

## **Lavaca-Navidad River Authority**

### **Minutes of July 15, 2020 Board Meeting**

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, July 15, 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, Directors Aimone, Johs, Kucera, and Taylor, LNRA Staff: Brzozowski, Anders, Gregory, and Sklar and John Meng of the Jackson County Herald Tribune. Directors Adelman, Parker, and Steffek, LNRA Staff Crenshaw, Hartl, Martin, Terry, and Pearson and Bill Dugat of Bickerstaff Heath Delgado Acosta LLP were also present via video conference.

President Kubecka called the meeting to order.

### **Public Comments**

There were no public comments.

### **General Manager's Report**

Brzozowski reported on the following:

- General Manager Quarterly Report as of June 30, 2020
- Regional Flood Planning Group
- Update on LNRA Health Benefits RFP
- Interlocal Contract between LNRA and TPWD for Aquatic Vegetation Projects
- Texana Park Road Crossing Rehabilitation Project
- Community Development Partnership Program Grant Applications due July 31<sup>st</sup>
- Easements, Special Permits discussion

### **Consent Agenda**

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

1. Consider approval of Board meeting minutes of June 17, 2020 and act as necessary.
2. Consider acceptance of June 2020 financial statements and act as necessary.
3. Consider approval of invoices for payment and act as necessary.
4. Consider approval of Investment Report as of June 30, 2020 and act as necessary.

Gregory briefed the Board on the activity of investments as reported on the Quarterly Investment Report as of June 30, 2020. TexPool investments earned an average rate of .31% for the quarter. The Board was presented a copy of the quarterly report for their review.

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

### **Regular Agenda**

#### **LNRA's Employee Retirement Benefits and Employer Contribution Rates**

LNRA's retirement plan is with the Texas County & District Retirement System (TCDRS). The Board was presented a copy of the funding projections for Plan Year 2021 and program benefit information.

Brzowski briefed the Board on the Lavaca-Navidad River Authority's employer contribution rate to TCERS. TCERS requires that participating employers review and confirm their benefit plans on an annual basis.

Management recommends adopting a cost of living adjustment (COLA) of 50% consumer price index (CPI). The calculated employer contribution rate for 2021 is 8.05%. LNRA Management recommends continuing contributing at the optional higher elected rate of 15% for 2021.

Director Johs moved to approve adopting a COLA of 50% CPI and to continue contributing at the optional higher elected rate of 15% for 2021 as presented. Director Taylor seconded the motion. Motion passed.

#### **TML Board of Trustee**

Brzowski informed the Board that the Texas Municipal League Health Benefits Pool Employer Members have the opportunity to submit the name of a qualified person for election to the Board of Trustees Region 11. The person elected shall take office on October 1, 2020 and serve a term for three (3) years.

The General Manager recommends submitting Blake Petrash, the incumbent Board Trustee for Region 11, to be placed on the ballot for the TML Health Benefits Pool Board Trustees for Region 11.

Director Parker moved to approve submitting Blake Petrash to be placed on the ballot for the TML Health Benefits Pool Board Trustees for Region 11. Director Steffek seconded the motion. Motion passed.

#### **Reserve Contingency Fund Transfer**

Brzowski informed the Board that the air conditioning unit at the Main Event Center failed. Considering the age and condition of the unit, the decision was made to replace the unit. The cost of the new unit was \$7,500. Funds were expended from the Recreation Operating Budget. Management recommends transferring funds from the Reserve Contingency Air Conditioning Replacement Fund to the Recreation Operating Budget to replace the expended funds.

Director Adelman moved to transfer \$7,500 from the Reserve Contingency fund to the Recreation Operating Budget as presented. Director Parker seconded the motion. Motion passed.

### **LNRA Board Policy 304 – Procurement Revisions**

Brzowski briefed the Board on the Texas Commission on Environmental Quality (TCEQ) rule adopted under Texas Water Code (TWC) §5.102 requiring governmental entities to establish a recycling program and purchasing preferences for products made of recycled materials. LNRA is currently recycling materials and will develop written procedures indicating the methods used for collecting and storing recyclable materials in compliance with the TCEQ ruling.

The Board was presented a copy of the TCEQ Governmental Entity Recycling and Purchases of Recycled Materials.

Management recommends revisions to LNRA Board Policy 304- Procurement, indicating purchasing preference for recycled materials as applicable.

Director Kucera moved to approve the proposed revisions to LNRA Board Policy 304- Procurement as presented. Director Johs seconded the motion. Motion passed.

### **Capital Improvement Fund Expenditure**

Brzowski briefed the Board on the proposed capital improvement fund expenditure for the seal coat project. Bids were solicited for seal coating on areas to include, boat ramp #1 and roadway to ramp, main office parking lot, east pump station, and the spillway. The scope of work includes furnishing equipment, labor and material for applying seal coat on areas prepared by LNRA employees.

Management recommends accepting the bid from Sylva Construction, LLC in the amount of \$31,022.50. Funds are available in the Capital Improvement Fund, Roadways.

Director Parker moved to approve the capital improvement fund expenditure for the seal coat project as presented. Director Adelman seconded the motion. Motion passed.

### **Reserve Contingency Fund Expenditure**

Brzowski briefed the Board on the Main Event Center (MEC) structural painting project. The project includes treating the structural steel members of the southern awning section of the MEC with an industrial grade application. Bids were solicited and three bids were received. Management recommends accepting the bid from Neumann Welding Inc. in the amount of \$67,907.60. Funds are available in the Reserve Contingency Fund.

Director Johs moved to approve the reserve contingency expenditure for MEC structural painting as presented. Director Kucera seconded the motion. Motion passed.

### **Briefing on Lake Texana Yield Enhancement Project**

Brzowski informed the Board that TCEQ declared the LNRA water application to be administratively complete. TCEQ staff will continue processing the application for consideration by the TCEQ Executive Director.

The Board was presented a copy of the Ganem and Kelly Surveying proposal in the amount of \$19,760.00 to perform a boundary survey on the land to be purchased from Formosa. Brzozowski also informed the Board that the title policy commitment would be secured by Coastal Title Company. Estimate cost is \$7,000. It was the consensus of the Board to move forward according to the Purchase and Sale Agreement with Formosa.

For their review, the Board was presented a copy of the Lake Texana Yield Enhancement Project Status Report as of July 1, 2020, as prepared by Freese and Nichols.

Meeting adjourned at 8:50 a.m.

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Ronald Kubecka  
President

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Terri Parker  
Secretary-Treasurer