate. Director Aimone seconded the motion. Motion passed.

Proposed Reserve Contingency Fund Expenditures

Brzozowski briefed the Board on the following proposed reserve contingency fund expenditures.

Main Event Center	
MEC Lighting	\$ 2,500.00
Harry Hafernick Recreation Center	
Storage Building Expansion project improvements	
Automatic Door Opener and Shelving	\$ 7,000.00
Infrastructure Replacement	
Reimburse Recreation operating budget for expenditure for HHRC kitchen AC unit.	\$ 3,829.00
Texana Park	
Comfort Station Roof Replacements (3,4,6)	\$30,000.00
Comfort Station #4 Hot Water Heater Replacement	\$ 6,234.45
Marina	
Roof Replacement	\$ 45,000.00
Wastewater Treatment Plant	
Backup 3HP Lift Station Pump	\$ 7,850.00
Bar Screen Refurbishment	\$ 7,700.00

In accordance with LNRA BOARD POLICY 304-PROCUREMENT, bids are solicited for proposed expenditures as applicable.

Brzowski informed the Board of the proposed reallocation of funds from reserve contingency to capital improvement to make adequate funds available for the Lake Texana Culvert Replacement Project. The amount of additional funds needed is \$83,297.55. These funds are available to reallocate from recreation support within reserve contingency.

Lake Texana Park Culvert Replacement Project Funding	
Professional Services: Construction Management	\$ 41,600.00
Anticipated Construction Costs	<u>\$ 1,105,130.00</u>
Total Funding Required	\$ 1,146,730.00
Capital Improvement Funds Available	\$ 1,063,432.45
Additional Funds Required	\$ 83,297.55

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

Lake Texana Park Culvert Replacement Project

Brzowski informed the Board that bids were solicited for the Lake Texana Park Culvert Replacement Project. Four (4) bids were received as follows:

Earth Builders	\$ 1,374,975.00
Keeley Construction	\$ 1,748,390.00
NBG Contractors	\$ 1,583,855.00
Constar Construction	\$ 1,065,130.00

It was noted that Constar Construction did not consider or otherwise offer an add/deduct price for the metal beam guard fence (MBGF) in their bid. It was later found that the quantities on the plan sheets and the quantities on the bid sheet did not add up. The engineer was contacted, and the error was confirmed.

Constar has offered a proposal to supply the MBGF for \$40,000.00. Even with this added cost, Constar remains the low bidder. It should be noted that research found that Constar's MBGF cost proposal was within TxDOT's average pricing for this work item.

Brzowski informed the Board that Constar is a local contractor who has built bridges for TxDOT for the past thirteen (13) years. Given the Engineer's estimate was \$ 1,297,280.00, it is Management's recommendation to accept the bid from Constar Construction.

Funds are available in the capital improvement fund.

Director Mitchell moved to approve the bid from Constar as recommended by LNRA Management. Director Kucera seconded the motion. Motion passed.

Lake Texana Park Culvert Replacement Project Construction Management

Brzozowski recommended to the Board for LNRA to expand Freese and Nichols (FNI) service on Lake Texana Park Culvert Replacement Project to include project management and construction phase services.

The FNI Task Authorization indicates the expense for Construction and Project Management is \$30,100.

LNRA Management also negotiated a price increase for the service provided by FNI to date associated with the project planning and design phase services for the Project. Given the extra time in the design process to develop an economical design, LNRA Management has agreed to support the \$11,500 figure also shown on the Task Authorization. This represents approximately 40% of the originally suggested fee increase.

Total cost of the FNI Task Authorization is \$41,600.00. Funds are available in the capital improvement fund.

Director Taylor moved to approve FNI Task Authorization in the amount of \$41,600 as presented with funding available in the capital improvement fund. Director Steffek seconded the motion. Motion passed.

Main Event Center Structural Steel Member Rehabilitation Project

Brzozowski informed the Board that bids were received for the Main Event Center Member Rehabilitation Project Phase III – Western Awning as follows:

Contractor	Scope of Work	Amount
Neumann Welding	Equipment, labor, materials, and superintendence to sandblast, treat and protect select structural steel members of the western awning section of the Main Event Center. The treatment shall be an industrial grade application to include an abrasive blast to near white metal followed by a zinc-based primer (Carboguard 635) topped with a modified silicone hybrid topcoat (Carbothane 134 HG). The base plates will be primed, sealed with Carboguard 501, primed again, then top coated.	\$ 108,161.00
* Palacios Marine & Industrial (PMI)	Equipment, labor, materials, and superintendence to sandblast, treat and protect select structural steel members of the western awning section of the Main Event Center. The treatment shall be an industrial grade application to include an abrasive blast to near white metal followed by a zinc-based primer (Carboguard 635) topped with a modified silicone hybrid topcoat (Carbothane 134 HG). The base plates will be primed, sealed with Carboguard 501, primed again, then top coated.	\$ 40,890.00

The General Manager recommends accepting the low bid from Palacios Marine & Industrial (PMI) for \$40,890.00.

Director Aimone moved to approve accepting the bid from PMI as recommended by the General Manager as presented. Director Taylor seconded the motion. Motion passed.

EDS Pipeline Relocation Project Funding Arrangement

Brzowski briefed the Board on the TxDOT funding documents and associated row/easement documents related to the East Delivery System Pipeline Relocation Project.

The Board was presented a copy of the Possession and Use Agreement (PUA) and Offer Letter between TxDOT and LNRA for their review.

Director Mitchell moved to approve the PUA as presented. Director Steffek seconded the motion. Motion passed.

EDS Pipeline Relocation Project Easement Agreements

Brzowski informed the Board that LNRA has verbal agreements for replacement easements with Alcoa and Formosa Plastics for the EDS Pipeline Relocation Project. He indicated that LNRA will need to engage legal counsel and engineer to develop the needed documentation.

Director Parker moved to authorize the General Manager to expend funds to develop easement agreements with Alcoa and Formosa Plastics related to LNRA's EDS Pipeline Relocation Project as presented. Director Taylor seconded the motion. Motion passed.

EDS Pipeline Relocation Project FNI Task Items

Brzowski informed the Board of the following Freese and Nichols Task Items associated with the EDS Pipeline Relocation Project.

Task	Description	Total
Basic Services (Lump Sum)		
2	Final Design	\$ 552,500
3	Construction Services	\$ 209,000
Special Services (Not to Exceed)		
6	Subsurface Utility Engineering (SUE)	\$ 119,300
7	Geotechnical	\$ 71,700
8	Environmental	\$ 20,000

Director Johs moved to authorize Freese and Nichols to proceed with Task Items 2, 3, 6, 7, 8 associated with the EDS Pipeline Relocation Project. Director Aimone seconded the motion. Motion passed.

Expenditure to Purchase Trailer for Stop Log Deployment

Brzozowski briefed the Board on the need to purchase a trailer to move stop logs from one location to another. LNRA staff researched multiple trailer manufacturers, trailer options, and configurations. Bids were received as follows for a thirty-five (35) foot narrow goose neck trailer.

Brand M Trailer Sales, Henrietta, TX	\$ 16,995.00
TCS, LLC, Hallettsville, TX	\$ 22,600.00
Precision Machine Works	\$ 22,250.00

The General Manager recommends purchasing the hand-built trailer from Brand M Trailers and the Board approving up to \$18,000 to purchase the trailer and associated registration fees. Funds are available in the reserve contingency fund.

Director Mitchell moved to authorize expenditure up to \$18,000 to purchase the trailer for stop log deployment and associated fees as presented. Director Steffek seconded the motion. Motion passed.

Expand East Delivery System Pumping Capacity

Brzozowski informed the Board that in the last twenty-four (24) months the East Pump Station has reached its maximum pumping capacity due to demand needs of the East Delivery System. It was determined to expand the capacity of the East Pump Station to a rate of up to two time (2X) the current delivery rate.

Freese and Nichols has been engaged to provide a technical report to determine the pumping needs to cover the immediate and future predicted capacity needs of the pump station.

The Board was presented a copy of Freese and Nichols Task Authorization for the EDS Pump Station Expansion Study for \$35,000.00.

Director Steffek moved to approve the FNI Task Authorization for the EDS Pump Station Expansion Study for \$35,000.00 as presented. Director Mitchell seconded the motion. Motion passed.

Lake Texana Yield Enhancement Project

The Board was presented a copy of the Freese and Nichols Status Report, April 1-30, 2022.

Election of Board of Director Officers

President Adelman informed the Board that the current Board of Director Officer's terms would expire May 31, 2022. He requested nominations for officers.

Director Steffek moved to nominate Director Parker for Secretary-Treasurer. Director Taylor seconded the motion. Motion passed

Director Parker moved to nominate Director Johs as Vice President. Director Aimone seconded the motion. Motion passed.

Director Taylor moved to nominate Director Adelman as President. Director Parker seconded the motion. Motion passed.

Briefing on LNRA Board Committee Assignments

The Board was asked to review the proposed individual assignments, committee structure, and function of each committee.

The Board meeting adjourned at 9:03 a.m.

Jerry Adelman
President

Terri Parker
Secretary-Treasurer