

Lavaca-Navidad River Authority

Minutes of December 16, 2020

Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, December 16, 2020 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 also was available through video teleconference. Board members present were President Kubecka, Vice President Adelman, Secretary Treasurer Terri Parker, Directors Aimone, Johs, Kucera, Steffek, Storz, and Taylor. Also present was LNRA Staff: Brzozowski, Anders, Gregory, Hartl, Martin, Pearson, Terry, Sklar, Crenshaw, and Clark. Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, Joel Perez and Carla Contreras of RSM LLC, and Paul Pilarczyk of Hanson Professional Services, Inc. were also present via video conference.

President Kubecka called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

- TRWA/TWCA Virtual Water Laws Seminar – January 21-22, 2021
- Update on West Delivery System Equipment Repairs
- Stop Log Project Update
- Hay Meadow and Grazing Leases
- Water Customer Communication – City of Corpus Christi/Formosa Plastics
- River Access Improvement – Bay City
- Texas Department of Transportation Temporary Construction License

Consent Agenda

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

1. Consider approval of Board meeting minutes of November 18, 2020 and act as necessary.
2. Consider acceptance of November 2020 financial statements and act as necessary.
3. Consider approval of invoices for payment and act as necessary.

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

Regular Agenda

Fiscal Year 2020 Financial Audit Report

Perez (RSM US LLP) addressed the Board and expressed his appreciation for LNRA's participation in the audit process and commended the LNRA audit team for their expertise.

Contreras (RSM US LLP) briefed the Board on the Lavaca-Navidad River Authority Annual Financial Report and Letter on Conduct of Audit for the year ended September 30, 2020. The Board was presented a copy of the draft Financial Report and Letter on Conduct of Audit for their review.

Director Adelman moved to accept the Lavaca-Navidad River Authority Annual Financial Report for the year ended September 30, 2020 as performed by RSM US LLP. Director Johs seconded the motion. Motion passed.

Briefing on Community Education Center Project

Brzozowski updated the Board on the Community Education Center Project as follows:

- Management met with the contractor, Gourley Contractor LLC, and the architect, Hanson Professional Services, Inc. for the Community Education Center project on December 2nd to discuss the condition of the project as noted in the walk-thru of the project.
- While there are some major items, generally, most of the issues are from lack of craftsmanship and unskilled labor.
- Of primary concern are the metal roof, exterior stonework, and store front windows. These are being evaluated by the manufacturer's representative and the engineer/architect for treatment.
- Two options are available to LNRA. One (1) is to allow the contractor (Gourley) to complete the punch list but dictate the sub who would perform the work. Two (2) is to act on the contractor's performance bond and assume control of the project.

The Board took no action. Brzozowski stated he would continue to work with the contractor and architect to complete the project.

Briefing on Texana Road Crossing Project

Bids were solicited for the Texana Bridge Culvert project on December 1, 2020. Two (2) bids were received as follows:

Palacios Marine & Industrial Coating, Inc. (PMI)	\$1,607,743.00
Neumann Welding Inc. (no bid)	\$1,500,000.00-2,000,000.00(estimate)

Management considers this price to be cost prohibitive. Alternative options are being discussed and will be presented for the project in the future.

Director Johs moved to reject all bids received for the Texana Bridge Culvert project and that alternative options be considered at a future Board meeting. Director Aimone seconded the motion. Motion passed.

Briefing on Audio/Video Equipment

Clark informed the Board that LNRA has researched solutions to improve the audio-visual equipment and the use of them for the Board room, Administrative meeting room, and the O&M meeting room. Proposals have been sought from vendors to develop a plan and the appropriate services and equipment to meet the needs of LNRA.

A site visit was made by Management and Clark to Data Vox for a live demonstration. The Board was presented a copy of the proposal from Data Vox for audio-visual equipment for their review.

Management recommends utilizing funds from 2020 fund balance to purchase the equipment.

Lake Texana Yield Enhancement Project

Brzowski informed the Board that a meeting with Texas Parks and Wildlife is scheduled on December 14th via Teams regarding the LTYEP Water Right Application. The Board was presented a copy of the meeting presentation prepared by Freese and Nichols for their review.

Brzowski also informed the Board that LNRA had received the title commitment.

The Board was presented a copy of the Freese and Nichols Status Report dated November 1-30, 2020.

The Board meeting adjourned at 8:49 a.m.

Ronald Kubecka
President

Terri Parker
Secretary-Treasurer