

Lavaca-Navidad River Authority

Minutes of August 8, 2017 Board Workshop

A workshop of the Lavaca-Navidad River Authority Board of Directors was held on Tuesday, August 8, 2017 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, Parker, Johs, Muegge, Steffek, and Taylor, and LNRA Staff: Brzozowski, Anders, Gregory, Janak, Martin, Pearson, Fleeman, and Crenshaw.

President Kubecka called the workshop to order.

Public Comments

There were no public comments.

General Manager's Report

Brzozowski reported on the following:

- Kickoff meeting with Freese and Nichols regarding OCR Project

Regular Agenda

LNRA's Management Audit Report

RSM US LLP performed a Management Audit of LNRA, as defined by the Texas Commission on Environmental Quality (TCEQ) in June 2017. The Management Audit focused on identifying, reviewing, assessing and evaluating management processes, controls and accountability.

RSM provided the *Management Audit Report* as of June 30, 2017, which indicates areas of review, procedures performed, and the results and recommendations, if applicable. Also provided by RSM is a report of *Leading Management Practice Observations* with recommendations. This report is intended solely for the information and use of the Board of Directors and Management.

The Board was presented copies of the two reports for their review and will be asked to accept the reports at the August Board meeting.

TCEQ Cooperative Reimbursement Contract for Clean Rivers

Brzozowski briefed the Board on the Texas Commission on Environmental Cooperative Reimbursement Contract for the Clean Rivers Program (CRP). Initiated in 1991, the Texas CRP is the chosen method to effectively respond to water quality issues on a basin level. The program involves basin stakeholders in the assessment of water quality data and planning for and carrying out improvements.

The Cooperative Reimbursement Contract and associated funding of \$198,596.00 is effective September 1, 2017 and ends August 31, 2019. The CRP grant partially funds LNRA's effort associated with our water quality data collection and analysis initiative. The balance of funding is included in the General Fund budget under Environmental Services.

Director Adelman moved to approve the Texas Commission on Environmental Quality (TCEQ) Cooperative Reimbursement Contract for the Clean Rivers Program (CRP) as presented. Director Muegge seconded the motion. Motion passed.

Fiscal Year 2018 Proposed Budgets

Brzozowski briefed the Board on the following:

- Fiscal Year 2018 proposed budgets (General Fund, Recreation, Clean Rivers Program, Wastewater Treatment Plant, West Delivery System/Mary Rhodes Phase II, and East Delivery System).
- Description of Budget Categories and Expense Items
- Projected Fund Balances

The Board was presented copies of the information for their review. The Board will consider approval of the Fiscal Year 2018 budgets at the next scheduled Board meeting on August 16, 2017.

The Board meeting adjourned at 8:24 a.m.

Ronald Kubecka
President

Terri Parker
Secretary-Treasurer