

## **Lavaca-Navidad River Authority**

### **Minutes of June 22, 2016 Board Meeting**

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, June 22, 2016 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. Board members present were President Kubecka, Directors Adelman, Johs, Martin, Muegge, Sachtleben, and Taylor and LNRA Staff: Brzozowski, Anders, Gregory, Martin, Janak, Pearson, and Crenshaw. Also present was Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, Jack Wu and Mike Rivet of Formosa Plastics Corporation, and Emily Diaz of Jackson County Herald Tribune.

President Kubecka called the meeting to order.

### **Public Comments**

There were no public comments.

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

Brzozowski reported on the following:

- U.S Army COE Permit, Simons Boat Ramp Grant
- Employee Information Manual (Subject to Call Employees and On Call Employees)
- Mary Rhodes Phase II Testing Process
- Mary Rhodes Phase II Reserve Fund (TexPool)
- Attorney General Opinion
- Special Use Permit – National Wetland
- Independence Day Celebration – July 2, 2016

### **Consent Agenda**

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

1. Approval of Board meeting minutes of May 18, 2016.
2. Approval of Recreation, Fish and Wildlife Committee and Recreation Advisory Committee meeting minutes of May 17, 2016.
3. Acceptance of May 2016 financial statements.
4. Approval of invoices for payment.

Adelman moved to approve the Consent Agenda as presented. Director Sachtleben seconded the motion. Motion passed.

**Padgett, Stratemann & Co., LLP Arrangement Letter**

Brzozowski briefed the Board on the arrangement letter from Padgett, Stratemann & Co. L.L.P. to perform LNRA’s annual independent audit for the period ending September 30, 2016. Fee estimate for the services will not exceed \$54,000 plus out-of-pocket expenses, approximately 12% - 15% of the fees.

Director Muegge moved to approve the arrangement letter from Padgett, Stratemann & Co. L.L.P for the FY2016 annual independent audit as presented. Director Taylor seconded the motion. Motion passed.

**2016-2017 Employee Health Benefits**

LNRA currently provides employee health benefits through TML MultiState Intergovernmental Employee Benefits Pool (TML). Under the current plan, the proposed rates for 2016-2017 indicate a 4% increase in cost for medical insurance and 9.01% increase in dental insurance.

LNRA Management reviewed and discussed proposed rates and benefits and comparison data.

The Board was presented a Summary of Benefits, including current plan and proposed 2016-2017 plan for their review.

Director Martin moved to approve the proposed 2016-2017 employee health benefits as presented. Director Johns seconded the motion. Motion passed.

**Freese and Nichols Change Order**

Brzozowski briefed the Board on the Freese and Nichols proposed change order for the Formosa 3<sup>rd</sup> Delivery Point project. Formosa requested to move the previously planned location for the 3<sup>rd</sup> delivery point. The move necessitates redrawing of the plans which includes a new topographic survey and soil survey and also a second metes and bounds survey completed.

The Board was given a copy of the proposed Contract Change Authorization #1 for Task Authorization 14 from Freese and Nichols for their review.

The proposed budget amendment is below:

<b>Budget Category</b>	<b>Budget Subcategory</b>	<b>Current Budget</b>	<b>Proposed Amendment</b>	<b>Amended Budget</b>
<b><u>East Delivery System</u></b>				
Professional Services	<i>General Engineering Services</i>	9,313.08	37,400.00	46,713.08
Professional Services	<i>Cathodic Protection</i>	15,000.00	(10,400.00)	4,600.00
Equipment Rental	<i>Misc. Equipment Rental</i>	10,000.00	(5,000.00)	5,000.00
Operations & Maintenance	<i>Cathodic Protection</i>	15,000.00	(6,000.00)	9,000.00
Operations & Maintenance	<i>Generator / Pump Maintenance</i>	14,019.95	(6,000.00)	8,019.95
Utilities & Communications	<i>Electricity</i>	59,787.22	(10,000.00)	49,787.22
	<b>Total</b>	<b>123,120.25</b>	<b>0.00</b>	<b>123,120.25</b>

Director Martin moved to approve the proposed change order from Freese and Nichols and the proposed budget amendment as presented. Director Muegge seconded the motion. Motion passed.

### **LNRA Strategic Resource Management Plan**

Brzowski briefed the Board on the proposed revisions to the LNRA Strategic Resource Management Plan. The Board was presented a copy of the Plan for their review.

Director Johs moved to approve the revised LNRA Strategic Resource Management Plan as presented. Director Taylor seconded the motion. Motion passed.

### **LNRA Board Policy 601 – Water Resource Management**

This item was tabled.

### **Professional Services Agreement between AECOM and LNRA**

Request for Qualifications were solicited to provide professional services related to regional water management planning for the Lavaca Regional Water Planning Area. Two firms, AECOM and Freese and Nichols submitted qualifications.

The Lavaca Regional Water Planning Group met on May 24, 2016 and approved AECOM to provide professional services for the fifth cycle of regional water planning.

As the contracting entity, LNRA Board must consider approval of the professional services agreement between AECOM and LNRA for the fifth cycle of regional water planning. A copy of the agreement was presented to the Board for their review.

Director Adelman moved to approve the professional services agreement between AECOM and LNRA as presented. Director Johs seconded the motion. Motion passed.

### **Brackenridge Park Campsite Improvements**

Bids were solicited for Brackenridge Park and Campground campsite improvements. The scope of work includes paving with asphalt hot mix at 44 campsites. Individual sites are 12' x 60'.

Funding is available in the Capital Improvement Fund. The project is scheduled for August 1-15, 2016.

The Board was presented a copy of the bid summary as follows:

<b>COMPANY</b>	<b>Description</b>	<b>Basis</b>	<b>No.</b>	<b>TOTAL BID</b>
<b>CLYDE KAZMIR CONST., INC.</b>	12'x60' x 1 1/2" Type D Asphalt Hot Mix	\$1,282.00/each	44	\$56,408.00
<b>REXCO, INC.</b>	12'x60' x 1 1/2" Type D Asphalt Hot Mix	\$1,211.00/each	44	<b>*\$53,284.00</b>
<b>M&amp;M ASPHALT PAVING</b>	12'x60' x 1 1/2" Type D Asphalt Hot Mix	\$0.00	44	\$0.00 (No bid)
<b>FALTISEK PAVING, INC.</b>	12'x60' x 1 1/2" Type D Asphalt Hot Mix	\$0.00	44	\$0.00 (No bid/inadequate equipment)

LNRA Management recommends accepting the bid from Rexco, Inc. in the amount of \$53,284.00 for the campsite improvements.

Director Taylor moved to approve the bid from Rexco, Inc. as recommended by LNRA Management. Director Muegge seconded the motion. Motion passed.

**Briefing on Recreation Planning Process**

Brzowski informed the Board that the Recreation Advisory Committee and the LNRA Board Recreation, Fish and Wildlife and LNRA staff have been reviewing the current LNRA Parks and Open Space Master Plan to update recommended priorities for potential grant applications. Meetings have included recommending proposed recreation projects/activities and determining priorities and the feasibility of the proposed projects for recreation opportunities.

The Board was presented a copy of recommended projects/activities and associated priorities.

The Committees will review and consider approval and recommendation to adopt the updated Master Plan at their next scheduled meeting. Subsequently, the LNRA Board will consider approval of the Master Plan before submission to Texas Parks and Wildlife.

**Change Order Request for Spillway Recoating Project**

Brzowski briefed the Board on the Change Order Request (COR) No.1 from Freese and Nichols which includes provisions for the previously discussed addition of equipment needed for the cathodic protection system and one (1) new item. In the process of the blasting and dismantling of gates No.1 and No.2 it was discovered that provisions to replace all the pins that are part of the gate lifting mechanism had not been made. The total cost for the 44 replacement stainless steel pins is \$16,000. Funds are available in

the Capital Improvement Funds.

Director Muegge moved to approve the change order for the spillway recoating project and associated funding as presented. Director Martin seconded the motion. Motion passed.

The Board meeting adjourned at 8:27 a.m.

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Ronald Kubecka  
President

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Terri Parker  
Secretary-Treasurer