

Lavaca-Navidad River Authority

Minutes of October 19, 2022 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, October 19, 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, Steffek, Storz, and Taylor. Also present was LNRA Staff: Brzozowski, Gregory, Anders, Martin, Pearson, Terry, Sklar, and Crenshaw; Robert O'Connor of Edna Independent School District, Craig Brooks of Carancahua Volunteer Fire Department, Lance Smiga and Gary Broz of the City of Edna, Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, and Cameron Lawrence of Freese and Nichols. 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

- Presentation of Community Development Partnership Program (CDPP) Grants:

Carancahua Volunteer Fire Dept.	\$ 50,000.00	Fire Station Addition
City of Edna	\$ 50,000.00	Concessions and Restroom

- General Manager's Quarterly Report as of September 30, 2022
- Sunset Commission Review Update
- Alligator Youth Hunt Results
- Spooktacular Trail and Carnival – Texana Park – October 29, 2022
- Texana Chili Spill November 10-12, 2022
- Veterans Appreciation Dinner – November 10, 2022
- Wounded Heroes Hunt -November 8-10, 2022

Consent Agenda

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

1. Consider approval of Board meeting minutes of September 21, 2022 and act as necessary.
2. Consider acceptance of September 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.
5. Consider approval of Quarterly Investment Report as of September 30, 2022 and act as necessary.

Gregory briefed the Board on the activity of investments as reported on the Quarterly Investment Report as of September 30, 2022. Texpool earned an average rate of 2.03% while Prosperity Bank earned .20% for the quarter. The Board was presented a copy of the quarterly report for their review.

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

Regular Agenda

Proposed Reserve Contingency Fund Expenditures

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

Brackenridge Recreation Complex Cabin Category Replace interior doors in five (5) cabins	\$ 5,000.00
Community Education Center Two (2) sets of acrylic displays w/carrying cases	\$ 2,000.00

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

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

Proposed Capital Expenditure

Brzowski informed the Board that Management proposes to purchase two (2) replacement fleet vehicles as follows:

Pipeline Section One (1) 2023 Ford F-250 – Extended Cab	\$ 50,900.75
I & E Section One (1) 2023 Ford F-250 – Extended Cab, Long Bed	\$ 51,371.00

In accordance with LNRA BOARD POLICY 304 – Procurement, bids were obtained from GoodBuy Purchasing Cooperative.

Funds are available in the Capital Improvement Fund, Vehicles.

Director Storz moved to approve the proposed capital improvement fund expenditure for fleet vehicles as presented. Director Steffek seconded the motion. Motion passed.

MRB Group Task Order

Brzowski briefed the Board on the Task Order Agreement received from MRB Group for Development of Transportation Alternatives Set-Aside Grant Application. The Task Order is separated in two (2) phases; (i) preliminary application and (ii) full application. Total cost for the Task Order is \$20,000. Brzowski informed

the Board that it is his understanding that this expenditure may be included in the project costs to be recaptured once funded.

The Board was presented a copy of the proposed Task Order Agreement for their review.

Director Johs moved to approve MRB Group Task Order Agreement in the amount of \$20,000 as presented. Director Taylor seconded the motion. Motion passed.

EDS Pump Station Upgrade Project

Brzozowski updated the Board on the East Delivery System Pump Station Upgrade Project as follows:

The pumping equipment (IP No. 1 and No. 2) issues dealt with last month have been corrected and the EDS is fully operational. The spare pumping unit previously approved by the BOD has been ordered and we have worked thru the shop submittals as they have been presented.

Regarding the planned upgrade to the pumping equipment, FNI has begun working on this EDS improvement project. They are nearing full engagement with Clemson Laboratories on the development of the scaled physical model of the pump station wet well and associated pumping equipment. Once the model is complete, we plan to travel to North Carolina to witness the testing process and view the model.

Regarding project funding, Formosa Plastics' Utility Department and management have verbally acknowledged the Company would be the funding source for the improvements. Once FNI has the modeled results in hand and have made a final determination of needed improvements, we can provide Formosa with a more accurate cost figure and act on a written funding arrangement to be agreed to by LNRA and the Company.

Lease Agreement between JC and LNRA for Camp Mauritz

Brzozowski briefed the Board on the existing Lease Agreement between Jackson County and LNRA for Camp Mauritz. The Agreement has been in effect since 2007 where LNRA agreed to lease, operate, and maintain the property. The Board was presented a copy of the Lease Agreement.

The Board was also presented a spreadsheet indicating maintenance performed and associated costs for the fifteen years that the Agreement has been effective. The majority of LNRA's expenditures in support of Camp Mauritz has been cost of labor and equipment.

Brzozowski informed the Board that the lease term will expire this next year, and that he has begun a conversation with the County as to their vision, or development of a shared vision and path forward for the property. The consensus of LNRA and the County is for the property to remain as a public offering to benefit the youth of Jackson County. Brzozowski suggested that the County and LNRA undertake a planning initiative for a youth training day camp focused on teamwork and leadership development.

The Board was asked to consider what their vision would be for the future of the property.

Work Order by Ozark Laboratories

Brzozowski informed the Board of the Scope of Work from Ozark Laboratories for evaluation of the depression discovered in the Spillway Inlet Channel. The total cost is \$77,540 and funds are available in reserve contingency fund.

LNRA Reservoir Operations employees will set and collect from 60 sample locations strategically placed upstream and downstream from the spillway and will ship the collected samples to OZARK Laboratories for analysis and testing. Upon completion, OZARK will deliver a final report detailing all their findings. Throughout the study, Freese and Nichols will remain available to support LNRA with the technical aspects of the study.

The Board was presented a copy of the Scope of Work for review.

Director Steffek moved to approve the Ozark Laboratories work order for the Spillway Inlet Channel dye study as presented. Director Storz seconded the motion. Motion passed.

East Delivery System Pipeline Relocation Project

Lawrence reported to the Board that the project was progressing, and easements were being confirmed and a construction contract would be bid in November. The Board will consider approval of a construction contractor in December.

Lake Texana Yield Enhancement Project

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

Brzowski reported to the Board that he had contacted TCEQ on the status of the draft water permit. The draft water permit is expected to be complete in December.

The Board meeting adjourned at 8:47 a.m.

Jerry Adelman
President

Terri Parker
Secretary-Treasurer