

Lavaca-Navidad River Authority

Minutes of August 16, 2023 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, August 16, 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 Storz, and Directors Aimone, Kucera, Mitchell, Parker, Steffek, and Taylor. Also present was LNRA Staff: Brzozowski, Gregory, Anders, Hartl, Martin, Pearson, Terry, Sklar, and Crenshaw, and Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, Jason Ward of Freese and Nichols, and Bill Bishop of TAC Resources.

President Adelman called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

- Camp Mauritz Update
- Brackenridge Recreation Complex Facility Rate Adjustment
- CRP Annual Meeting – August 17, 2023 1:00 p.m. – Community Education Center
- Youth Alligator Hunt – September 16, 2023
- Edna Country Club Golf Course
- Kerr Historical Cemetery

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 19, 2023 and workshop minutes of August 8, 2023, and act as necessary.
2. Consider acceptance of July 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 Consent Agenda items 1-4 as presented. Director Steffek seconded the motion. Motion passed.

Regular Agenda

Briefing on BLM Lease

Bill Bishop of TAC Resources presented information on the planned activity/well development. He presented the Board with handouts which included general information, project partners, a copy of the BLM Lease and associated maps.

Brzozowski informed the Board that LNRA will need to engage a consultant to conduct an environmental analysis on the well site, tank site, and any other areas that have not been disturbed or cleared previously. He also indicated that LNRA will develop an estimate of damages., divided in phases. Brzozowski stated that of primary interest is source water protection.

Request for Proposals for Environmental Analysis

Brzozowski informed the Board that in accordance with LNRA's General Stipulations for production of BLM leases on LNRA property, that an Environmental Analysis must be performed.

Director Steffek moved to approve advertising for Request for Proposals for the Environmental Analysis in accordance with LNRA's General Stipulations. Director Mitchell seconded the motion. Motion passed.

Post-65 Retiree Health Benefits

Brzozowski briefed the Board on the TML Health benefits currently being offered to LNRA post-65 retirees. LNRA post-65 retirees pay for 100% of all premiums.

The General Manager recommends continuing with the existing plan with no changes for 2024.

The Board was presented a copy of the proposed post-65 retiree 2024 TML health benefit plan.

Director Storz moved to approve the TML Health benefits for LNRA post-65 retirees as presented. Director Kucera seconded the motion. Motion passed.

Briefing on the LNRA Strategic Resource Management Plan

Brzozowski briefed the Board on the revised LNRA Strategic Resource Management Plan. He presented a copy to the Board for their review and recommendations.

The Board will consider approval of the LNRA Strategic Resource Management Plan at the September 20th Board meeting.

Fiscal Year 2024 Budgets

A Board workshop was held on August 8, 2023 and the Board was briefed and presented copies of the proposed Fiscal Year 2024 budgets (General Fund, Recreation, Clean Rivers Program, Wastewater Treatment Plant, West Delivery System, Mary Rhodes Phase II, and East Delivery System) and Capital Improvement Plan.

Director Kucera moved to approve the proposed Fiscal Year 2024 budgets as presented. Director Parker seconded the motion. Motion passed.

Proposed Capital Improvement Fund Expenditure

Brzozowski briefed the Board on Management’s recommendation to purchase two (2) Chevrolet trucks for the Security/Law Enforcement.

On December 15, 2021, the Board approved the purchase of one (1) Ford F-150 for Security/Law Enforcement. Silsbee Ford has been unable to obtain this vehicle. Management proposes to cancel this purchase order and one of the two proposed Chevrolet trucks will replace the cancelled Ford truck.

Bids were solicited from The Interlocal Purchasing System (TIPS) as follows:

Two (2) 2023 Chevrolet Crew Cab	\$ 92,101.00
Security/LE Equipment Upgrades	<u>\$ 16,107.44</u>
Total for 2 vehicles	\$ 108,208.44

Director Parker moved to approve proposed capital fund expenditure for the purchase of fleet vehicles as presented. Director Aimone seconded the motion. Motion passed.

Heavy Equipment Lease Agreement

Brzozowski briefed the Board on LNRA’s lease with Caterpillar for the 299D Compact Track Loader (skid steer) which expires in September.

Bids were solicited for a new 299D Compact Track Loader. Management recommends entering into a three-year lease agreement with Caterpillar for \$2,789.58 per month.

Director Mitchell moved to approve the proposed expenditure for heavy equipment lease agreement as presented. Director Taylor seconded the motion. Motion passed.

Disposition of Personal Property

Brzozowski informed the Board that in accordance with LNRA Board Policy 306 – Disposition of Personal Property, LNRA Management proposes to conduct a sealed bid sale on September 27, 2023.

The Board was presented a list of the property for disposal.

Director Steffek moved to approve the disposition of personal property as presented. Director Storz seconded the motion. Motion passed.

Representative for the General Assembly of the GCRPC

Brzozowski informed the Board that Director Johs is currently serving as the Board of Directors Representative on the Golden Crescent Regional Planning Commission (GCRPC). Her term ends on August 31, 2023.

Director Aimone moved to approve Sandy Johs to continue serving as the Board of Directors Representative on the GCRPC for the new term beginning on September 1, 2023. Director Taylor seconded the motion. Motion passed.

WDS Proposed Budget Expenditure

Brzowski informed the Board of the need to procure a replacement transformer to accommodate the new/additional electrical load as part of the planned East Delivery System Expansion Project. LNRA plans to procure the transformer through LNRA's electricity provider, (Jackson Electric Coop). Once purchased, JEC will oversee all maintenance and replacement if needed.

A copy of the invoice from JEC was presented to the Board.

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

Revised LNRA Drought Contingency Plan

Brzowski briefed the Board on the revised LNRA Drought Contingency Plan (DCP). The Board was presented a redlined copy of the DCP for their review.

Director Storz moved to approve the revised LNRA Drought Contingency Plan as presented. Director Steffek 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.

Brzowski briefed the Board on the LNRA Board Policy 401, Banking and Investment, and related Resolution No. 2023-002. 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 Taylor seconded the motion. Motion passed.

Freese and Nichols Dam Safety Work Order

Brzowski briefed the Board on the Freese and Nichols preliminary work order to advance the development of the relief wells needed to protect the integrity of the dam. The Board was presented a copy of the work order for their review.

The Board will consider approval of a revised work order at the September 20, 2023 Board meeting.

East Delivery System Waterline Relocation Project Update

The Board was presented with a copy of the Freese and Nichols Status Report for the month of July.

Brzowski reported as follows:

- The pipe laying crew is onsite and laying the 36” ductile pipe.
- The crew started on the southside of the project where the utility conflicts are greatest. Currently they are laying 10-15 joints a day, but the production rate is expected to increase when we get away from the congested area of foreign utilities.
- The boring crew is expected to be onsite next week to begin tunneling the driveway.

Lake Texana Yield Enhancement Project

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

The Board meeting adjourned at 9:27 a.m.

Jerry Adelman
President

Jennifer Storz
Secretary-Treasurer