

Lavaca-Navidad River Authority

Minutes of March 20, 2024 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, March 20, 2024 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, Directors Aimone, Kucera, Mitchell, Parker, Steffek, 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, Cody Cockcroft of Freese and Nichols, and Michael Key and Leroy Condel of BLS Construction Inc. Stephen Phillips of Formosa Plastics and Secretary-Treasurer Storz joined the meeting via video teleconference.

President Adelman called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

- Good Friday Holiday – March 29th
- Personal Financial Statement due to Texas Ethics Commission by April 30, 2024
- Board of Directors Training and Information Manual
- Contact Us on LNRA Web Page

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 21, 2024 and act as necessary.
2. Consider acceptance of February 2024 financial statements and act as necessary.
3. Consider approval of invoices for payment and act as necessary.

Director Taylor moved to approve the Consent Agenda items 1-3 as presented. Director Parker seconded the motion. Motion carried.

Regular Agenda

Bid for West Pump Station Storage Building Project

Brzozowski informed the Board that LNRA solicited bids for the construction of the West Pump Station Storage Building. Two (2) bids were received. The General Manager recommends accepting the bid from BLS Construction Inc.

Brzowski also informed the Board that LNRA was able to “value engineer” the project with the low bidder, and a change order in the amount of \$ 36,703.14 will be issued, lowering the total project cost to \$ 593,296.86. The contractor and the engineer are finalizing these numbers.

The Board was presented with a copy of the bid summary indicating bidder, amount of bid, and General Manager recommendation, for their review.

Funding for this project is available in the West and East Delivery System operating budgets.

Director Steffek moved to approve the bid from BLS Construction Inc. for \$630,000.00 as recommended by the General Manager, authorize the General Manager to act on the change order, and approve funding from the West and East Delivery System budgets. Director Aimone seconded the motion. Motion carried.

West Delivery System Expenditure

Brzowski informed the Board during the rehabilitation program of the pumps at the West Pump Station, it was learned that if one of the rotary 24” pump control valves needs repair, the turnaround time for the repair can be from 7 to 10 months. He stated that with the projected increase in demand from LNRA customers, LNRA could not be out of service for that length of time.

The new valve will serve as a backup (spare). In the event one of the six (6) valves fails, the purchase of a spare valve would assure LNRA the ability to keep water supplied for LNRA’s customers.

The Board was presented a copy of the proposal from Municipal Valve and Equipment Company for a Golden Anderson (GA) 24” rotary pump control valve for \$154,475.00. Funding is available in the West Delivery System budget.

Director Mitchell moved to approve the West Delivery System expenditure for Golden Anderson 24” rotary pump control valve as presented. Director Kucera seconded the motion. Motion carried.

Proposed Reserve Contingency Expenditures

Brzowski informed the Board of the proposed Reserve Contingency Fund expenditures as follows:

Main Event Center

Removal and replacement of lighting fixtures and appurtenances (in the main arena and warm-up arena)	\$ 89,225.12
Mustang Creek Concession Renovations	\$ 22,000.00
Ice Merchandiser – 90 cu. Ft. Model Polar Temp 900AD	\$ 5,500.00

Texana Park Comfort Stations Plumbing Repairs \$ 10,000.00

Brackenridge Park and Campground

Replace window blinds in cabins	\$ 2,500.00
Replace front and back doors on cabins 1-5	\$ 19,000.00

Vehicle and Equipment

Two (2) John Deere Gators (\$12,499 each)	\$ 25,000.00
Stall Vacuum	\$ 32,000.00

Spillway

Re-piping of Spillway Gallery	\$ 15,000.00
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In accordance with LNRA BOARD POLICY 304 – Procurement, bids are solicited for proposed expenditures as applicable.

Director Steffek moved to approve the proposed reserve contingency expenditures as presented. Director Taylor seconded the motion. Motion carried.

Dam Safety Project Discussion

Cockcroft of Freese and Nichols briefed the Board on the Palmetto Bend Dam Seepage Mitigation Alternatives via Power Point presentation. Three mitigation alternatives which included advantages and disadvantages, risks for construction, and anticipated costs for each, were presented as follows:

- Alternative 1: Seepage Berm (w/Sand Drains)
- Alternative 2: Cutoff Wall (DeWind One Pass)
- Alternative 3: Relief Wells

The Board discussed each alternative and was presented with a copy of the presentation for their review.

Director Mitchell moved to approve the General Manager to work with Freese and Nichols to further explore Alternative 2, Cutoff Wall, as presented and inform the Board as information is available. Director Johs seconded the motion. Motion carried.

East Delivery System Pipeline Relocation Project

Brzozowski briefed the Board as follows:

- The contractor is working towards hydrostatic testing of the 36” pipeline and afterwards, the 54” pipeline.
- LNRA is awaiting confirmation from Alcoa as to the treatment of pipe burial depth issue.
- LNRA has worked with the engineer and contractor to rearrange the layout of the 36” tie-in vault location on the north end of the project to allow for a smooth transition from the existing pipe alignment to the new pipeline alignment and associated laying schedule. The change will necessitate a change in price (increase).
- LNRA is also working on the south end tie-in location that has similar issues.

Lake Texana Yield Enhancement Project

Brzozowski briefed the Board as follows:

- TCEQ released LNRA’s draft permit to permit holders the last week of February. LNRA was allowed until March 18th to advertise notice in area newspapers. While preparing our notice, an error was found.
- TCEQ corrected the notice to publish. LNRA received the revised notice and will proceed with publishing the notice in area newspapers as originally intended.
- Brzozowski fielded questions about the draft permit, not anticipating the reporters’ “weaving” of his responses with future expansions by Formosa Plastics (attached is a full article).
- To date, LNRA has received one comment from a source in Port Lavaca. It was directed at additional expansion by Formosa as well.

Briefing on Decision Affecting the City of Wichita Falls

Brzozowski reported the following for the Board’s information:

The City of Wichita Falls applied for an on-channel impoundment right that will create Lake Ringgold to impound 275,000 acre-feet of water and to use 65,000 af/year. The permit was contested.

The SOAH Administration Law Judge (ALJ) recommended dismissing the application but offered an alternative recommendation that the applicant be granted the right to divert approximately 9,000 af/year.

The issue will now go before the TCEQ (Commission) for final action.

LNRA Management has asked LNRA’s legal counsel to speak to the situation, discuss possible implications to LNRA and to submit an amicus brief to the Commission.

Director Johs moved to approve the submission of an amicus brief to the Commission. Director Steffek seconded the motion. Motion carried.

The Board meeting adjourned at 9:05 a.m.

Jerry L. Adelman
President

Jennifer Storz
Secretary-Treasurer