

Lavaca-Navidad River Authority

Minutes of March 22, 2023 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, March 22, 2023, 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, Storz, and Taylor. Also present was LNRA Staff: Brzozowski, Gregory, Anders, Hartl, Martin, Pearson, Terry, Sklar, and Crenshaw, Bill Dugat of Bickerstaff Heath Delgado Acosta LLP and Jason Ward of Freese and Nichols. Brad Medlin of McKee Utility Contractors, LLC attended the meeting via video/audio teleconferencing.

President Adelman called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

- Update on TxDOT 2023 Transportation Alternatives Call for Projects
- Lake Texana Park Culvert Replacement Update
- Sunset Advisory Commission Update
- Personal Financial Statement due to Ethics Commission on May 1, 2023
- Strategic Plan Review
- Community Development Partnership Program Update
- Reserve Fund Policy
- Purchase and Sale Agreement with Formosa Update

Consent Agenda

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

1. Consider approval of Board meeting minutes of February 15, 2023 and March 1, 2023 and act as necessary.
2. Consider acceptance of February 2023 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

Bid and Selection of General Contractor – EDS Waterline Relocation Project

Brzozowski informed the Board that bids were solicited for the construction of the East Delivery System (EDS) Waterline Relocation Project.

Three (3) bids were received as follows:

Contractor	Total Bid Amount
McKee Utility Contractors, LLC 2319 West Main Street Prague, OK 74864	\$ 12,841,844.00
Main Lane Industries Ltd. 14115 Luthe Road, Suite 100 Houston, TX 77039	\$ 13,185,935.00
Harper Brothers Construction, LLC 654 N. Sam Houston Pkwy., E. Ste. 330 Houston, TX 77060	\$ 19,517,851.00

Bids and accompanying support information was reviewed and scored according to the advertised criteria by LNRA Management and Freese and Nichols.

The Board was presented with a copy of the bid summary and Freese and Nichols Recommendation for Award of Contract for their review.

Director Steffek moved to approve the bid from McKee Utility Contractors, LLC in the amount of \$16,895,000.15 which includes construction base bid of \$12,841,144.00 and pipe purchased by LNRA of \$4,053,866.15. Director Storz seconded the motion. Motion passed.

Reserve Contingency Fund Reallocations

Brzozowski briefed the Board on the proposed reserve contingency fund reallocations. The Board was presented with a copy of the proposed reallocations for their review.

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

Reserve Contingency Fund Expenditures

Brzozowski informed the Board of the following proposed reserve contingency fund expenditures:

Texana Park

Lift Station Repairs \$ 23,500.00
Work to be performed by Mercer Construction

General Fund

Replace 15 Dual Band Radios \$ 45,000.00 (not to exceed)
Includes equipment, connectors, antennas, and programming
of the radios

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

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

Amendment No. 2 Black and Veatch Agreement

Brzowski informed the Board that Amendment No. 2 to Agreement for Engineering Services between LNRA and Black and Veatch for regional water planning reflects the commitment of additional funds by the Texas Water Development Board. The additional committed funds are \$116,102, bringing the total committed funds amount to \$203,166.

As the contracting entity for Lavaca Regional Water Planning Group, LNRA Board of Directors will consider approval.

The Board was presented with a copy of the proposed Amendment for their review.

Director Mitchell moved to approve Amendment #2 to Agreement between Black and Veatch and LNRA for regional water planning as presented. Director Aimone seconded the motion. Motion passed.

Interlocal Agreement with Jackson County for Fiber Optic Link

Brzowski briefed the Board on the proposed final Interlocal Agreement with Jackson County for funding assistance for fiber optic link as approved by the County. The Board was presented with a copy of the proposed Interlocal Agreement for their review.

LNRA and Jackson County will share in the cost of installing ATT fiber optic service from the City of Edna to the County's tower. LNRA is responsible for negotiating service off FM 3131 to the LNRA office. The final cost estimate has not been finalized but estimates range from \$187,000-\$250,000.

Director Johs moved to approve the final Interlocal Agreement with Jackson County for funding assistance for fiber optic link and authorize the LNRA General Manager to negotiate and contract with ATT. Director Steffek seconded the motion. Motion passed.

West Delivery System Proposed Expenditure

Brzowski informed the Board that in the process of refurbishing the West Delivery System Intake Pump No.3, it became apparent that the sole plate for Pump No. 3 is in need of repair.

Pump No.3 sole plate has been compromised and has been questioned as a possible source of vibration or contributing to the measured vibration for IP No. 3.

A proposal from RPM Services, Inc. includes breaking out the old grout, removing the pump and motor, removing the sole plate, blasting and cleaning offsite, and after preparing the grout foundation, reset the refurbished sole plate and install the pump and motor.

The total cost of the work is \$28,742.15. Funds are available in the West Delivery System operating budget.

Director Aimone moved to approve proposed WDS expenditure for refurbishment of sole plate on Pump No.3. Director Kucera seconded the motion. Motion passed.

Acquisition of Easements – EDS Waterline Relocation Project

Brzowski briefed the Board on the acquisition of easements from Alcoa and Formosa for the East Delivery System Waterline Relocation Project. The easement with Alcoa is complete and the easement with Formosa is awaiting confirmation of accommodating two mechanic's liens associated with the easement. The Board discussed the risk involved in moving forward with outstanding liens on the property. Ronnie Collins of Duckett, Bouligny and Collins joined the Board meeting via telephone and explained further to the Board the possible outcomes with the easement.

The Board was presented a copy of the proposed Resolution No. 2023-001 of the LNRA Board of Directors approving and authorizing the purchase of easements in Jackson County, Texas and Calhoun County, Texas, associated with the East Delivery System Waterline Relocation Project.

Director Mitchell moved to approve the acquisition of easements, associated easement documents and Resolution No. 2023-001, and funding for the EDS Waterline Relocation Project as presented. Director Johs seconded the motion. Motion passed.

Dam Safety Program

Brzowski informed the Board of the tabletop exercise to be performed on March 30th at the LNRA office. Freese and Nichols and local and state agencies listed in LNRA's Emergency Action Plan have been invited to participate.

Brzowski briefed the Board on ongoing dam safety studies currently being conducted.

Lake Texana Yield Enhancement Project

The Board was presented a copy of the February 2023 Freese and Nichols Status Report.

Brzowski briefed the Board as follows:

- Freese and Nichols hydrologist/modelers have submitted the required backup model documentation to TCEQ.
- Based on prior statements by TCEQ staff, LNRA should receive notice of a draft permit by summer 2023.

The Board meeting adjourned at 8:58 a.m.

Jerry Adelman
President

Terri Parker
Secretary-Treasurer