

Lavaca-Navidad River Authority

Minutes of June 15, 2022 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, June 15, 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, Mitchell, Steffek, Storz, and Taylor. Also present was LNRA Staff: Brzozowski, Gregory, Martin, Pearson, Terry, Sklar, and Crenshaw, and Bill Dugat of Bickerstaff Heath Delgado Acosta LLP. Also in attendance was Sunset Review Committee, Robert Romig, Chris Keslar, Carl Perry, and Katherina Wierschke. Scott Hartl, LNRA Assistant Manager, and Tom Brown of MRB Group attended via video teleconference.

President Adelman called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

- Introduction of Sunset Advisory Commission staff
- 2023 Budget process
- First Responders Appreciation Event
- Independence Day Celebration – July 2, 2022
- End of Summer Bash – July 23, 2022
- CDPP Grant Applications due July 29th
- Dam Safety Update
- Marina roof repair

Consent Agenda

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

1. Consider approval of Board meeting minutes of May 18, 2022 and act as necessary.
2. Consider acceptance of May 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 Steffek seconded the motion. Motion passed.

Regular Agenda

Annual Cybersecurity Training Compliance

Brzowski informed that in compliance with Texas Government Code 2054.5191, LNRA employees and Board of Directors completed the required annual cybersecurity training.

Completion of the training was reported to the Department of Information Resources on June 7, 2022.

The Board was presented a copy of the compliance report as sent to the Department of Information Resources.

Director Parker moved to approve the compliance report as sent to the Department of Information Resources. Director Aimone seconded the motion. Motion passed.

Recreation Committees Meetings Information

Brzowski informed the Board that the Recreation Advisory Committee and LNRA Recreation, Fish and Wildlife Committee met on May 19, 2022 and June 7, 2022 regarding updating the LNRA Recreation Master Plan. Tom Brown, MRB Group facilitated the meetings.

The Committees reviewed the goals, objectives, implementation strategies, and priorities. The Group used a dot voting system to prioritize recreation development/activity list.

A recommended priority list will be reviewed by the Board in July. After Board approval, the recommended revisions to the LNRA Recreation Master Plan will be submitted to Texas Parks and Wildlife for their approval.

Brzowski thanked the Recreation Advisory Committee members and LNRA's Board members for making themselves available for this process.

Citizens Advisory Committee members are Brandon Peters, Dee Darilek, Cris Bone, and Wayne Bubela.

LNRA Employee and pre-65 Retiree Health Benefits 2022-2023

Brzowski and Martin briefed the Board on the health benefits proposal for 2022-2023. LNRA currently provides employee health benefits through TML Health Benefits Pool. LNRA also provides pre-65 retirees health benefits through TML. LNRA covers retirees between the ages of 59-65. The retiree benefits and plan are the same as employees.

LNRA pays for 100% of employee and retiree premiums and 50% of dependent premiums for employees and retirees.

The Board was presented a copy of the Health Benefit Proposal, which includes the current plan and the associated costs and the proposed Option 1 and Option 2 and associated costs.

The General Manager recommends accepting the proposed Option 2 for health benefits for employees and pre-65 retirees.

Director Mitchell moved to approve the proposed Option 2 for LNRA Health benefits as presented and recommended by the General Manager. Director Taylor seconded the motion. Motion passed.

LNRA Employee Retirement Benefits

Brzowski briefed the Board on LNRA's employee retirement benefits. LNRA's retirement plan is with the Texas County & District Retirement System (TCDRS). The Board was presented a copy of the funding projections for Plan Year 2023 and program benefit information.

Brzowski also briefed the Board on the LNRA's employer contribution rate to TCDRS. TCDRS require that participating employers review and confirm their benefit plans on an annual basis.

The calculated employer contribution rate for 2023 is 10.91%. LNRA Management recommends continuing contributing at the optional higher elected rate of 15% for 2023.

Director Parker moved to approve the LNRA employee retirement benefits and employer contribution rate of 15% as recommended by the General Manager. Director Storz seconded the motion. Motion passed.

Proposed Reserve Contingency Fund Expenditures

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

Brackenridge Recreation Complex

Construct new boat docks at the BRC and Pepper Martin boat ramps

Repair piers at the BRC

Total (Materials only, LNRA will supply labor) \$ 15,500.00

Harry Hafernack Recreation Center

Purchase and install A/C unit at the HHRC storage expansion building \$ 6,000.00

Wastewater Treatment Plant

Bypass Piping at Water Well No. 2 \$ 14,000.00

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

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

Briefing on TWDB Volumetric Survey of Lake Texana

Brzowski briefed the Board on Texas Water Development Board's draft Volumetric and Sedimentation Survey Report. The Board was presented a copy of the Survey Report for their review.

LNRA has submitted comments and are anticipating a response.

As the report currently presents, given the increased capacity to 164,188-acre feet, LNRA's corresponding Drought Contingency Plan Stage II trigger level would need to be adjusted to elevation 40.33, up from elevation 39.98.

This Lake evaluation represents the 78.18% capacity figure stated in LNRA's water right 2095B, which set our agreed upon Bay and Estuary (B&E) release schedule.

When Lake Texana declines to 78.18% capacity, LNRA is allowed to reduce B&E releases to 5 cfs.

We have also questioned TWDB's recalculation of prior TWDB survey results, specifically the change in the degradation rate (increasing) from the period between 1980 to 2020.

Engagement of Civil Corp – 2022 Settlement Survey

Brzozowski informed the Board that LNRA Management has struggled to ascertain if the annual settlement survey results are an accurate representation of the true position of LNRA's operating structures.

LNRA Management has concluded that additional control points are needed to improve the overall accuracy of the survey and recommend engaging Civil Corp to conduct the annual settlement survey of the dam and spillway structures.

The Board was presented a copy of Civil Corp Professional Surveying Services proposal to set control points required for monitoring the Lake Texana Spillway and earthen dam in the amount of \$36,112.00. The Board was also presented a copy of Civil Corp Professional Surveying Services proposal to monitor the Lake Texana Spillway and earthen dam in the amount of \$42,778.00.

Funds are available in the General Fund budget.

Director Steffek moved to approve engaging Civil Corp to perform 2022 settlement survey and set control points and associated expenditures as presented and recommended by the General Manager. Director Mitchell seconded the motion. Motion passed.

Briefing on EDS Pipeline Relocation Project

Brzozowski briefed the Board as follows:

- As of June 10, 2022, LNRA has received the \$19,883,580.00 authorized under the PUAs for the Calhoun and Jackson County Parcel Ids, \$11,930,148.00 and \$7,953,432.00, respectively.
- LNRA is working with Freese and Nichols (FNI) to complete preliminary design and have met with Formosa Plastics Utilities and Management to review our plan to limit/minimize disruptions in water deliveries.
- FNI and the surveyor are preparing easement plats to be used in the upcoming easement acquisition process with Alcoa and Formosa Plastics.
- FNI's schedule indicate that 60% design documents are anticipated by July.
- We have discussed pre-purchasing pipe and fittings in advance of a construction contract.

Lake Texana Yield Enhancement Project

The Board was presented a copy of the Freese and Nichols Status Report, May 1-31, 2022.

The Board meeting adjourned at 8:29 a.m.

Jerry Adelman
President

Terri Parker
Secretary-Treasurer