

Lavaca-Navidad River Authority

Minutes of April 15, 2026

Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, April 15, 2026, 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, and was also available through video teleconference. Board members present were President Adelman, Vice President Johs and Directors Aimone, Churan, Kucera, Steffek, Storz, and Taylor. Also present was LNRA Staff: Brzozowski, Crenshaw, Gutierrez, Hartl, Martin, Sklar, Stuhrenberg, and Terry; Emily Rogers of Bickerstaff Heath Delgado Acosta LLP; Jason Ward of Freese and Nichols; and Joe Bonnot of the public. Joshua Watson and Cody Cockroft of Freese and Nichols, Stephen Phillips of Formosa Plastics Corporation, and Shana Elliot of KCS Public Relations joined the meeting via video teleconference.

President Adelman called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

- General Manager's Quarterly Report as of March 31, 2026
- Traverse Pipeline Company Request for Fresh Water
- Update on BLM Oil and Gas Lease and Surface Use Agreement with Kaler Energy Corp
- Update on Energy Transfer Pipeline
- City of Point Comfort Water Supply Contract to expire October 16, 2026
- Procurement of Office Furniture
- Request from the Governor's Office
- Personal Financial Statements due to Texas Ethics Commission by April 30, 2026
- Cyber Event on LNRA Alert System
- LNRA is not taking public comments regarding the proposed Synergen Ammonia Plant.
- Consistent with LNRA's Cultural Resources Management Plan, Texas Historical Commission stewards from our region will investigate two (2) sites for potential designation of interest to the Texas Historical Commission.
- Removal of sediment from the 6MG MRPII storage tank commenced.

Consent Agenda

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

1. Consider approval of Board meeting minutes of March 18, 2026, and Scholarship Committee meeting minutes of April 7, 2026, and act as necessary.
2. Consider acceptance of March 2026 financial statements and act as necessary.
3. Consider approval of invoices for payment and act as necessary.
4. Consider approval of Quarterly Investment Report as of March 31, 2026, and act as necessary.

Sklar briefed the Board on the activity of investments reported in the Quarterly Investment Report as of the quarter ending March 31, 2026. TexPool earned an average yield of 3.68% while Prosperity Bank earned .55% for the quarter.

The Board was presented with a copy of the quarterly report for their review.

Director Taylor moved to approve the Consent Agenda items 1-4 as presented. Director Steffek seconded the motion. Motion carried.

Regular Agenda

Ratification of Executive Committee's Approval of Expenditure for Slope Protection Repair on the Spillway Inlet Channel

Brzozowski briefed the Board as follows:

On Friday, March 27, 2026, I requested and received authorization from the LNRA Board Executive Committee to expend up to \$60,000 from an undisclosed funding source related to the stabilization of the slope protection on the west side of the Spillway Inlet Channel. I had reported the issue to the Board at the March meeting and suggested I would bring this issue to another meeting. This said, after additional consideration, given the current exposure of the affected areas due to lower reservoir levels, the uncertainty of the timing of refilling and the availability of a contracted service provider, it was decided to act in advance of the April Board of Director's meeting.

The contractor, REXCO, Inc. (REXCO), will be engaged to provide and place up to 80 cubic yards of heavy cement grout. REXCO will provide all equipment, labor, and superintendence needed to place the grout materials. REXCO offered a quote of \$36,450 to provide the materials and perform the work.

To avoid running short of materials and/or to allow repair of previously undiscovered damage, I requested authorization to expend additional funds; bringing the total allowed for this issue to \$60,000.

Funds are available in Reserve Contingency, Spillway Improvements.

Director Steffek moved to ratify the Executive Committee's approval of Reserve Contingency Fund expenditure for slope protection repairs on the Spillway Inlet Channel as presented. Director Churan seconded the motion. Motion carried.

Reserve Contingency Fund Expenditures

Brzozowski briefed the Board on the proposed Reserve Contingency Fund expenditures as follows:

Replace failed A/C compressor at the Community Education Center \$2,759.00

Ten (10) Automated External Defibrillators \$19,461.20

This purchase will allow LNRA to fully outfit our "occupied" buildings with defibrillators as well as our Law Enforcement and Security vehicles. This will allow LNRA to better serve and protect not only our employees, but the public as well. These new devices will be located at the Marina, Wastewater Treatment Plant, the Pipeline Office (Building B), Texana maintenance shop, and the LE/Security vehicles.

Water Data Analytics Phase III \$25,410.00

Phase III will focus on LNRA's Water Quality Data, connecting our laboratory and field sampling to the new Water Data Analytics platform, improving data access, reporting, and analysis. The Water Data Analytics project

was created to integrate LNRA’s various water data sources into a centralized analytics system with standardized data input and centralized reporting.

Director Storz moved to approve the proposed Reserve Contingency Fund expenditures as presented. Director Johs seconded the motion. Motion carried.

Capital Improvement Fund Expenditure

Brzozowski briefed the Board on the proposed Capital Improvement Fund expenditure as follows:

The vehicle driven by the Environmental Services employees was purchased in 2007 and needs to be replaced.

Management recommends purchasing a 2026 Ford F-150 Extended Cab using pricing provided by The Interlocal Purchasing System (TIPS) provider.

Total purchase price is \$47,369.25.

Funds are available in the Capital Improvement Fund.

Director Johs moved to approve the proposed Capital Improvement Fund expenditure for fleet vehicle through purchasing cooperative as presented. Director Aimone seconded the motion. Motion carried.

Capital Improvement Fund Expenditure

Brzozowski briefed the Board on the proposed Capital Improvement Fund expenditure as follows:

Bids were solicited to replace the exterior metal wall panel and windows on the upper, south wall of our Operations and Maintenance Building (Building C).

Three (3) bids were received as follows:

Company	Bid Amount
AP Roofing and Sheet Metal, LLC	\$16,152.50
Gulf Stream Construction, LLC	\$16,400.00
Diamond J Buildings, LLC	\$19,265.00

Management recommends accepting the low bid from AP Roofing and Sheet Metal, LLC.

Funds are available in the Capital Improvement Fund.

Director Taylor moved to approve the proposed Capital Improvement Fund expenditure for exterior metal wall panel and window replacement on the upper, south wall of Building C as presented. Director Steffek seconded the motion. Motion carried.

Update on Local Drought Index, Local Drought Condition and LNRA Drought Contingency Plan Trigger Level and DCP Measure

Brzozowski briefed the Board as follows:

We estimate Lake Texana will decline to 50% capacity by April 18th. Upon reaching 50% capacity, LNRA will act in accordance with the Drought Contingency Plan (DCP), considering the directive by Governor Abbott.

The continued availability of water in the Colorado River is highly important to extending the water supply in Lake Texana.

Locally, our customers are aware of the impending restriction and are planning for the impact.

Given our current DCP trigger level responses, developed pre-MRP II, Scott and I have suggested a change in the reduction methodology may be needed.

Modifications to LNRA's Employee Information Manual

Brzozowski briefed the Board as follows:

We have never included a statement in our Employee Information Manual (EIM) addressing exempt employee compensatory time, largely since the provision does not apply to this classification of employee under the Fair Labor Standards Act (FLSA).

That said, to clearly set expectations, I find it is best to include the suggested language in the EIM.

As presented, the suggested language clarifies compensatory time is not accrued or "banked" and allows Management flexibility when working with exempt employees to meet and balance LNRA's operational needs with employee needs and well-being.

The Board was presented with a red-line copy of LNRA's Employee Information Manual for their review.

Director Storz moved to approve proposed modifications to LNRA's Employee Information Manual concerning compensatory time as presented. Director Steffek seconded the motion. Motion carried.

Update on the Expansion of LNRA's West Delivery System Pump Station

Brzozowski briefed the Board as follows:

Management is working with Five Star Electric to fully execute the contract for the equipment procurement.

Freese and Nichols is continuing design development, beginning with an architectural model and pump station process drawings. They are on schedule to complete the plans by this July.

We anticipate this project going out for bids at the end of summer.

Update on the Dam Safety Remediation Project

Brzozowski briefed the Board as follows:

After much anticipation, the trenching equipment is finally onsite. We are expected to start the 100 ft test wall early next week. During this test section, the contractor will be verifying the cementitious bentonite mix design to be used in the construction of the proposed 1600 LF wall. Samples will be collected and tested to make sure the permeability requirements are met as specified in the contract. Soon after, construction will begin.

Update on the Lake Texana Yield Enhancement Project

Brzozowski briefed the Board as follows:

We have a face-to-face meeting with TCEQ scheduled for the 17th of this month to discuss the status of our permit.

Update on Proposed Recreation Development on LNRA Property

President Adelman declared the Board to convene in Executive Session as authorized by the Texas Government Code Chapter 551.071 (Consultation with Attorney) and Chapter 551.072 (Deliberations about Real Property) at 8:35 a.m.

Executive session ended at approximately 8:53 a.m. and President Adelman declared the full Board to be in Open Session.

Director Kucera moved to authorize the General Manager to negotiate with the landowners for the purchase of approximately 33 acres of land. Director Johs seconded the motion. Motion carried.

Public Comments

There were no public comments.

The Board meeting adjourned at 8:54 a.m.

Jerry L. Adelman
President

Jennifer Storz
Secretary-Treasurer