

## **Lavaca-Navidad River Authority**

### **Minutes of August 17, 2022 Board Meeting**

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, August 17, 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-Treasurer Parker, and Directors Aimone, Kucera, Mitchell, Steffek, and Taylor. Also present was LNRA Staff: Brzozowski, Gregory, Anders, Martin, Pearson, Terry, Sklar, and Crenshaw; Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, and Jason Ward of Freese and Nichols. Sunset Review Committee members Robert Romig and Chris Keslar, Mike Rivet of Formosa Plastics Corporation, and Mathew Moses of Freese and Nichols attended via video teleconference.

President Adelman called the meeting to order.

### **Public Comments**

There were not public comments.

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

- Drought Condition Update
- Board of Directors Special Board Meeting – August 24, 2022
- LNRA Community Development Partnership Program (CDPP) Review Committee Meeting – August 26, 2022 - 2:00 p.m.
- JC Chamber of Commerce Mixer – Community Education Center – September 8, 2022
- LNRA/Texas Youth Hunting Program Youth Alligator Hunt – September 24, 2022
- LNRA Firing Range – Risk Management

### **Consent Agenda**

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

1. Consider approval of Board meeting minutes of July 20, 2022 and August 9, 2022, and act as necessary.
2. Consider acceptance of July 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**

**Briefing on Funding Arrangement for Equipment Upgrade**

Brzozowski briefed the Board on the East Delivery System improvements necessary to meet current peak demands and ensure continued reliability. If LNRA chooses to accept the consultants' recommendation to increase the HP rating for the new equipment, the improvement will accommodate a meaningful increase in demand.

Brzozowski also briefed the Board on the communication with Formosa regarding the proposed recommendation and associated cost. The consultant's Opinion of Probable Construction Costs total \$2,259,425. The Board was presented a copy of the communication with Formosa outlining proposed funding arrangement for the project.

**Fiscal Year 2023 Budgets**

A Board workshop was held on August 9, 2022 and the Board was briefed and presented copies of the proposed Fiscal Year 2023 budgets (General Fund, Recreation, Clean Rivers Program, Wastewater Treatment Plant, West Delivery System, Mary Rhodes Phase II, and East Delivery System) and Long-Term Capital Expenditures Accrual Plan.

Brzozowski informed the Board that the proposed Fiscal Year 2023 budgets had revisions to the East Delivery System Capital budget from the copies reviewed at the Board workshop. The Board was presented a copy of the revised 2023 budgets for their review.

Director Taylor moved to approve the proposed Fiscal Year 2023 budgets and Capital Improvement Fund allocations as presented. Director Parker seconded the motion. Motion passed.

**Reallocation/Expenditures of Reserve Contingency Funds**

Brzozowski briefed the Board on the proposed reallocation and expenditures of reserve contingency funds.

*Reallocation of Reserve Contingency Funds*

Transfer \$16,000 from Cabins to Comfort Stations

*Expenditure of Reserve Contingency Funds*

Recreation – Comfort Stations

For renovations of Comfort Station No. 4 \$ 20,000.00

Reimburse Operating Budget, General Maintenance \$ 5,119.00

Funds were utilized for Brackenridge Comfort Station No.2  
from the budget to replace A/C unit

Main Event Center

Phase III Structural Steel Member Rehabilitation

Additional sandblasting and painting \$ 8,000.00

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

Director Johs moved to approve the proposed reserve contingency reallocation and expenditures as presented. Director Kucera seconded the motion. Motion passed.

**LNRA Board Policy 401 Banking & Investment/Resolution**

The Board is required under the Public Funds Investment Act, Chapter 2256, TEX. GOV'T CODE to adopt a Banking and Investment Policy and to review the Policy and investment strategy no less than annually.

Brzozowski briefed the Board on the LNRA Board Policy 401, Banking and Investment, and related Resolution No. 2022-002. No revisions were recommended.

The Board was presented a copy of Policy 401 and related Board Resolution for their review.

Director Mitchell moved to approve LNRA Board Policy 401 – Banking and Investment and related Resolution as presented. Director Aimone seconded the motion. Motion passed.

**Bid for Waste Disposal Services**

Brzozowski briefed the Board on the bids received for waste disposal services for a three (3) year term.

Bids were received as follows:

Vendor	Annual Cost
Texas Disposal Systems, Inc.	\$ 47,464.24 *
Waste Management Company	\$ 63,817.08
White Trash Services	\$ 57,231.48

Management recommends accepting the low bid from Texas Disposal Systems, Inc. for an annual cost of \$47,464.24.

Director Steffek moved to approve the bid from Texas Disposal Systems, Inc. for an annual cost of \$47,464.24 for a three (3) year term. Director Taylor seconded the motion. Motion passed.

**East Delivery System Expenditure**

At the July meeting, the Board approved expenditure of \$224,000 for EDS 300 HP motor and pump assembly from CASCADE. That approved amount did not include the upgrade cost of \$14,250 for a 300 HP US Motor versus the quoted 300 HP GE Motor, and the estimated freight cost of \$8,000, for a total expenditure of \$246,250. Funds are available in the EDS budget.

Director Aimone moved to approve the EDS expenditure as presented. Director Mitchell seconded the motion. Motion passed.

**Park and Open Space Master Plan Update**

Brzozowski briefed the Board on the 2017-2022 Park and Open Master Plan Update that is submitted to Texas Parks & Wildlife Department.

Brzozowski informed the Board that the Texas Department of Transportation has announced their intent to accept applications to their Transportation Alternatives Projects Program in October of this year. LNRA has included as a priority in the Open Space Master Plan to develop a method to move people between Texana and Brackenridge

Parks. This issue has made the priority list for several recreation planning cycles, and LNRA's sees this "call for projects" by TXDOT as an opportunity to gain traction for the need and for a potential 100% funding source.

LNRA has communicated interest with the TXDOT District 13 Engineers office and will work with them to understand their interest in LNRA's proposed project.

The Board was presented a copy of the 2017-2022 Park and Open Master Plan Update for their review.

Director Parker moved to approve the 2017-2022 Park and Open Space Master Plan Update as presented and to authorize the General Manager to make application to TxDOT under Transportation Alternatives Grant Program as discussed.

Director Steffek seconded the motion. Motion passed.

### **Interlocal Agreement between LNRA and JC County-Wide Drainage District**

The Board previously approved LNRA's participation in the flood study proposed for the upper Lavaca River Watershed in Lavaca County. The study was predicated on match funding from Lavaca County, City of Hallettsville, and City of Moulton, which declined to participate. LNRA recused themselves from this proposed effort.

Brzowski informed the Board that Jackson County County-Wide Drainage District have requested LNRA's support for match funds needed for the Districts' TWDB funded Flood Study planned to be conducted on Devers Creek Watershed in Jackson County. Because flood water from Devers Creek Watershed flows through the City of Ganado and into Lake Texana, Brzowski recommends entering into an Interlocal Agreement with the District to participate in the match funding on a 50/50 basis, not to exceed \$60,000.

The Board was presented a copy of the draft Interlocal Agreement between LNRA and JC County-Wide Drainage District for their review.

Director Steffek moved to approve entering into an Interlocal Agreement with the JC County-Wide Drainage District to participate in the match funding on a 50/50 basis, not to exceed \$60,000 as presented. Director Taylor seconded the motion. Motion passed.

### **Freese and Nichols Work Order #38 Amendment**

Brzowski informed the Board that as part of the work on the sand boil dam safety issue, Freese and Nichols proposes LNRA engage a third-party provider as peer review of our combined efforts before implementation. Given the risk of the anomaly, the risk of implementation, and the potential expense of mitigation failure, LNRA Management agrees with the approach for engagement.

FNI researched qualified experts and recommended the peer review be provided by Griffin Dewatering. The cost of the review is not expected to exceed \$9,500.

Director Mitchell moved to amend Freese and Nichols Work Order #38 as presented. Director Taylor seconded the motion. Motion passed.

### **LNRA Professional Services List**

Brzowski briefed the Board on the LNRA Professional Services List.

Director Aimone moved to approve the LNRA Professional Services List as presented. Director Taylor seconded the motion. Motion passed.

**EDS Pipeline Relocation Project**

Brzozowski reported as follows:

- The planning is progressing, and we are nearing a 60% design review mark.
- Ductile Iron pipe and fitting procurement is to be approved at an upcoming special Board meeting.
- The Surveyor is nearing completion of draft easement plats.
- The geotechnical team have completed their fieldwork and are in the process of finalizing sample analysis.
- An important next step is easement acquisition

**Lake Texana Yield Enhancement Project**

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

The Board meeting adjourned at 8:50 a.m.

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Jerry Adelman  
President

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Terri Parker  
Secretary-Treasurer