SELF-EVALUATION REPORT 2023

LNVA

LOWER NECHES VALLEY AUTHORITY

Submitted to the
Sunset Advisory Commission

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Lower Neches Valley Authority
Self-Evaluation Report

I. Agency Contact Information

Lower Neches Valley Authority
Exhibit 1: Agency Contacts

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Agency Head	Scott Hall, PE *General Manager*	7850 Eastex Freeway Beaumont, Texas 77708	(409) 892-4011	Scott.Hall@LNVA.dst.tx.us
Agency's Sunset Liaison	Risa King *Information Specialist*	7850 Eastex Freeway Beaumont, Texas 77708	(409) 892-4011	Risa.King@LNVA.dst.tx.us

Table 1 Exhibit 1 Agency Contacts

II. Key Functions and Performance

A. Provide an overview of your agency's mission, objectives, and key functions.

Lower Neches Valley Authority is a conservation and reclamation district, created in 1933 by the Texas Legislature to conserve, store, control, preserve, utilize, and distribute the waters of the rivers and streams of the State in the lower Neches River basin. LNVA provides for the present and long-term freshwater needs of municipal, agricultural, and industrial customers, protects water quality in the Neches River and Neches-Trinity Coastal Basin, ensures affordability of the water supply, and enhances economic development within the Authority's jurisdiction. Situated on the upper coastal plains of Texas, LNVA's territory covers all of Tyler, Hardin, and Jefferson Counties as well as eastern Liberty and Chambers Counties. LNVA is a political subdivision of the State of Texas created by statute, administered to operate within the framework of a balanced budget, funded entirely from the revenues generated by the sales of water and its services. LNVA has no power to levy taxes. LNVA is subject to the continuing right of supervision by the State of Texas through the Texas Commission on Environmental Quality (TCEQ), and our activities are reported annually to the State. The Authority's enabling statute is codified in the Special District Local Laws Code Chapter 8504.

LNVA's entire existence, purpose, and focus is built around water, water storage, distribution, and usage within the State of Texas—it is a steward, charged with and committed to advancing water resource use and conservation. LNVA's efforts include water use planning, water quality protection activities, monitoring the quantity and quality of the available water resources, and ultimately making needed water available for communities, farmers, and an extraordinary industrial base with nationwide impact. To these ends, LNVA works closely with the U.S. Army Corps of Engineers (USACE), the TCEQ, the Texas Water Development Board (TWDB), and the Regional Water Planning Groups.

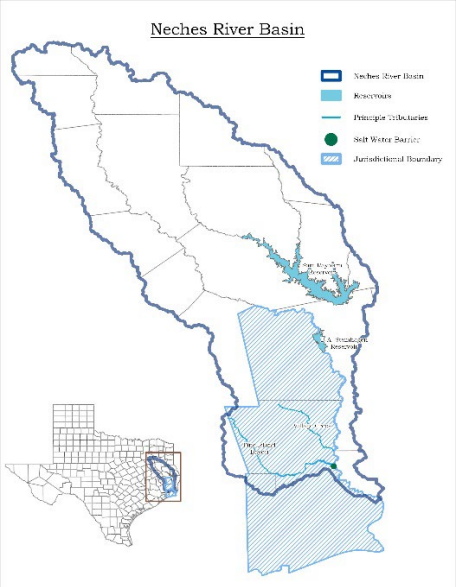
LNVA is the local sponsor of three Federal projects in the Neches River basin—Sam Rayburn Reservoir, B.A. Steinhagen Reservoir, and the Neches River Saltwater Barrier. The lower river, downstream of the Reservoirs, has two principal tributaries, Village Creek and Pine Island Bayou, with the Saltwater Barrier below the confluence of Pine Island Bayou in the tidally influenced section of the river. LNVA actively manages the lower river by assessing all the demands on the river including those of its customers and environment against locally available flows in the lower basin, then ordering a release from storage in the USACE reservoirs to meet any shortage in the available supply.

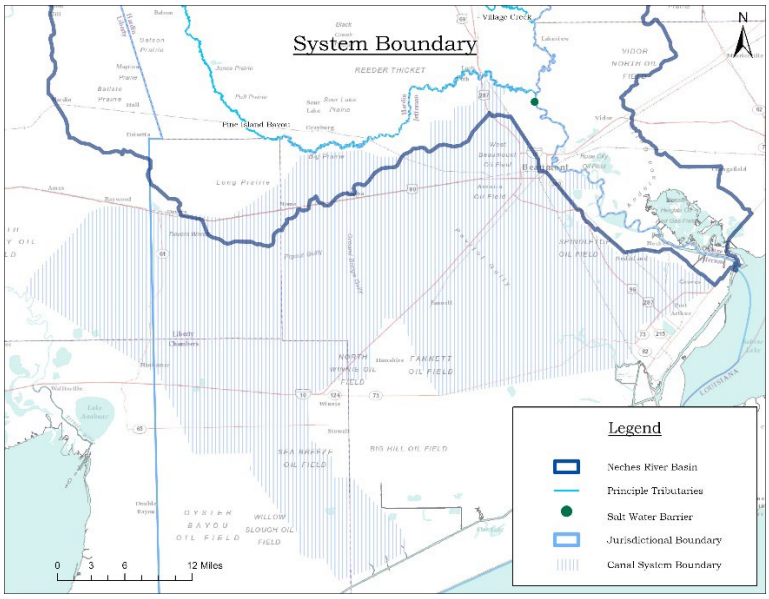
Pursuant to its state-issued water rights, LNVA supplies raw water to its customers from the Reservoirs and from the run of river flows of the Neches River by lifting water into its extensive water distribution system of open canals. This entirely intrastate canal distribution system consists of roughly 400 miles of man-made water supply canals sourcing water off the Neches River. The Neches Canal System delivers water to 10 cities and Water Districts, 30 industries, over 80 irrigated farms, and covers an area of approximately 700 square miles. Similarly, the LNVA's Devers Canal System supplies irrigation water through another 200 miles of canal sourcing water off the Trinity River.

LNVA established a surface water quality laboratory to monitor changes in water quality from Neches and Trinity Basins. The laboratory operates a Laboratory Information Management System (LIMS) recording bi-weekly results. This database maintains records and generates reports for LNVA's water customers. Before dissemination, results and reports undergo quality assurance verification.

As a participant in the Clean Rivers Program, LNVA is responsible for conducting ongoing monitoring of water quality in the lower Neches Basin. The organization compiles the associated data and submits it to the TCEQ database. Through its partnership with TCEQ and other stakeholders, LNVA actively works to assess, maintain, and improve the quality of surface waters within the lower Neches Basin.

LNVA also owns and operates the West Regional Water Treatment Plant that supplies potable water to the Bolivar Peninsula in Galveston County and is the operator of the North Regional Treatment Plant, a regional industrial wastewater treatment plant owned by the Neches River Treatment Corporation.





B. Do your key functions continue to serve a clear and ongoing objective? Explain why each of these functions is still needed?

Yes, the key functions of LNVA continue to serve a clear and ongoing objective. The communities, industry, and agricultural interests that were in need of a dependable, reliable, high quality freshwater supply continue to thrive and remain dependent upon the LNVA's carefully managed and operated water supply system. The addition of treatment facilities, both potable water and wastewater treatment, through the years was in direct response to community needs at their inception and remains crucial to the protection and support of the local economy, residents who live in the community, and local agriculture. LNVA monitors water quality in rivers and streams within its jurisdiction, and conducts thorough analysis of collected samples, assessing various parameters to identify pollution sources and evaluate the overall health of water bodies.

C. Does your agency's enabling law continue to correctly reflect your mission, objectives, and approach to performing your functions?

Yes, LNVA's enabling law continues to correctly reflect our mission, objectives, and approach to performing our functions.

D. Have you previously recommended changes to the Legislature to improve your agency's operations? If so, briefly explain the recommended changes, whether or not they were adopted, and if adopted, when.

Yes, LNVA's enabling statute was amended in the 81st, 82nd, and 83rd regular legislative sessions. The first two bills were recommendations by the LNVA and the third was the Texas Legislative Council's codification of LNVA's enabling statute. All three bills passed.

- **HB 2666 (81R) -** The Lower Neches Valley Authority (district) acquired all the property and canal system of the Devers Canal Rice Producers Association (Devers) and their lienholders in

consideration for the district's commitments to integrate the Devers Canal System (system), supply additional water to the system, and to treat the Devers farmers the same as customers on the district's canal system.

Devers owned property in Chambers, Liberty, and Jefferson counties. HB 2666 (81R) expanded the district's jurisdiction to include the Devers' system.

Specifically, H.B. 2666 authorized the district to own, operate, and expand the system in Chambers County and Liberty County, while at the same time ensured protection of the interests of the Chambers-Liberty Counties Navigation District in the same language as approved by the legislature in 1969 when the legislature approved the acquisition of Devers by the Trinity River Authority.

Currently the district has jurisdiction over all of Jefferson County and portions of Chambers County and Liberty County.

- **HB 1832 (82R)** - The district's local law was proposed for codification as part of the Texas Legislative Council's ongoing project to transfer local district statutes to the Special District Local Laws Code. However, reconciling the district's local law, as amended over time, with later laws and cumulative provisions in statute prior to codification was critical to the operation of the district. H.B. 1832 updated and amended the local law governing the authority and provided the district authority to issue bonds.

- **SB 1026 (83R)** – Added Chapter 8504 to the Special District Local Laws Code as part of the Texas Legislative Council's ongoing project to transfer local district statutes to the Special District Local Laws Code.

E. Do any of your agency's functions overlap or duplicate those of another local, state, or federal agency? Explain if, and why, each of your key functions is most appropriately placed within your agency. How do you ensure against duplication with other related agencies?

LNVA's functions in its jurisdiction are largely independent in terms of water supply, but there are some limited functions that may overlap with other local, state, or federal agencies. Water supply is a non-Federal function; however, USACE has accommodated water supply within its Federal reservoirs and the LNVA has acted as the non-Federal sponsor of USACE reservoirs in the Neches River Basin in order to control, store, preserve and make available for distribution to all useful purposes the water of the basin. Sam Rayburn Reservoir is a multi-purpose reservoir for flood control, water supply, hydroelectric power generation, and other purposes. USACE focuses on flood control and hydroelectric power generation while LNVA coordinates the water supply from the reservoir with users in the lower basin; the biggest of which is LNVA's canal delivery system. Likewise, prior to its acquisition by the LNVA in 2008, the Devers Canal System had a long and storied history including its time as part of the Trinity River Authority. Other entities, including other river authorities, are involved in water supply; however, LNVA is generally

responsible for operating and maintaining open canal systems and there is no other entity providing the water supply functions LNVA does within its jurisdictional territory.

Water and wastewater treatment functions are performed by public and private entities alike. LNVA's involvement with the North Regional Treatment Plant arose out of a regional effort to reduce pollution in the Neches River following passage of the Clean Water Act in 1972. LNVA partnered with local industries to plan, design, construct and operate a waste treatment facility that benefitted from the synergistic combination of various waste streams from individual refining and petrochemical manufacturers. As a co-permittee with the owner, LNVA provides an independent third-party operation that ensures the quality of water returned to the river post industrial use.

LNVA's venture into potable water service with its West Regional Water Treatment System is the direct response to a need for "regional" solutions to water supply needs of disadvantaged communities. LNVA worked with the Texas Water Development Board (TWDB) to plan, finance, design, build, and operate a regional system through the Drinking Water State Revolving Fund program. Revenue bonds issued at a zero percent interest rate and mature in 2035.

F. In general, how do other states carry out similar functions?

The Federal government has long exercised jurisdiction in navigation and flood control while leaving development of water supplies to the States. Consequently, water districts of various sizes exist across many states. The greatest similarity across water districts is that they generally have the flexibility and autonomy to develop their local water supply and infrastructure in a manner that best meets the local needs of their communities.

G. Discuss any changes that could impact your agency's key functions in the near future (e.g., changes in federal law or outstanding court cases).

The US Fish and Wildlife Service has proposed listing two freshwater mussels, the Louisiana Pigtoe and the Texas Heelsplitter, that are present in the Neches River area under the Endangered Species Act. We have confirmed a large presence of the Louisiana Pigtoe mussel in the LNVA canal system. There is a significant amount of uncertainty as to how a listing of either or both of these mussels will affect general day to day operation and maintenance of the canal distribution system.

H. Overall, how does the agency measure its effectiveness in carrying out its objectives?

Simply put, "were the customers' needs met" is the best measure of the Authority's effectiveness while preserving and maintaining a reliable water source to meet future needs. In no way, shape, or form is that meant to be a quip; great care goes into making sure the customers' continuous needs are met and there is a keen awareness that an intact water supply is critical to our community. Hurricanes, floods, droughts, and even winter storms have posed disruptive threats to the ability to move water to where it's needed. For example, in the disastrous flood following TS Harvey of 2017, LNVA setup by-pass pumping to feed the canal system when every primary lift station was inundated and inoperable. As a result, LNVA kept the water supply intact for its

customers, one of the major regional hospitals was able to truck in water from an LNVA municipal customer when the hospital's normal water supplier failed and in doing so treated over 2500 patients in the emergency room. Customer's needs met; community needs met.

Of course, there are other metrics that are tracked. Preventative pump and engine maintenance, leaks repaired, and levees mowed are some of the canal system metrics. For both water treatment and wastewater treatment, regulatory compliance is a key metric. It is in maintaining the dependability of systems that we ensure the reliability of the water supply for the present and the future.

For more information on key performance metrics see Section VII. C for each program.

In the following chart, provide information regarding your agency's key performance measures, including outcome, input, efficiency, and explanatory measures. Please provide both key and non-key performance measures set by the Legislative Budget Board as well as any other performance measures or indicators tracked by the agency.

N/A

I. Please list all key datasets your agency maintains and briefly explain why the agency collects them and what the data is used for. Is the agency required by any other state or federal law to collect or maintain these datasets? Please note any "high-value data" the agency collects as defined by Texas Government Code, Section 2054.1265. In addition, please note whether your agency posts those high-value datasets on publicly available websites as required by statute, and in what format.

Lower Neches Valley Authority
Exhibit 2: Key Datasets

Dataset Reference Number	Dataset Name	Description of Data	Data Maintained By	Hyperlink (if publicly available)	Legal Prohibition to Disclosure Y/N
N/A	Laboratory Information Management System	Surface water quality and wastewater treatment plant process control data and wastewater treatment plant regulatory compliance data	LNVA	N/A	N
N/A	Canal System GIS	Internal GIS for tracking the maintenance and service of the canal system	LNVA	N/A	Y[1]
N/A	Water Quality Records	Water use, contractual data, and hydrologic data regarding the LNVA Water Supply System required for regulatory compliance	LNVA	N/A	N

[1] *This system identifies details designated as critical infrastructure by the Department of Homeland Security*

Table 2 Exhibit 2 Key Datasets

III. History and Major Events

Provide a timeline of your agency's history and key events, including

- the date your agency was established;
- the original purpose and responsibilities of your agency; and
- major changes in responsibilities or statutory authority.

Also consider including the following information if beneficial to understanding your agency

- changes to your policymaking body's name or composition;
- significant changes in state/federal legislation, mandates, or funding;
- significant state/federal litigation that specifically affects your agency's operations; and
- key changes in your agency's organization (e.g., the major reorganization of the Health and Human Services Commission and the Department of State Health Services' divisions and program areas, or the Legislature moving the Prescription Monitoring Program from the Department of Public Safety to the Texas State Board of Pharmacy).

The Lower Neches Valley Authority was created out of a need for a reliable surface water supply in Southeast Texas. In the early 1900's, the Neches River gained significance following the discovery of oil at the Spindletop Salt Dome south of Beaumont.

Early 1900s: The Neches River's Significance

1914: Deep Water Navigation Channel

The first deep water navigation channel, a 25-foot-deep channel from the Gulf of Mexico to Beaumont, was excavated in 1914 to facilitate commerce surrounding the petroleum refineries and chemical plants springing up along the river. An expansion of the ship channel in the mid-1920's deepened the waterway to 30-feet.

Mid-1920s: Channel Deepening and Drought

Coinciding with the channel deepening project, Texas faced a major drought. The low flow in the Neches River allowed saltwater intrusion from the Gulf of Mexico to push inland threatening local water supplies. In fact, local irrigation interests and the City of Beaumont moved their intakes further up river to mitigate the impacts of the saltwater intrusion and two of the local refineries, Texaco and Gulf, along with the City of Port Arthur built terminal storage reservoirs capable of holding a 30-day supply of water as a condition of their contracts with the Neches Canal Company, an irrigation company, that began supplying them water about that same time. During these years it became apparent to community leaders that a reliable water supply was necessary to continue the economic development of the area.

1925: Conception of Rockland Dam and Reservoir Project

Under the leadership of Beaumont Mayor B. A. Steinhagen, the Rockland Dam and Reservoir Project (Rockland) was conceived in 1925 by the Chambers of Commerce of Beaumont and Port Arthur, and the industries in Jefferson County. The reservoir, to be located on the Neches River just west of US 69 in Tyler and Angelina Counties was also supported by county judges and leading citizens of the area. Working in conjunction with the US Army Corps of Engineers and the Texas

State Board of Water Engineers, these groups set about an endeavor to develop a reservoir that would relieve the ever-present threat of a shortage of fresh water for municipal, industrial and agricultural uses in Jefferson County, Texas.

1932: Loan Application for Rockland Dam and Reservoir Project

By 1932, with plans developed for the proposed reservoir by a local engineering firm and at the urging of Mr. Plumley, the plant manager for Magnolia Petroleum Company of Beaumont, a loan application to construct Rockland was made to the federal Reconstruction Finance Corporation in the name of JB Converse & Company, Inc., Engineers, with the stipulation that it was to be turned over to some local authority to be formed to handle it. The thought was that an Authority based somewhat on the Tennessee Valley Authority should be the public vehicle to carry the project forward.

A great deal of distrust existed however between two groups, water supply counties of the upper basin and water consuming entities of Jefferson County, with regard to how the Authority would be governed and whether one area would exercise supremacy over the other. Congressman Martin Dies encouraged the two groups to work out a compromise and under his leadership a meeting of all interested parties was held in the District Courtroom in Livingston. At this meeting the County Judges of Jasper and Polk Counties agreed that if two Directors were appointed from Tyler County, they would be willing to rely on them for the representation of that particular three county area with the other Directors to be appointed from the counties to the south. This arrangement was acceptable to the Jefferson County representatives. It was further agreed that to keep the Authority one step removed from day-to-day politics, and thus allay the fears of both groups over who would control the water, the Directors would be appointed by the then State Board of Water Engineers. Subsequently, Beaumont attorney Mr. GD Anderson drafted a Bill that was given to local Legislators to secure enactment.

1933: Lower Neches Valley Authority Created

The Legislature of Texas passed Mr. Anderson's bill in 1933, creating a conservation and reclamation district to be known as the Lower Neches Valley Authority. This was the second river authority in the state. Although its geographic boundary includes all of Jefferson, Hardin and Tyler Counties, and parts of Liberty and Chambers Counties, the Act gave the Authority broad powers to conserve, store, control, preserve, use, and distribute the waters of the Neches and Angelina Rivers within and outside of its boundaries. Governed by a Board of nine directors serving without salaries, the Authority is a non-profit State Agency and has no power to levy or collect any kind of taxes. It initially had no source of revenue with which to carry out its mission. Loans from the State of Texas and donations from Chambers of Commerce, industries, and public minded citizens funded the efforts to prepare the plans and permits for the Rockland Reservoir.

The lack of cash was always a handicap in preparing and presenting data warranting the construction of the Rockland project. Loan applications to build the project were made to the Reconstruction Finance Corporation in the early 1930's followed by the Public Works Administration after its creation. Throughout the 1930's there were 14 applications, reports, and approvals sought from these two Federal agencies and the War Department at considerable

expense. In order to circumvent the lack of cash the Lower Neches Valley Authority secured, through the efforts of Senator Morris Sheppard, an Order for a survey of the Neches Watershed and from that grew the Project under Senate Document 98 of the 76th Congress in 1939 which was a plan to build four dams at an estimated cost of $28,000,000. The Neches and Angelina Rivers Project called for the construction of four elements: Rockland Dam, Dams A and B on the Neches River and McGee Bend Dam on the Angelina. All dams were to contain hydropower facilities.

1943: LNVA acquires Water Distribution System

Until 1943, the Authority was without any facilities to produce revenue. In 1943, after several years of negotiations, the Authority was finally able to purchase the water distribution system from the Texas Public Service Company. Due to legislation enacted by the Congress, Texas Public Service Company was required to divest itself of the water distribution systems it had acquired from Neches Canal Company and Beaumont Irrigation Company, the construction of which systems had commenced at the turn of the century. Lower Neches Valley Authority offered the utility company $3,200,000 for all the water rights, four pumping plants and over 300 miles of canals making up those systems. The offer was accepted and the Authority issued revenue bonds with which to fund the purchase. This water system provided water supplies to the cities (except Beaumont), industry, and rice growers in Jefferson County. This private corporation had shown no interest in securing any kind of up-river dams, although the only source of fresh water was from the variable seasonal flow of the Neches River.

1945: Neches and Angelina Rivers Project Authorization

With a new source of revenue and better financial structure the Authority redoubled its efforts to get its Rockland project under way. While the Authority was pursuing its objectives, the U. S. Congress, in the River and Harbor Act of 1945, after years of independent planning by the Corps of Engineers, authorized the comprehensive development of the Neches and Angelina Rivers Project as described in Senate Document 98. The authorization was amended in the River and Harbor Act of 1948 to provide that the State or local entity therein that contributed $5,000,000 toward the first cost of construction of the system would be permitted to withdraw 2,000 cubic feet of water per second for its own use from the pool at Dam B, the downstream most reservoir of the four-reservoir system. LNVA had a permit application pending before the War Department for construction of Rockland at that time. Realizing the tremendous benefits that would accrue to the whole Neches and Angelina River area from the construction of this great project by the Federal Government the Authority withdrew its application for Rockland, agreed to serve as local sponsor for the Federal project, and to provide the required non-Federal contribution. This was a rather bold step for an agency with assets of $3,500,000 and a debt of almost that amount. In 1946 the Corps of Engineers announced its schedule of work in constructing this project.

1947-1951: Dam B Construction

Because of the eminent threat of drought and the limited funds available, the Corps determined that Dam B, without hydropower facilities, (now Town Bluff Dam and Steinhagen Reservoir) and

McGee Bend Dam (now Sam Rayburn Reservoir) should be constructed “immediately” with the construction of Rockland Dam and Dam A to be deferred until “economically justified.”

In order to induce the immediate commencement of construction of the projects LNVA volunteered to contribute two million dollars to the first cost of construction of Dam B and three million dollars to the first cost of construction of Sam Rayburn. Dam B construction began in 1947 and was completed in 1951.

1965: Completion of Sam Rayburn Dam

Because of spiraling construction costs, the Corps later requested an additional local contribution of ten million dollars to the cost of Sam Rayburn, LNVA contributed the initial five million dollars and agreed further to contribute the additional ten million dollars by paying two hundred thousand dollars per year for 50 years beginning the year after completion of the dam. The Sam Rayburn Dam was completed in 1965 and the Authority has made all payments as agreed.

The revenue bond issued to purchase the distribution system from Texas Public Service Company included an additional amount necessary to fund reservoir construction; approximately $8,750,000. The last of these bonds were paid off in 1965 and the Authority was freed from the restraints imposed by the Bond Indenture which limited the activity of the Authority. Since the purchase of these water distribution systems, they have been renovated many times and expanded to keep pace with the continuous growth and development of the area; most recently, the Authority entered into an ongoing capital improvement program in 2014 to de-bottleneck the canal system serving the industrial users. The Authority now has the capacity to pump and distribute more than one billion gallons of water per day.

1970s: North Regional Treatment Plant Established

In the 1970s, with the passage of the Clean Water Act, the Authority partnered with the Neches River Treatment Corporation to plan, design, construct, and operate a centralized wastewater treatment plant capable of receiving and treating wastewater streams from several area refining and petrochemical manufacturers. Known as the North Regional Treatment Plant or NRTP, the facility is a conventional activated sludge aggressive secondary biological wastewater treatment facility that receives and treats process wastewater and intermittent storm water. The Authority has provided on-going contract operation of the facility as a co-permittee with the Neches River Treatment Corporation since its commissioning in 1976.

Late 1990s: West Regional Water Treatment Plant Project

The West Regional Water Treatment System was created as a regional potable water project to replace deteriorating groundwater quality conditions on the Bolivar Peninsula in Galveston County in the late 1990’s. The original vision for the project made use of the City of Port Arthur’s water treatment plant that had excess capacity and high debt service cost. With the construction of a pipeline from the plant to High Island and Bolivar Peninsula, multiple entities could become participants in the project. LNVA made an application to TWDB for a Drinking Water State Revolving Fund Loan that would fund purchase of the plant from Port Arthur and construction of

the pipeline; however, politics and the desire for local control rather than a regional solution resulted in all but Bolivar and LNVA backing out of the deal. Two participants were sufficient for TWDB to deem the project regional in nature qualifying it for favorable financing terms including 15% loan forgiveness. In December 2000, the Authority closed on $20,520,000 in Drinking Water State Revolving Fund Bonds at 0% interest for 30-years. Construction started almost immediately on the Stowell to High Island pipeline segment as the existing pipeline in that section was in poor condition. The project was commissioned in November 2004 providing a vast improvement in the drinking water quality on the peninsula. Whether a coincidence or as a result of the improved water quality, the Bolivar Peninsula experienced tremendous growth in the immediate years following commissioning of the project. That growth continued right up to the point that Hurricane Ike brought catastrophic destruction to the upper Texas Coast in September 2008. Approximately 80% of the customer connections at the Bolivar Peninsula Special Utility District were lost to the storm. With over $18 million still outstanding on the revenue bonds used to finance the project and a drastically reduced customer base to cover the debt service, LNVA worked with TWDB to restructure payment of the loan giving the peninsula time to recover and rebuild. Some 15-years post Ike the connection count is nearing, and water demand has exceeded, pre-storm levels. The grace period of debt relief has ended and the project is entering a period of ballooning bond payments that the customer appears well positioned to make.

2000: Neches River and Tributaries Saltwater Barrier Project

The Neches River and Tributaries Saltwater Barrier at Beaumont, Texas is a federal project authorized by Congress in Section 102 of the Water Resources Development Act of 1976 (Public Law 94-587). Construction was initiated in October 2000 and the structure was commissioned in October 2003. LNVA is the non-Federal sponsor, owner, and operator of the Saltwater Barrier with financial participation by USACE and the City of Beaumont.

The project purpose is to prevent saltwater from moving upstream during low river flow conditions while maintaining free and reasonably unobstructed navigation.

Saltwater intrusion was first documented in the lower Neches River in the late 19th Century. Originally attributable to removal of the bar at Sabine Pass in 1876, the magnitude and frequency of saltwater intrusion increased with each deepening of the river for navigation. Temporary barriers were installed by LNVA and its predecessors almost yearly for much of the 20th Century. Once Sam Rayburn was completed, the reservoir was over-drafted to flush saltwater from the river channel when temporary barriers were not installed; the cost in lost conservation storage was 2500 cubic feet per second for an average of 111 days per year or a volume in excess of 500,000 acre-feet annually. Due to impacts on the local environment of temporary barrier installation, their obstruction to navigation, the perception of their contribution to flooding, and the need to conserve stored water in the upstream reservoirs to sustain the beneficial use of water through drought periods, a permanent solution was desirable. The USACE Waterways Experiment Station in Vicksburg, Mississippi had determined in a 1975 study on salinity in the Neches River that the Federal ship channel to Beaumont contributed to 75% of the saltwater intrusion problem while local diversions by LNVA and the City of Beaumont were responsible for

the remaining 25%. The results of that study set the stage for the cost sharing agreement that the project operates under to this day.

The Neches River Saltwater Barrier is now an important operations center for the Authority. With the skill of an artist, the barrier's staff balance the needs of LNVA's customers against local inflows and environmental flow requirements, ordering reservoir releases daily to meet demands, all while judging winds and tides to hold a minimal pool level that will let the structure pass inflows without allowing saltwater migration up the river. Additionally, the Authority's Water Quality Laboratory and Clean Rivers Program are housed at the project office.

2008: Acquisition of Devers Canal System

In the spring of 2008, the Authority acquired the Devers Canal System in Liberty, Chambers, and Jefferson Counties. The system draws water from the Trinity River below the City of Liberty moving that water to the east and southeast. The system provides irrigation water to rice, crawfish, and turf farms along its 200 miles of canal. Because of a bankruptcy settlement in the early 1990's there was a lien on the canal system. LNVA acquired the lien and entered a contract with the Devers Canal Rice Producers Association pledging to operate and maintain the canal system in exchange for any revenues generated by the system. The following year, the Texas Legislature passed HB 2666 (81R) amending the LNVA's enabling statute such that it was authorized to own, operate, and expand the Devers Canal System outside of its territory. After the legislation was passed the Devers Canal Rice Producers Association transferred all assets, including its water rights, to LNVA. The Authority has made major improvements in the Devers Canal System replacing every flume, overhauling pump stations, and installing meters at customer turnouts. These improvements are truly a testament to best management practices leading to water conservation. The Devers Canal utilized its entire 30,000-acre-foot allocation of Trinity River water irrigating 5,000 acres of rice in 2008. By 2022 the system was irrigating 15,800 acres of rice on the same water allocation.

2020: Local Regional Flood Planning Group Sponsor

LNVA serves as the local sponsor for the Texas Water Development Board's State Flood Plan's Region 5 Neches Regional Flood Planning Group. As the sponsor, LNVA plays a crucial role in coordinating efforts to mitigate flooding in the region and ensure the effective management of water resources to minimize flood risks and damages. Through collaboration and strategic planning, LNVA contributes to the overall resilience and safety of communities in the Neches River basin.

2023 and beyond: LNVA's Role in Water Management and Flood Planning

The Lower Neches Valley Authority has played a pivotal role in water management, infrastructure development, and flood planning in Southeast Texas. From its establishment as a conservation and reclamation district to its involvement in major projects like the Neches and Angelina Rivers Project, the Authority has contributed to securing reliable water supplies, preventing saltwater intrusion, and mitigating flood risks. LNVA continues to prioritize effective flood planning and water resource management in the region through collaborative efforts with local, state, and

Federal entities through involvement and coordination among stakeholders. LNVA is dedicated to enhancing the resilience and well-being of communities in the lower Neches River basin and beyond.

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IV. Policymaking Structure

A. Complete the following chart providing information on your policymaking body members.

Lower Neches Valley Authority
Exhibit 3: Policymaking Body

Member Name	Term / Appointment Date	Qualification	City
William D. "Bill" Voigtman	Appointed: 04/30/2018 By Governor Current Term Ending: 04/28/2023	Hardin County	Silsbee
Clint A. Mitchell	Appointed: 04/30/2018 By Governor Current Term Ending: 04/28/2023	Jefferson County	Nederland
James M. Scott	Appointed: 12/18/2019 By Governor Current Term Ending: 07/28/2025	Jefferson County	Beaumont
Charles "Caleb" Spurlock, DDS	Appointed: 06/13/2014 By Governor Current Term Ending: 07/28/2025	Tyler County	Woodville
Kal A. Kincaid	Appointed: 06/29/2018 By Governor Current Term Ending: 07/28/2023	Jefferson County	Beaumont
Juanita "Jeanie" Turk	Appointed: 12/21/2015 By Governor Current Term Ending: 07/28/2027	Hardin County	Sour Lake
Virginia "Ivy" Pate	Appointed: 06/13/2014 By Governor Current Term Ending: 07/28/2027	Jefferson County	Beaumont
Steven R. "Steve" Lucas	Appointed: 12/21/2015 By Governor Current Term Ending: 07/28/2025	Jefferson County	Beaumont
Lonnie B. Grissom Jr.	Appointed: 12/21/2015 By Governor Current Term Ending: 07/28/2027	Tyler County	Woodville

Table 3 Exhibit 3 Policymaking Body

B. Describe the primary role and responsibilities of your policymaking body.

The Board of Directors is the policy making body for the Authority. The Board is directed in statue, §8504.057 Special District Local Laws Code, to employ a General Manager whose responsibility it is to execute the policies and programs established by the Board. The Board adopts an annual budget, prescribes fees and charges to be collected for the use of water and other services provided by the Authority in fulfilling the policies, and executes contracts or authorizes the General Manager to do so on its behalf.

C. How is the chair selected?

The Board President, Vice President, Secretary, and Treasurer are elected annually each December by the Board for terms beginning January 1st the subsequent year. Once elected, the Board President appoints committee members including committee chairs.

D. List any special circumstances or unique features about your policymaking body or its responsibilities.

The LNVA Board of Directors is comprised of nine members appointed by the Governor with advice and consent of the Senate. Each director must be a freehold property taxpayer and a qualified voter of the state. Five directors must reside in Jefferson County, two directors must reside in Hardin County, and two directors must reside in Tyler County.

E. In general, how often does your policymaking body meet? How many times did it meet in fiscal year 2021? In fiscal year 2022? Explain if the policymaking body met in-person or virtually during this time.

The LNVA Board of Directors meets on a monthly basis, regularly occurring on the third Tuesday of each month at 4:00 PM

In March of 2020, as the COVID-19 pandemic was recognized in the United States and Texas, Governor Abbott declared a statewide disaster and then suspended certain provisions of the Open Meetings Act via a letter to the Attorney General. In his letter, Governor Abbott indicated the purpose of the suspension was to provide flexibility to governmental bodies to conduct business while working to slow the spread of COVID-19 and at the same time maintaining transparency and public access to open government. Governor Abbott divided the suspensions into four distinct categories: those pertaining to the requirement of physical presence of a quorum at a location to conduct a meeting by telephone or videoconference; those pertaining to the physical posting of a notice; those pertaining to the requirement that the telephone or videoconference meeting be audible to the members of the public; and those pertaining to face-to-face interaction between members of the public and public officials. Governor Abbott's letter stated that the suspensions would remain in effect until they were terminated by his office or until the state's disaster declaration was lifted or expired. Each month thereafter Governor Abbott extended the disaster declaration thereby keeping the suspensions in place.

For the following year and a half, many governmental bodies conducted meetings by Zoom and other electronic meeting platforms. The Office of the Attorney General created a dedicated telephone hotline and email address to answer governmental bodies' questions regarding the operation of the Act under the suspensions. In 2021, the 87th Legislature convened and considered many bills that incorporated aspects of the suspension letter into the Act's telephone and videoconference provisions but adopted none of the considered bills.

On June 30, 2021, Governor Abbott's office communicated to the Attorney General's Office that the Governor would be lifting the suspensions effective September 1, 2021, thereby reinstating all provisions of the Act as written.

Current practice authorizes that a state governmental body or a governmental body that extends into three or more counties may meet by video conference call only if the member of the governmental body presiding over the meeting is physically present at one location of the meeting. The notice must specify that location, which must be open to the public during the open portions of the meeting, as well as state the intent to have the member of the governmental body presiding over the meeting present there.

Lower Neches Valley Authority
Exhibit 4: Meeting Details by Calendar Year

Calendar Year	Board Meetings	Committee Meetings	Virtual/Hybrid Meetings Conducted
2021	12	8	11
2022	13	16	1

Table 4 Exhibit 4 Calendar Year Meetings and Type

F. Please list and describe all the training and training materials the members of the agency's policymaking body receive. How often do members receive this training or updated materials?

Public Information Act Training (as required by Govt. Code § 552.012).

Open Meetings Act Training (as required by Govt. Code § 551.005).

Texas Pension Review Board Minimum Educational Training (MET) Program required for trustees and system administrators of public retirement systems. (40 Texas Administrative Code, Chapter 607). (Biannual).

Orientation to LNVA and facility tours for new Board Members (one-time training).

Texas Water Conservation Association meetings are available three times per year.

G. What information is regularly presented to your policymaking body to keep them informed about the agency's operations and performance?

The LNVA Board of Directors are provided a packet of materials including financial reports, check reports, and any supporting information for items to be considered for each board meeting. The information packet includes a report by the General Manager apprising the Directors of highlight events that occurred during the previous month, summarizing cumulative works for the current year/season as applicable, and looking ahead to upcoming events or deadlines.

H. How does your policymaking body obtain input from the public regarding issues under the agency's jurisdiction? How is this input incorporated into the operations of your agency?

Meetings, whether Board or Committee, are duly posted in accordance with the Texas Open Meetings Act and open to the public. Agendas include a designated time for public comments regarding a specific agenda item or any issue the public wishes to address. If the item is not a posted agenda item, there is opportunity for the item to be included on a future meeting agenda.

The Directors are active members of their communities who represent the Authority as they go about their daily lives. They have arranged to have LNVA speakers for chambers of commerce or social organizations such as Rotary, Lions, and Sertoma Clubs. Specific questions may be referred to staff for assistance in resolving.

I. If your policymaking body uses subcommittees or advisory committees to carry out its duties, fill in the following chart. For advisory committees, please note the date of creation for the committee, as well as the abolishment date as required by Texas Government Code, Section 2110.008.

In addition, please attach a copy of any reports filed by your agency under Texas Government Code, Section 2110.007 regarding an assessment of your advisory committees as Attachment 28.

The LNVA Board committee structure is designed to divide the work load between individual members. The current standing committees are Executive, Finance, Operations, Personnel, Long Term/Strategic Planning, Legislative/Policy, and Business Development. Committees make recommendations to the full Board; they have no authority to act alone. While committee membership is less than a quorum, meetings are posted, open to the public, and often attended by non-committee members if the meeting topic is of particular interest to the member.

Lower Neches Valley Authority
Exhibit 5: Subcommittees and Advisory Committees

Name of Subcommittee or Advisory Committee	Size / Composition / How are members appointed?	Purpose / Duties	Legal Basis for Committee (statute or rule citation)	Creation and Abolishment Dates
Executive Committee	Four Members: President Vice President Secretary Treasurer	Reviews and makes recommendations on general organizational structure, management, and policy considerations	N/A	Membership changes annually with change in Board positions.
Finance Committee	Three Members; Appointed by Board President	Reviews and makes recommendations regarding the financial position of the Authority, including review of the annual budget, investment policies, pension account, and other financial matters	N/A	Nominated by Board President annually

Name of Subcommittee or Advisory Committee	Size / Composition / How are members appointed?	Purpose / Duties	Legal Basis for Committee (statute or rule citation)	Creation and Abolishment Dates
Operations Committee	Four Members; Appointed by Board President	Reviews and makes recommendations regarding operational matters including near-term capital project initiatives and other matters affecting present-day operations	N/A	Nominated by Board President annually
Personnel Committee	Three Members; Appointed by Board President	Reviews and makes recommendations regarding personnel matters of the Authority including pension, retirement, wage scale, and organizational structure	N/A	Nominated by Board President annually
Long Term & Strategic Planning Committee	Three Members; Appointed by Board President	Reviews and makes recommendations regarding long-term capital system investments and strategic water supply initiatives	N/A	Nominated by Board President annually
Legislative Committee	Three Members; Appointed by Board President	Engages with LNVA Staff and legislative liaison regarding proposed and pending legislation	N/A	Nominated by Board President annually
Business Development	Comprised of committee chairs	Meets on an as needed basis when new or unique business opportunities present themselves	N/A	Nominated by Board President annually

Table 5 Exhibit 5 Subcommittees and Advisory Committees

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V. Funding

A. Provide a brief description of your agency's funding.

The board prescribes fees and charges to be collected for the use of water, a water connection, or another service. These fees are set to be reasonable, equitable, and sufficient to generate revenue necessary to cover specific expenses. They are reviewed annually, but can change at any time. See the Water Rate Schedule below.

The revenue collected from these fees and charges is allocated for various purposes, including the operation and maintenance of the authority's improvements and facilities. This covers the cost of acquiring materials, property, necessary wages, salaries, and other expenses vital to the efficient functioning of the improvements and facilities. Moreover, the revenue is utilized to pay the interest on any obligations.

The Neches River Salt Water Barrier is operated by LNVA, with costs split 75% Federal/25% Local with the U.S. Army Corps of Engineers at 75%, LNVA and the City of Beaumont at 12.5% each to total 100%.

The Clean Rivers Program, based on the Texas Clean Rivers Act enacted in 1991 by the Texas legislature, requires each Texas River Basin to conduct ongoing water quality assessments and integrate water quality issues. Expenses incurred for the CRP program are submitted to TCEQ for reimbursement on a quarterly basis, based on a two-year contract agreement.

Treated water is charged at a monthly base rate, plus a rate per 1,000 gallons of water used. Wastewater treatment costs are reimbursed at 100%, plus operating fees.

Other revenue includes interest income, late fees charged at 1.5% per month, gain or loss from sale of fixed assets, and management fees from LNVA Industrial Development Corporation. The IDC was created in 1979, by the LNVA Board of Directors, as permitted by the Texas State Legislature through passage of the Development Corporation Act of 1979. Its sole activity is the issuance of industrial development bonds which are guaranteed by the entity supporting the issue. Some funding has also been received from FEMA for reimbursement of costs associated with declared disasters.

Lower Neches Valley Authority
Exhibit 6: Agency Funding/Rates Table

Raw Water Rate Schedule	2022		2023		Rate Change	% Change
	1,000 gallons	Acre-Foot	1,000 gallons	Acre-Foot		
Contracted						
Spot Purchase [3]	$4.2000		$4.4000		$0.2000	4.76%
Industrial - Contracted [1]	$0.4200		$0.4400		$0.0200	4.76%
Municipal - Contracted [1]	$0.3150		$0.3300		$0.0150	4.76%
M&I - Excess Rate	$0.8400		$0.8800		$0.0400	4.76%
Mining - Reservoir	$1.2600		$1.3200		$0.0600	4.76%
Mining - Excess Rate	$2.5200		$2.6400		$0.1200	4.76%

Raw Water Rate Schedule	2022		2023		Rate Change	% Change
	1,000 gallons	Acre-Foot	1,000 gallons	Acre-Foot		
Agriculture Water						
Rice Irrigation Rate [2]		$34.22		$37.50	$3.28*	9.59%
Crawfish Water		$34.22		$37.50	$3.28*	9.59%
Ag-Rice Crop		$34.22		$37.50	$3.28*	9.59%
Ag-Turf/Hay/Leveling/Livestock, other		$34.22		$37.50	$3.28*	9.59%
Other						
Reservation Rate - Industry		$68.50		$71.70	$0.01*	4.76%
Reservation Rate-Municipality		$50.20		$53.80	$0.01*	7.28%
Duck Water (Recreation) [4]		$900 min		$40.00	n/a	n/a
Potable Water (Bolivar SUD)	$88,195 /Month		$90,545 /Month		$2,350	2.7%
	$0.96 /1,000 gal.		$0.96 /1,000 gal.		$0.00	0.0%
North Regional Water Treatment	100% Cost Reimbursement		100% Cost Reimbursement			
Plus: Management Fee	$7,500 /Month		$7,500 /Month		$0	0.0%
30% of Operating Labor (Est.)	$48,315 /Month		$48,323 /Month		$8	0.0%
Allocation of Overhead	$21,758 /Month		$21,758 /Month		$0	0.0%

[1] $200 per month minimum; Plus Fuel Surcharge when Natural Gas rate exceeds $5.50 per MMBTU
[2] Consumption of 3.50 acre-feet per acre farmed on unmetered 1st crop rice fields and consumption of 1.50 acre-feet per acre farmed on unmetered 2nd crop rice fields.
[3] In 2019, the spot purchase is split from the excess rate
[4] $500 sign-up fee per turn-out plus $40.00 per acre-foot
** Rate change reflects cost per 1,000 gallons, but are expressed in acre-feet*

Table 6 Exhibit 6 Agency Funding/Rates Table

B. List all riders that significantly impact your agency's budget.

N/A

C. Show your agency's expenditures by strategy.

Lower Neches Valley Authority
Exhibit 7: Expenditures by Strategy — Fiscal Year 2022 (Actual)

Goal / Strategy	FY 2022 Amount Spent	Percent of Total	Contract Expenditures Included in Total Amount
Administration	$1,705,348	5.70%	$1,061,175
Fresh Water Supply Division	$16,961,046	56.65%	$4,925,449
Clean Rivers Program	$172,415	0.58%	$41,700
Saltwater Barrier	$525,351	1.75%	$70,061
Wastewater Division (NRTP)	$7,816,677	26.11%	$1,407,691
Potable Water Division (WRTP)	$1,725,687	5.76%	$288,000
Planning & Projects	$1,034,906	3.45%	$158,931
GRAND TOTAL:	**$29,941,430**		**$7,953,007**

Table 7 Exhibit 7 Expenditures by Strategy

D. Show your agency's sources of revenue. Include all local, state, and federal appropriations, all professional and operating fees, and all other sources of revenue collected by the agency, including taxes and fines.

Lower Neches Valley Authority
Exhibit 8: Sources of Revenue — Fiscal Year 2022 (Actual)

Source	Amount
Industrial Water Sales	$23,972,905
Municipal Water Sales	$3,040,825
Rice 1st Crop	$2,685,415
Rice 2nd Crop	$113,541
Crawfish & Turf	$305,390
Water Reservation Fees	$529,675
Rayburn Permits	$2,125
Other Water Sales	$38,660
Mining Water Sales	$461,286
Clean Rivers Program	$172,415
SWB Federal Share	$479,596
SWB - C. O. Beaumont	$79,933
SWB - C. O. Beaumont - Capital	$49,896
Bolivar Potable Water Sales	$1,456,471
NRTC Wastewater Treatment	$7,816,677
TDEM - Hurricane Harvey	$86,859
TOTAL	**$41,291,669**

Table 8 Exhibit 8 Sources of Revenue

E. If you receive funds from multiple federal programs, show the types of federal funding sources.

Lower Neches Valley Authority
Exhibit 9: Federal Funds — Fiscal Year 2022 (Actual)

Type of Fund	Local / Federal Match Ratio	Local Share	Federal Share	Total Funding
FEMA - Hurricane Harvey	N/A	N/A	$293,455	$293,455
Saltwater Barrier	25[1]/75	$129,829	$479,596	$609,425
TOTAL		**$129,829**	**$773,051**	**$902,880**

[1] *12.5% local share from City of Beaumont*

Table 9 Exhibit 9 Federal Funds

F. If applicable, provide detailed information on fees collected by your agency. Please explain how much fee revenue is deposited/returned to the General Revenue Fund and why, if applicable.

Lower Neches Valley Authority
Exhibit 10: Fee Revenue — Fiscal Year 2022

Fee Description/ Program/ Statutory Citation	Current Fee	Fees Set by Statute or Rule?	Statutory Maximum or Minimum, if applicable	Number of Persons or Entities Paying Fee	Fee Revenue	Where Fee Revenue is Deposited *(e.g., General Revenue Fund)*
Late Fees	1.5%/Month	Rule	N/A	35	$31,157	Revenue Fund
Crossing Fees	$2,000/ rod-Industrial $1,200/ rod-elsewhere	Rule	N/A	4	$272,277	Revenue Fund
Leases and Royalties	Various	Rule	N/A	3	$16,508	Revenue Fund
NRTC Management Fees	$7,500/Month	Rule	N/A	1	$90,000	Revenue Fund
NRTP Operating Fee	$48,323/Month (est)	Rule	N/A	1	$558,318	Revenue Fund
NRTC Reimbursement Fee	$36,508/Year	Rule	N/A	1	$36,508	Revenue Fund
IDC Management Fees	0.125%*	Rule	N/A	3	$678,218	Revenue Fund

**Percentage paid on the balance of outstanding bonds.*

Table 10 Exhibit 10 Fee Revenue

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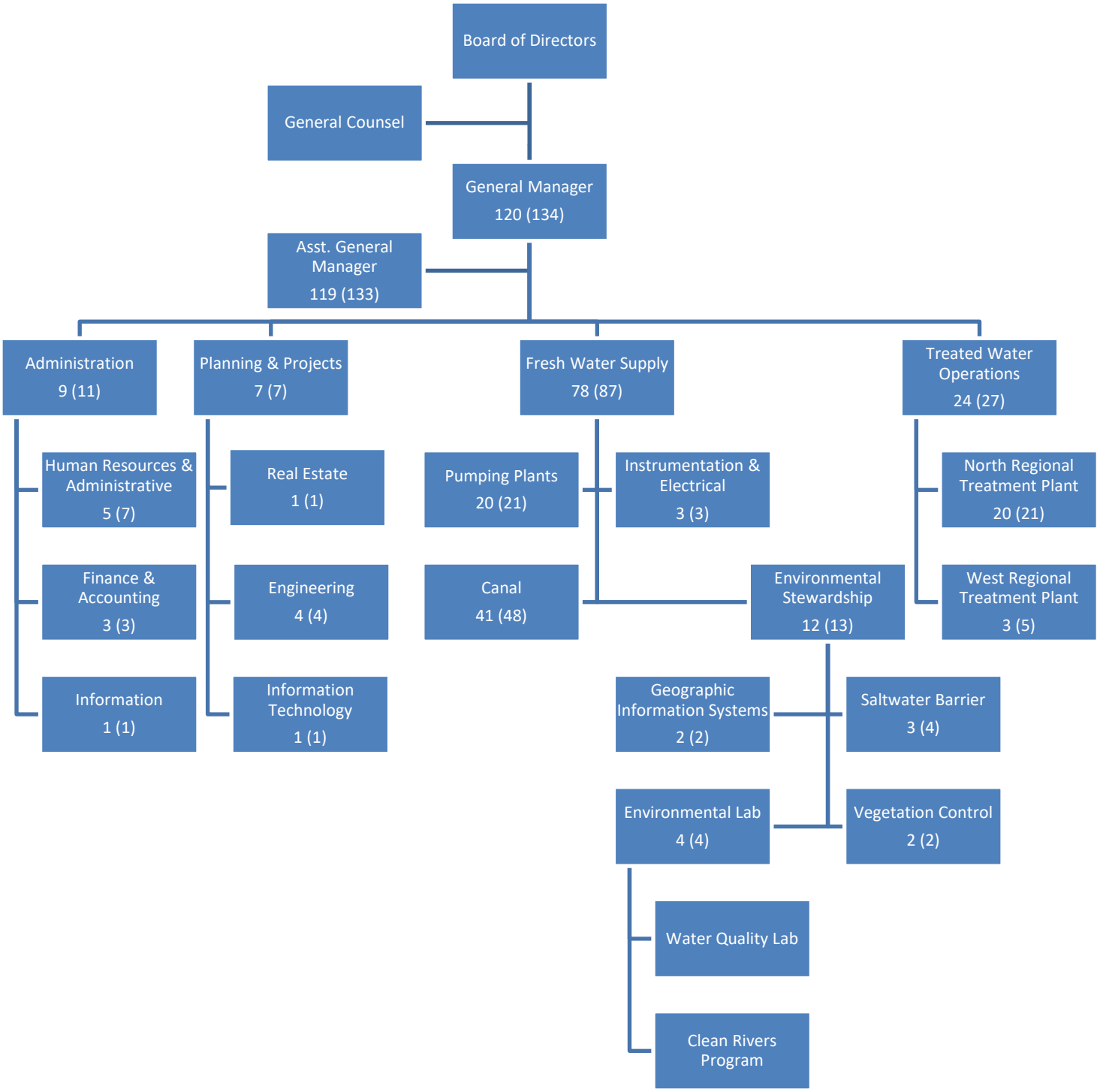
VI. Organization

A. Provide an organizational chart that includes major programs and divisions and shows the number of FTEs in each program or division. Detail should include, if possible, division heads with subordinates, and actual FTEs with budgeted FTEs in parenthesis.



B. Fill in the chart below listing the agency's headquarters and number of FTEs and, if applicable, field or regional offices.

Lower Neches Valley Authority
Exhibit 11: FTEs by Location — Fiscal Year 2023

Headquarters, Region, or Field Office	Location	Number of Budgeted FTEs FY 2023	Number of Actual FTEs (as of SER submission)
Administration Office	7850 Eastex Freeway Beaumont, Texas 77708	29	27
Devers	303 Hwy 90 Devers, Texas 77538	2	2
Neches 1st Pumping Plant	10550 Helbig Rd Beaumont, Texas 77708	14	13
Neches 2nd Pumping Plant	6855 Plant Rd Beaumont, Texas 77708	4	4
North Regional Treatment Plant	2655 Gulf States Rd Beaumont, Texas 77707	22	21
Saltwater Barrier	6790 Bigner Rd Beaumont, Texas 77708	8	7
Service Center	9781 Hwy 124 Beaumont, Texas 77705	50	43
West Regional Water Treatment Plant	1303 Devillier Rd Winnie, Texas 77665	5	3
		TOTAL: 134	**TOTAL: 120**

Table 11 Exhibit 11 FTEs by Location

C. What are your agency's FTE caps for fiscal years 2021-25?

Lower Neches Valley Authority
Exhibit 12: FTE Caps by Fiscal Year — Fiscal Year 2023

FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
136	135	134	134 +/-	134 +/-

Table 12 Exhibit 12 FTE Caps by Fiscal Year

D. How many temporary or contract employees did your agency have in fiscal year 2022? Please provide a short summary of the purpose of each position, the amount of expenditures per contract employee, and the procurement method of each position.

LNVA had one (1) contract employee filling the role of receptionist within the Administration Department in fiscal year 2022. The total expenditure for the position for FY 2022 was $30,013.29, and was procured via an external staffing service provider that was selected through LNVA's established procurement processes.

E. List each of your agency's key programs or functions, along with expenditures and FTEs by program.

Lower Neches Valley Authority
Exhibit 13: List of Program FTEs and Expenditures — Fiscal Year 2022

Program	Actual FTEs FY 2022	Budgeted FTEs FY 2023	Actual Expenditures FY 2022	Budgeted Expenditures FY 2022
Administration	11	13	$1,705,348	$1,626,710
Fresh Water Supply	75	83	$16,961,046	$16,318,775
Clean Rivers Program	N/A	N/A	$172,415	$217,967
Saltwater Barrier	3	4	$525,351	$552,530
Wastewater Treatment (NRTP)	21	22	$7,816,677	$8,530,375
Potable Water Division (WRTP)	3	5	$1,725,687	$1,461,924
Planning & Projects	7	7	$1,034,906	$1,078,480
TOTAL	**120**	**134**	**$29,941,430**	**$29,782,761**

Table 13 Exhibit 13 List of Program FTEs and Expenditures

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VII. Guide to Agency Programs

Administration

A. Provide the following information at the beginning of each program description.

Name of Program/Function	Location/Division	Contact Name	Statutory Citation for Program
Administration	7850 Eastex Freeway Beaumont, Texas 77708	Scott Hall, P.E., General Manager	Special District Local Laws Code Chapter 8504

B. What is the objective of this program or function? Describe the major activities performed under this program.

The objective of the Administration Department is to provide comprehensive support and resources to facilitate the smooth operation of Lower Neches Valley Authority (LNVA) in areas such as human resources, finance and accounting, executive leadership and administrative tasks. The department aims to ensure efficient and effective functioning of the organization as a whole.

Under this program, the major activities performed by the Administration Department include:

Human Resources (HR): The HR department is responsible for recruiting and selecting qualified candidates for job positions within LNVA. They ensure that the hiring process is fair, transparent, and based on the qualifications, skills, and abilities required for each role. HR also focuses on creating a positive work culture and environment that promotes employee retention. They oversee employee evaluations, ensure compliance with legal requirements, assess and enhance employee benefit programs, and manage LNVA's self-funded health program.

Finance and Accounting: The finance and accounting team handles accounting procedures and maintains accurate financial records for all divisions of LNVA. They are responsible for various financial functions, including purchasing, accounts payable, accounts receivable, cash receipts, payroll, and financial reporting. This involves ensuring timely and accurate payment processing, managing financial transactions, monitoring budgets, and generating financial reports for internal and external stakeholders.

Administrative and Maintenance Support: The department also handles administrative and maintenance support services necessary for LNVA's operations. This involves managing facilities, equipment, materials, and supplies, as well as coordinating various administrative tasks to ensure the smooth functioning of the organization.

Overall, the Administration Department plays a crucial role in supporting the strategic objectives of LNVA by ensuring the availability of qualified staff, managing financial operations, providing administrative assistance, and facilitating effective leadership and communication. By performing these activities, the department contributes to the overall success and productivity of the organization.

C. What information can you provide that shows the effectiveness and efficiency of this program or function? If applicable, reference but do not repeat any performance measures from Section II, Exhibit 2, and provide any other metrics of program effectiveness and efficiency. Also, please provide the calculation or methodology behind each statistic or performance measure.

There are no statistical records kept to demonstrate the effectiveness and efficiency of the Administration Program within the Lower Neches Valley Authority (LNVA), but we can assess the effectiveness and efficiency of the program by reviewing several key indicators and factors:

Staff Retention and Satisfaction: One measure of the program's effectiveness is the ability to attract and retain qualified employees. A low turnover rate and high employee satisfaction indicate that the HR department's efforts to create a positive work culture and environment are effective. Employee feedback mechanisms provide insights into employee satisfaction levels and identify areas for improvement.

Compliance with Legal Requirements: The HR department's ability to stay updated on labor laws and regulations, ensure policy and procedure compliance, and accurately report on government requirements is crucial. Regular audits and assessments of HR practices and records can demonstrate the program's effectiveness in maintaining legal compliance.

Financial Management: The efficiency and accuracy of finance and accounting operations is assessed through financial performance indicators including a clean opinion by independent auditors, through annual review, in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. These also include the timeliness of financial reporting, adherence to budgetary constraints, and effective management of accounts payable and receivable. Low error rates, streamlined processes, and accurate financial statements reflect efficient financial management.

Administrative Support: The effectiveness of administrative support is measured by assessing the responsiveness and quality of services provided. Feedback from other departments and stakeholders can help gauge satisfaction levels and identify areas where improvements can be made. Efficient management of facilities, equipment, and supplies also contributes to overall operational effectiveness.

Stakeholder Feedback: Gathering feedback from internal and external stakeholders, such as board members, employees, vendors, and customers, provides valuable insights into the program's effectiveness.

Cost Control and Resource Management: Efficient utilization of resources, such as staffing, technology, and supplies, is indicative of an effective administration program. Monitoring and optimizing expenses, managing procurement processes, and implementing cost-saving initiatives demonstrate sound financial stewardship.

Regular performance evaluations, data analysis, and benchmarking against industry standards and best practices can help assess the effectiveness and efficiency of the Administration Program within LNVA. These indicators provide a comprehensive view of the program's impact on organizational success, employee satisfaction, financial management, and stakeholder engagement.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent. If the response to Section III of this report is sufficient, please leave this section blank.

N/A

E. List any qualifications or eligibility requirements for persons or entities affected by this program, such as licensees, consumers, landowners, for example. Provide a statistical breakdown of persons or entities affected.

The administrative functions of LNVA collectively impact every employee, customer, and resident within the jurisdictional and territorial boundaries of The Authority in some manner.

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

The Administration Program within the Lower Neches Valley Authority (LNVA) is administered through a systematic and coordinated approach to ensure the efficient and effective management of various departments and services. The program involves several processes to fulfill its responsibilities. All departments within the administrative program report to the General Manager.

Human Resources (HR):

Recruitment and Selection: HR administers the hiring process, including job postings, candidate screening, interviews, and selection of the most qualified applicants based on job-related qualifications and criteria.
Employee Evaluation: HR oversees the employee evaluation procedure, ensuring consistent and professional evaluation processes are followed, providing guidance and support to supervisors and employees.

Benefits Administration: HR assesses and manages LNVA's employee benefit programs, ensuring compliance with legal requirements, evaluating and recommending changes to maintain excellent benefits for employees.
Compliance and Reporting: HR monitors legal requirements and government regulations affecting HR functions, ensuring policies, procedures, and reporting are in compliance with applicable laws and regulations.
Health Programs and Insurance: HR administers LNVA's self-funded health program, coordinating healthcare coverage and services for employees.
Workers' Compensation: HR oversees LNVA's workers' compensation program, managing claims and ensuring compliance with relevant regulations.
Insurance Management: The department is responsible for managing property and casualty insurance, including procuring insurance coverage and overseeing claims.

Finance & Accounting:

Accounting Procedures and Records: The Finance & Accounting department provides accounting procedures and maintains accurate financial records for all divisions of LNVA. This includes managing Purchasing, Accounts Payable, Accounts Receivable, Cash Receipts, Payroll, and Financial Reporting.
Financial Support: The department offers support in financial matters, such as budgeting, financial analysis, expenditure tracking, and financial reporting to the Board of Directors and other stakeholders.
Vendor and Contract Management: Finance & Accounting oversees the procurement process, ensuring compliance with purchasing policies and regulations. They manage vendor relationships, review contracts, and process payments.

Public Information/Communication:

Public Information and Communication: The department manages public information and communication efforts for LNVA. This includes disseminating relevant information to the public, responding to inquiries, coordinating public meetings, and maintaining effective communication channels with stakeholders.

Administrative and Maintenance Support:

Facility and Equipment Management: The department oversees the management of LNVA's facilities, including maintenance, repairs, and procurement of necessary equipment and supplies.
Materials and Supplies Procurement: Administrative support includes the procurement and management of materials and supplies required by LNVA's various divisions and departments.

Overall, the administration of the program involves coordination, collaboration, and adherence to established policies, procedures, and legal requirements. The departments within the program work together to ensure the smooth operation of LNVA, providing necessary resources and

support to fulfill the Authority's objectives and serve its stakeholders effectively, including public information and communication efforts. Administrative functions are directed by the General Manager in accordance with the directives received from the Board of Directors and all applicable governing statutes.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. Please specify state funding sources (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

Funding for Administration Program is provided from the revenue collected by LNVA's water supply and water delivery contracts. There are no funding formulas or conventions. LNVA is not a state agency and does not receive state funding.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.

N/A

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

The Administration Division collaborates with local, regional, and federal government units to ensure alignment with policies and standards while complying with permits, licenses, and regulatory requirements as detailed in the table below.

- **Lower Neches Valley Authority**
- **Exhibit 14: Permits, Licenses, or Regulatory Program Requirements - Administration**

Name	Description	Agency	Relevant Regulation/Law
Public Funds Investment Act	Authorized Investments for Governmental entities	State Legislature	Chapter 2256 Public Funds Investment Act

Table 14 Exhibit 14 Permits, Licenses, or Regulatory Program Requirements – Administration

K. If contracted expenditures are made through this program please provide

- **a short summary of the general purpose of those contracts overall;**

Contracted expenditures through the Administration Department are unable to be categorized within the scope of other divisions, but are deemed essential because they deliver a community service or benefit unable to be obtained through other programs or agencies.

- **the amount of those expenditures in fiscal year 2022;**

$1,061,175 - This amount reflects total expenditures related to purchase orders exceeding $10,000 and excludes salaries, benefits, and other ancillary operating costs.

- **the number of contracts accounting for those expenditures;**

14

- **the award dates and funding source for those contracts**

Refer to the table below for award dates of the top five contracts by dollar amount. Other contracted expenditures occur periodically throughout the year. Funding sources for all contracts are LNVA Operating and Non-Operating Revenues.

- **the method used to procure those contracts;**

All contracts are procured in accordance with the LNVA Purchasing Policy. The LNVA Purchasing Policy provides for contracting professional services in accordance with Texas Government Code Ch. 2254 and all other goods and services in accordance with Texas Water Code Ch. 49, and Texas Government Code Ch. 2253, Ch. 2269 and Ch. 271.

- **top five contracts by dollar amount, including contractor and purpose;**

- **Lower Neches Valley Authority**
- **Exhibit 15: Top Five Contracts – Administration**

#	Vendor Name	Purpose	Contract Amount	Award Date
1	J.S. Edwards & Sherlock	Property and casualty insurance	$301,592	03/15/2022
2	Freese & Nichols, Inc.	Technical Consultant for the TWDB funded Region 5. Neches Regional Flood Planning Group	$253,371	10/26/2020
3	Academy of Natural Sciences	Service provider for the environmental study of the lower Neches River basin	$114,991	09/28/2021
4	Brandimarte Law Firm	Legal services, representation, contract review	$92,617	BY 2022
5	Ron Lewis & Associates	Government Consulting Firm	$84,000	BY 2022

Table 15 Exhibit 15 Top Five Contracts - Administration

- **the methods used to ensure accountability for funding and performance; and**

Compliance with established Purchasing Policy Controls for accountability for funding and performance are set forth in the LNVA Purchasing Policy. The level of controls is tailored to the dollar value of the contract being issued.

- **a short description of any current contracting problems.**

N/A

L. Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.

N/A

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, piece of equipment, or other entity (e.g., a facility). For each regulatory program, if applicable, describe

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **actions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

P. For each regulatory program, if applicable, provide detailed information on complaint and regulatory actions, including investigations and complaint resolutions. The data should cover the last five fiscal years and give a complete picture of the program's regulatory activity, including comprehensive information from initiation of a complaint to resolution of a case. The purpose of the chart is to create uniformity across agencies under review to the extent possible, but you may make small adjustments to the chart headings as needed to better reflect your agency's particular programs. If necessary to understand the data, please include a brief description of the methodology supporting each measure. In addition, please briefly explain or define terms as used by your agency, such as complaint, grievance, investigation, enforcement action, jurisdictional scope, etc.

N/A

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Fresh Water Supply

A. Provide the following information at the beginning of each program description.

Name of Program/Function	Location/Division	Contact Name	Statutory Citation for Program
Fresh Water Supply Division	7850 Eastex Freeway, Beaumont, Texas 77708	Heath Thompson, PE Water Supply Manager	N/A

B. What is the objective of this program or function? Describe the major activities performed under this program.

The overall objective for the Fresh Water Supply Division is to provide LNVA customers with a dependable, efficient, and safe raw water supply.

The Fresh Water Supply Division includes the Pumping Plant, Canal, Vegetation Control, Instrumentation and Electrical (I&E), Geographic Information Systems, Water Quality Lab, Clean Rivers Program, and Saltwater Barrier Departments. The Vegetation Control, GIS, Water Quality Lab, CRP, and SWB Departments are under the Environmental Stewardship purview, and the CRP and SWB departments are discussed in separate Section VIIs, as their funding sources differ.

The division operates two freshwater canal systems, the Neches and Devers Canal Systems, to supply raw water to ten (10) municipalities, more than 30 industrial facilities, including four (4) major refineries, and about 30,000 acres of rice annually. Other irrigation customer uses such as row crop, hay, livestock, crawfish, and waterfowl operations are served as well. The Neches Canal System diverts water from the Neches River and distributes raw water through 360 miles of earthen canal in Jefferson County. The Devers Canal System diverts water from the Trinity River, distributes raw water though 240 miles of earthen canal in Liberty and Chambers counties, and serves predominantly irrigational customers. These two systems interconnect near Winnie, TX allowing the southern portion of the Devers Canal System to be supplied from either Trinity River or Neches River sourced water.

The Pumping Plant Department operates and oversees eight (8) pumping plants that span across the Neches and Devers Canal Systems. These systems comprise five (5) lift stations on the Neches Canal and three (3) on the Devers Canal, with the Neches lift stations situated in Jefferson County, stretching from Beaumont, TX to Nome, TX. Meanwhile, the Devers lift stations are primarily found in Liberty County, ranging from Moss Bluff, TX to Raywood, Texas.

The department's responsibilities encompass a range of tasks, including initiating and halting natural gas, diesel, and electric-driven pumps to maintain optimal water levels within the canals. Furthermore, the team is tasked with maintenance duties such as repairing pumps, engines, and motors, conducting preventative maintenance (which includes welding and fabrication), and ensuring the overall upkeep of the pumping plant facilities.

The Canal Department is responsible for operating and maintaining approximately 600 miles of earthen canals, which serve as a gravity distribution system. Raw water is pumped through various LNVA lift stations, and then Canal Operations staff members, also known as canal riders, control the flow of water through different canals and laterals to reach the customers' turnout points. They achieve this by adjusting water control structures strategically. Additionally, the canal riders are responsible for reading custody transfer meters and relaying the collected data to the Accounting Department using water accounting software.

The Canal Maintenance staff plays a crucial role in constructing and repairing water control structures and levees. Water control structures play a pivotal role in regulating the flow and distribution of water throughout the canal system. Proper construction and regular maintenance of these structures are vital for managing water levels, preventing flooding, and directing water to where it is needed most. Additionally, the integrity of levees, which act as protective embankments, are crucial for safeguarding adjacent lands and communities from potential water damage during times of high-water flow or storms. The staff's expertise in building and repairing these structures ensures the smooth operation of the canal system and helps prevent potential disasters.

Addressing leaks is another important responsibility of the Canal Maintenance staff. Leaks in the canal system can result in water loss and inefficient water distribution. By promptly identifying and repairing these leaks, the staff contributes to water conservation efforts. This conservation is not only economically advantageous but also environmentally responsible. By minimizing water loss, the canal system can efficiently deliver water to customers, agricultural areas, and other users without unnecessary waste.

The Canal Maintenance staff regularly mows the canal areas, which proves to be beneficial in multiple ways. Overgrown vegetation along the canal banks can obstruct water flow, leading to reduced efficiency in water distribution and even potential flooding. By regularly mowing the canal areas, the staff ensures that water can flow freely and unobstructed through the system. Moreover, well-maintained canal areas discourage the growth of invasive plant species that could otherwise disrupt the ecosystem and the overall functionality of the canal system.

The Vegetation Control Department is responsible for managing invasive species effectively, including crested floating heart, giant salvinia, Water stargrass, coontail, waterhyacinth, hydrilla, and Johnsongrass. They achieve this through various methods such as applying herbicides through foliar applications and water column injections, as well as utilizing biological remedies. The primary objective of their efforts is to minimize or eliminate operational restrictions caused by these invasive species.

The I&E Department is responsible for managing the Authority’s Supervisory Control and Data Acquisition (SCADA) system to monitor and conduct operations changes in the Pumping Plant, Canal, Saltwater Barrier, and West Regional Treatment Plant Departments. The I&E Department provides technical support for motor control valves, flowmeters, level sensors, emissions control units, remote transmitting units, electric motors, and electrical power.

The GIS Department is responsible for managing the Authority's GIS Systems, which is used to record, track, and display multiple levels of digital information on a map to aid with management and decision making.

The Water Quality Lab Department is responsible for analyzing water quality conditions for diverted raw water and communicating the results to the Authority's customers. The Water Quality Lab Department oversees the Clean Rivers Program.

C. What information can you provide that shows the effectiveness and efficiency of this program or function? If applicable, reference but do not repeat any performance measures from Section II, Exhibit 2, and provide any other metrics of program effectiveness and efficiency. Also, please provide the calculation or methodology behind each statistic or performance measure.

In general, the goal of the Fresh Water Supply Division is delivering adequate water supply safely, on-time, and economically to LNVA customers.

Water conservation is an integral part of the daily duties for the Fresh Water Supply Division. In evaluating water loss through each canal system, water loss percentage is much lower in the Neches Canal System in comparison to the Devers Canal System as shown below.

- **Lower Neches Valley Authority**
- **Exhibit 16: Water Conservation Data**

	Neches Canal System (Acre-Feet)			Devers Canal System (Acre-Feet)		
Year	**Diversions**	**Sales/ Transfer Out**	**Loss (%)**	**Diversions/ Transfer In**	**Sales**	**Loss (%)**
2020	240,037	202,766	37,271 (16%)	36,137	32,072	4,065 (11%)
2021	255,860	232,507	23,353 (9%)	39,438	30,421	9,018 (23%)
2022	276,148	255,264	20,884 (8%)	49,086	40,475	8,611 (18%)
Average	**257,348**	**230,179**	**27,169 (11%)**	**41,544**	**34,322**	**7,231 (17%)**

Table 16 Exhibit 16 Water Conservation Data

The Canal Department manages the agricultural metering program, where staff installs either a mechanical propeller-style or an electronic area-velocity flow meter at the customer's turnout, which varies year to year with the rotation of crop land. Since 2013, the Authority has received $380,000 in TWDB grants for electronic area-velocity flow meters to help facilitate the program. In 2022, the department installed 302 meters total for agricultural uses, including 239 electronic area-velocity meters as shown below.

- **Lower Neches Valley Authority**
- **Exhibit 17: Agricultural Flow Meters in Place by Fiscal Year**

Agricultural Flow Meters			
Year	**Mechanical**	**Electronic**	**Total**
2020	73	188	261
2021	104	219	323
2022	63	239	302
Average	**80**	**215**	**295**

Table 17 Exhibit 17 Agricultural Flow Meters in Place by FY

The I&E Department manages the metering programs for municipal and industrial users and the Authority's lift stations, where staff inspects, calibrates, and performs maintenance quarterly. During one of the quarterly periods each year, a third-party contractor is utilized.

The division manages a leak detection and repair program utilizing GIS software. In the leak detection program when a raw water leak is detected on the Authority's canal systems, an employee submits a work order for the water leak with an estimated flow rate. The Canal Department receives the work order and reacts accordingly to repair the leak.

- **Lower Neches Valley Authority**
- **Exhibit 18: Leak Identification/Classification**

	Leak Priority Classification			
Year	**Minor (1-25 GPM)**	**Moderate (26-250 GPM)**	**Major (251+ GPM)**	**Total Number of Leaks**
2020	128	68	14	210
2021	136	54	17	207
2022	195	101	18	314
Average	**153**	**74**	**16**	**244**

Table 18 Exhibit 18 Leak Identification/Classification by FY

On the Neches system, two primary lift stations, the Neches 1st and BI 1st Pumping Plants, with a total capacity of 1.2 billion gallons per day are located near Beaumont, TX with three secondary lift stations, the Neches 2nd, BI 2nd, and Nolte, located along the canal system. These lift stations divert an average of 250,000 acre-feet per year from the Neches River into the Neches Canal System.

On the Devers system, one primary lift station, Devers 1st Pumping Plant, with a total capacity of 215 million gallons per day (MGD) is located near Moss Bluff, TX with two secondary lift stations, Devers 2nd and Devers 3rd, located along the canal system. These lift stations divert an average of 25,000 acre-feet per year from the Trinity River into the Devers Canal System.

2022 Goals Snapshot

Introduction

In early 2020, staff began developing goals for LNVA's different divisions and departments in order to continually improve. By 2022, the goals were fully implemented and continually monitored. The general format for the goal is to identify a high priority goal for a division or department. Desired results can be determined to help identify how goal success looks. As some goals are hard to measure, lead measures are targets or tasks used to help accomplish a goal. Typically, a division/department reports on the progress of lead measures. If accomplishing a lead measure doesn't help accomplish the goal or has adverse effects, those lead measures are removed or adapted. At year's end, goals and lead measures are reviewed to determine whether current goals and lead measures are still viable or new ones are warranted.

Fresh Water Supply Division

Goal

Delivering adequate water supply safely, on time, and economically to LNVA customers.

Lead Measures

1) Increased safety awareness
2) No complaints from Municipal & Industrial customers about water availability
3) Proactive coordination with customers about communication of changing demands

Progress

1) **0%** - One (1) lost-time incidents in 2022.
2) **100%** - No water availability issues in 2022.
3) **100%** - Very proactive with customers and LNVA staff about potential maintenance draw downs and rerouting.

Goals and Lead Measures are broken further down by department. Below is the summary of the 2022 Lead Measure performances by department:

Departmental Lead Measure Overview

Canal Operations – 0%, 100%, 100%, 96%
Canal Maintenance – 100%, 100%
Plant Operations – 100%, 75%, 100%
Plant Maintenance – 100%, 100%
Instrument & Electrical – 100%, 100%
Water Quality Lab – 100%, 100%, 100%, 100%
Vegetation Control – 100%, 100%, 100%
Geographic Information Systems – 100%, 100%, 100%, 100%

Canal Operations

Goal

1) Canal levels within good operational ranges
2) Keep the "cashier" going

Lead Measures

1) No avoidable Double (Lo-Lo/Hi-Hi) alarms
2) Less than ten (10) uncompliant meter readings
3) Weekly compliance of water order completion
4) Timely & correct response for meter issues

Progress

1) **0%** - Ten (10) avoidable Double alarms occurred in 2022. All were immediately addressed, resulting in no water supply issues. The alarms worked correctly.
2) **100%** - One (1) uncompliant meter reading was reported. In late 2021, staff implemented a solution in TruePoint, our water accounting software, for improved tracking and alerting.
3) **100%** - All water orders were compliant in 2022. This lead measure helps catch and correct improper actions for irrigation events and meter readings in TruePoint going forward.
4) **96%** - 68 of 71 irrigation and M&I meter issues were routed to the correct staff members.

Canal Maintenance

Goal

1) Minimize loss of water through leaks
2) Increased reliability of structure integrity

Lead Measures

1) Repair leaks in the following timeframe: weighted average below 10 days (Major – 1 day, Moderate - 7 days, Minor - 21 days)
2) 100% of major structures inspection schedule met

Progress

1) **100%** – 314 leaks have been identified and repaired in 2022 with a weighted average response time of 2.9 days.
2) **100%** – The major structure inspection schedule commenced in 2022. Major structures, which includes all flumes, underdrains, and major checks with remote operated gates, have been identified in GIS with baseline inspections. Inspection type and cycle is currently under consideration.

Plant Operations

Goal

1) Canal levels within good operational ranges
2) 100% regulatory compliance

Lead Measures

1) No avoidable Double (Lo-Lo/Hi-Hi) alarms
2) Less than five (5) single alarms per quarter
3) 100% compliance with engine emission limits and timely report submission

Progress

1) **100%** - No avoidable Double alarms occurred in 2022.
2) **75%** - In Q2, there were seven (7) single alarms, which three (3) were avoidable.
3) **100%** - All emission limits and report compliance were met.

Plant Maintenance

Goal

1) 100% operational redundancy & resiliency

Lead Measures

1) Unscheduled downtime of pumps/drivers per plant: LNVA System - Less than 200 hours, Devers System - Less than 400 hours
2) 100% preventative maintenance plan met

Progress

1) **100%**
    a. LNVA System: 40 hours of unscheduled downtime including 30 hours of down time in May to upgrade the lubrication system on Engine #5 at the Neches 2nd Pumping Plant.
    b. Devers System: 50 hours of unscheduled downtime due to pump impeller shaft.
2) **100%** - The preventative maintenance plan is fully on schedule.

Instrument and Electrical

Goal

1) 100% reliability of remote operated gates (ROG), levels (RTU), plant instrumentation, and Municipal and Industrial (M&I) meters

Lead Measures

1) Annual inspection of all RTU/ROG sites
2) 100% completion of preventative maintenance program

Progress

1) **100%** - All RTU/ROG sites were inspected by the I&E department in addition to the Canal Rider Quarterly inspections.
2) **100%** – The preventative maintenance program was fully completed in 2022. Staff utilized third-party contractors during one quarter for calibrations and wellness checks for M&I meters and motor operated valves (MOVs).

Water Quality Lab

Goal

1) Prompt notification of potential water quality issues
2) 1-hour spill response readiness

Lead Measures

1) Monitor and alert of potential water quality impacts daily
2) On-schedule calibration of water quality monitoring equipment
3) Increased water quality visibility to customers
4) Update and execute spill response coordination plan and training with two mock responses

Progress

1) **100%** - Lab staff have done a good job communicating potential water quality issues up to supervisors, then to customers.
2) **100%** - All Lab and SWB water quality equipment were calibrated on schedule.
3) **100%** – The LNVA water quality lab began running canal water quality analysis twice a week and communicating the results to LNVA customers.
4) **100%** - A total of seven (7) mock and actual spill responses were successfully activated this year. Other key department staff are trained in case of an emergency.

Vegetation Control

Goal

1) No significant flow issues due to restrictions from vegetation

Lead Measures

1) Proactive reminders to Canal Riders and Equipment Coordinators about vegetation issues and the GIS vegetation survey map
2) 100% Completion of offseason injection, bare ground, and outside contractors' plan.
3) Evaluate and prioritization of vegetation issues within 10 days

Progress

1) **100%** - the Vegetation Control staff have routinely touched base with Canal and Pumping Plant Operations about potential vegetation issues.

2) **100%** on schedule – The 2021-2022 offseason plan was completed by the beginning of irrigation season in 2022. The 2022-2023 offseason plan was developed and was 95% complete by the end of 2022.
3) **100%** - All vegetation issues, which are reported in GIS, have been evaluated and prioritized within 10 days.

Note: The only real vegetation issues in 2022 were having a localized Water stargrass issue on the East Main in Devers North, which created some localized reduced flow restrictions to several agricultural fields.

Geographic Information Systems

Goal

1) 99% reliability of GIS system
2) Accurate data

Lead Measures

1) Less than 48 hours of unscheduled downtime per quarter with proper notification
2) Maintain less than 85% CPU usage for GIS servers
3) 100% completion of training and follow-up schedule
4) Complete quality control of the quality assurance program

Progress

1) **100%**

Quarter	*Hours*
a. Q1	(0)
b. Q2	(0.25)
c. Q3	(0.75)
d. Q4	(1)
e. YTD	(2)

2) **100%** - Max of 78% for a 1-hour utilization period.
3) **100% -** All planned GIS training was completed.
4) **100%** - The plan was to review 100% of agricultural field information, 10% of leak reports and 10% of meter installations for accuracy.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent. If the response to Section III of this report is sufficient, please leave this section blank.

Over 150 years ago, farmers began planting and experimenting with a variety of crops in southeastern Texas. Rice, proving to be one of the more productive crops received early attention from the farming community. Following this discovery, "canal companies built two hundred miles of canals to bring freshwater to rice farmers between 1899 and 1906. Port Arthur Rice and Irrigation Company constructed twenty-five miles serving 13,000 acres; McFaddin-Wiess-Kyle Canal Company's twenty-five miles served 16,500 acres; the Beaumont Irrigation Company had a hundred miles of canals serving 32,000 acres with the remainder served by the Neches Canal Company and Taylors-Hillebrandt. These canals remain in use today as the framework of the Lower Neches Valley Authority's canal system." (Houston History Vol. 13, No. 2, First Providence, Then Prosperity., Denise Gomez). As the demand for fresh raw water

increased, the farming community started exploring ways to ensure availability of water resources.

In September, 1936, shortly after the creation of LNVA in 1933, a public hearing in Jacksonville, Texas received comments and proposals regarding regulation, conservation, and utilization of the waters of the Neches River system as well as the control of floods. It was emphasized that LNVA had investigated the problems and was developing a plan to accomplish those objectives in the lower Neches River basin. Their plan included construction of a large reservoir on the Neches River near Rockland for the purpose of conserving and regulating the flow of the river. To deliver water stored within the reservoir to its area of need, LNVA proposed to build a canal from the reservoir to consumers within Jefferson and Chambers Counties.

Upon assurances that it would furnish a share of the cost of the Federal Project, LNVA was named local sponsor of the Neches Basin reservoirs and furnished $5,000,000 of the construction costs of McGee Bend (now Sam Rayburn Reservoir) and Dam B (now Steinhagen Reservoir.)

Construction of Steinhagen Reservoir began in 1947 and was completed in 1951. The reservoir made a significant improvement in the dependability of streamflows in the lower basin, but it was never intended to be a stand-alone water supply reservoir because of its small size and the increasing demand for fresh water. Shortly after Steinhagen's completion, construction of Sam Rayburn Reservoir was initiated and impoundment of water in the completed reservoir began in 1965.

Although construction of upstream reservoirs had been completed, conservation of raw water was a driving force as additional releases from storage were still required to prevent saltwater intrusion. Continued freshwater conservation efforts and costs associated with reconstruction of temporary saltwater barriers drove the need for a permanent structure. In 2003, a permanent saltwater barrier was constructed just downstream of the Neches River and Pine Island Bayou confluence.

LNVA acquired the Devers Canal System from the Devers Rice Growers Association in 2008. Solely reliant on diversions from the Trinity River, the Devers System irrigated 5000-6000 acres of rice in 2007. With miles of the earthen levee overgrown with trees and many key structures near failure, only a fraction of the farming community in Liberty and Chambers County were able to irrigate their properties. Rehabilitation of the distribution system required extensive efforts spanning ten years. With the LNVA and Devers Canals now interconnected 14,000 – 17,000 acres of rice are irrigated on the Devers System annually. LNVA's system wide irrigation of rice farmed now fluctuates from 30,000 – 35,000 acres annually.

Moving forward, LNVA will continue to provide reliable water resources through implementation of conservation practices and proactive infrastructure maintenance system wide.

E. List any qualifications or eligibility requirements for persons or entities affected by this program, such as licensees, consumers, landowners, for example. Provide a statistical breakdown of persons or entities affected.

The combined Neches and Devers Canal Systems cover an area of approximately 750 square miles in Jefferson, Liberty, and Chambers Counties supplying water to ten (10) municipalities, more than 30 industrial facilities, and about 30,000 acres of rice.

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

The Fresh Water Supply Division is overseen by the Water Supply Manager and the Assistant Water Supply Manager. In total, the division employs 87 FTEs.

Pumping Plant Department

The Pumping Plant Department consists of twenty (21) full-time employees, including one (1) vacant Superintendent. Currently, this department's operations are overseen by the Pumping Plant Operations Supervisor, who supervises two (2) Lead Pumper-Operators and six (6) Pumper-Operators on the Neches system and two (2) Pumper-Operators on the Devers system. The Pumper-Operators operate natural gas, diesel, and electrically driven pumps to regulate canal water levels at the lift station discharge. The department's maintenance is overseen by the Pumping Plant Maintenance Supervisor, who supervises seven (7) Pumping Plant Mechanics and spans to both the Neches and Devers systems. The mechanics perform preventative and reactionary maintenance including major overhauls of natural gas engines.

Canal Department

The Canal Department consists of 48 full-time employees. The Canal Superintendent manages the department including both operations and maintenance and their budgets. Currently, the Operations Supervisor oversees one (1) Canal Rider Crew Leader, nine (9) Canal Riders, two (2) Canal Rider Trainees, and one (1) Canal Projects Coordinator. It is the duty of the Operations Supervisor to oversee the canal operations and irrigation events and meter readings for the Authority's water accounting software. The Canal Rider Crew Leader directs, schedules, and provides operational assistance to the group of Canal Riders, and also acts as the first responder to operational and customer issues. Canal Riders operate water control structures throughout the canal system to regulate the flow and delivery of water to the Authority's customers. The purpose of the Canal Rider Trainee position was to create a training atmosphere with reduced responsibilities. Canal Rider Trainees are expected to qualify for promotion to Canal Rider within two (2) years. The Canal Department Projects Coordinator oversees the Authority's agricultural electronic meter program and supplies warehouse, and is the main purchaser for the department.

The Canal Superintendent plans and directs large maintenance activities on the canal system. The Maintenance Supervisor oversees three (3) maintenances crews, which each consist of one

(1) Crew Leader, one (1) Assistant Crew Leader, and two (2) Maintenance Workers. Temporary employees are utilized in the maintenance crews as necessary. The Maintenance Supervisor also oversees two (2) Crew Leader - Equipment Coordinators, six (6) Heavy Equipment Operators, eight (8) Equipment Operators, two (2) Maintenance Worker IIIs, and one (1) Mechanic. The Crew Leader – Equipment Coordinators oversee the movement of the Canal Department's equipment and have primary responsibility for One Calls associated with maintenance. Heavy equipment operators operate various pieces of equipment, including medium and large excavators, bulldozers, and dump trucks, utilized in maintenance and construction activities of the Authority. Equipment Operators primarily operate tractors with side-boom mowing attachments in use of vegetation maintenance on levee side slopes. One (1) Equipment Operator utilizes a skid steer and backhoe. During the growing season, Maintenance Worker IIIs operate tractors with brush hogs to maintain vegetation growth on levee tops. The Mechanic oversees the preventative and reactionary maintenance for all Canal Department equipment.

Vegetation Control Department

The Vegetation Control Department is supervised by the Environmental Stewardship Manager with technical assistance of the Assistant Water Supply Manager and consists of two (2) full-time employees, including one (1) Crew Leader and one (1) Assistant Crew Leader. The Crew Leader is in charge of determining the work plan for the week. Both the Crew Leader and Assistant Crew Leader are licensed applicators and oversee vegetation control on levees and in the water column to prevent and reduce operational restrictions.

I&E Department

The I&E Department is supervised by the Water Supply Manager and consists of three (3) full-time employees, including one (1) I&E Coordinator and two (2) I&E Technicians. The I&E Coordinator oversees the operation and maintenance of the Authority's SCADA system, remote operated gates, remote transmitting units, municipal and industrial meter program, and the coordinator schedules work for the I&E Technician. One technician is primarily focused on instrumentation, while the other technician focuses on electrical.

GIS Department

The GIS Department is supervised by the Environmental Stewardship Manager and consists of two (2) full-time employees, including one (1) GIS Specialist and one (1) GIS Technician. The GIS Specialist provides administrative support for the program, and the GIS Technician acts as a data curator. In addition to administrative tasks, GIS personnel work closely with department heads and crew leaders to ensure the GIS program continues to function with a high level of accuracy and reliability.

Water Quality Lab Department

The Water Quality Lab Department consists of four (4) full-time employees, including one (1) Environmental Lab Manager, one (1) Senior Analyst/QA Officer, and two (2) Environmental Analysts. The Environmental Lab Manager oversees the water quality lab, Clean Rivers Program, and emissions control program for the Authority's lift stations. The Senior Analyst/QA Officer is responsible for the water quality lab's processes and procedures and management of the

Authority's Laboratory Information System (LIMS). The Environmental Analysts are responsible for bi-weekly, quarterly, and annual monitoring and testing of raw water, and calibration and maintenance of the laboratory and field equipment.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. Please specify state funding sources (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

All funding for the Fresh Water Supply Division is derived from the Authority's raw water sales. Occasionally, grants from the Texas Water Development Board have helped fund specific projects, such as agricultural electronic meters.

- **Lower Neches Valley Authority**
- **Exhibit 19: Fresh Water Supply Operating Revenues – Excluding CRP and SWB**

	2020		2021		2022	
	Budget	**Actual**	**Budget**	**Actual**	**Budget**	**Actual**
Operating Revenue	$26,276,950	$27,742,293	$25,298,450	$29,069,013	$27,031,200	$31,697,839

Table 19 Exhibit 19 FWS Operating Revenues

- **Lower Neches Valley Authority**
- **Exhibit 20: Fresh Water Supply Operating Expenses – Excluding CRP and SWB**

	2020		2021		2022	
Department	**Budget**	**Actual**	**Budget**	**Actual**	**Budget**	**Actual**
Neches Pumping	$3,093,681	$3,484,263	$3,434,705	$3,618,461	$4,019,285	$4,380,179
Devers Pumping	$595,328	$489,996	$547,034	$375,227	$463,530	$564,090
Neches Canal	$2,323,722	$2,241,586	$2,310,100	$2,224,108	$2,541,570	$2,319,895
Devers Canal	$1,197,597	$835,353	$1,238,152	$1,113,909	$1,258,690	$1,152,515
Vegetation	$351,673	$362,736	377,983	358,456	$384,780	$434,145
I&E	$360,645	$340,505	$396,170	$346,555	$406,170	$351,599
GIS	$219,095	$147,072	$222,660	$161,658	$231,440	$242,821
Water Quality Lab	$165,593	$165,476	$152,960	$145,073	$152,080	$190,823
Other FWS [1]	$6,724,427	$6,499,093	$6,248,840	$7,074,141	$6,861,230	$7,324,979
Total	**$15,031,761**	**$14,566,080**	**$14,928,604**	**$15,417,588**	**$16,318,775**	**$16,961,046**

[1]Note: 'Other FWS' includes expense budgets like overhead, fringe, benefits, insurance, safety, water purchases, vehicles, equipment, and non-administration buildings. Depreciation and asset transfers are not included in these expenditures.

Table 20 Exhibit 20 FWS Operating Expenses

The revenues generated from the Fresh Water Supply Division provides additional funding to the Administration, Projects and Planning, and Saltwater Barrier Divisions.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.

None.

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

Based on the geography of the Authority's Canal Systems, staff interacts with many different governmental entities, including but not limited to municipalities, counties, and drainage districts. The Authority interacts with the Texas Commission on Environmental Quality (TCEQ) for water diversions and air emissions. The Authority partners with the USACE and Texas Parks and Wildlife (TPWD) to provide a biologic and herbicide control of invasive aquatic vegetation on the Sam Rayburn Reservoir, Lake B. A. Steinhagen, and the Neches Basin. Recently, there has been more involvement with the TPWD, the United States Fish and Wildlife Service (USFWS), and other academia with the East Texas freshwater mussel listing proposals.

Fresh Water Supply collaborates with local, regional, and federal government units to ensure alignment with policies and standards while complying with permits, licenses, and regulatory requirements as detailed in the table below.

- **Lower Neches Valley Authority**
- **Exhibit 21: Permits, Licenses, or Regulatory Program Requirements – Fresh Water Supply**

Name	Description	Agency	Relevant Regulation/Law
Spill Prevention Control and Countermeasure (SPCC)	A plan for all LNVA facilities with aboveground oil (related) storage to prevent any discharge of oil into navigable waters of the US		40 CFR Ch I Part 112
Waste Oil Management	Covers the sampling and analysis of waste oil for the authority		30 TAC Ch. 324
Community Right to Know Act	Covers hazardous substance over known amount (diesel for LNVA)		Texas Health and Safety Code Sections 505 and 506
Emission Fees	Fee is required by, and is based on the tons of pollutants (Carbon Monoxide, Nitrogen Oxides, Particulate Matter, and Sulfur Dioxide) that LNVA emits in a calendar year	TCEQ	30 TAC §101.27

Name	Description	Agency	Relevant Regulation/Law
Water Management Plan	Regional Water Planning & Assessment	State Legislature	Senate Bill 1 & Senate Bill 2

Table 21 Exhibit 21 Permits, Licenses, or Regulatory Program Requirements – Fresh Water Supply

K. If contracted expenditures are made through this program please provide

- **a short summary of the general purpose of those contracts overall;**

Contract expenditures by the Fresh Water Supply Division generally provide for goods and services in promotion of the operations and maintenance of the Authority's canal systems and related structures and facilities.

- **the amount of those expenditures in fiscal year 2022;**

The amounts below reflect total expenditures related to purchase orders exceeding $10,000 and excludes salaries, benefits, and other ancillary operating costs.

Pumping Plant Department
$3,317,676; consisting of eighteen (18) contracts.

Canal Department
$895,190; consisting of seventeen (17) contracts.

Vegetation Control Department
$211,417; consisting of eight (8) contracts.

I&E Department
$23,166; consisting of one (1) contract.

GIS Department
$110,609; consisting of five (5) contracts.

Water Quality Lab Department
$41,700; consisting of one (1) contract.

Other FWS
$325,691; consisting of four (4) contracts.

- **the number of contracts accounting for those expenditures;**

54

- **the award dates and funding source for those contracts;**

Refer to the table below for award dates of the top five contracts by dollar amount. Other contracted expenditures occur periodically throughout the year.

- **the method used to procure those contracts;**

All contracts are procured in accordance with the LNVA Purchasing Policy. The LNVA Purchasing Policy provides for contracting professional services in accordance with Texas Government Code Ch. 2254 and all other goods and services in accordance with Texas Water Code Ch. 49, and Texas Government Code Ch. 2253, Ch. 2269 and Ch. 271.

- **top five contracts by dollar amount, including contractor and purpose;**

- **Lower Neches Valley Authority**
- **Exhibit 22: Top Five Contracts - Fresh Water Supply**

#	Vendor Name	Purpose	Contract Amount	Award Date
1	Symmetry Energy Solutions, LLC	Natural gas for Neches pumping plant operations	$1,969,079	1/16/07 & 3/7/16
2	Siemens Energy, Inc.	Engine parts for Neches 1st pumping plant maintenance	$507,869	9/26/22
3	Siemens Energy, Inc.	Engine parts for BI 2nd pumping plant maintenance	$443,686	9/26/22
4	Entergy, Inc.	Electric power for Devers pumping plant operations	$356,020	N/A
5	Tri-Con, Inc.	Gasoline & Diesel for equipment & vehicles	$324,092	4/21/21

Table 22 Exhibit 22 Top Five Contracts – Fresh Water Supply

- **the methods used to ensure accountability for funding and performance; and**

Compliance with established Purchasing Policy Controls for accountability for funding and performance are set forth in the LNVA Purchasing Policy. See Attachment 11. The level of controls is tailored to the dollar value of the contract being issued.

- **a short description of any current contracting problems.**

N/A

L. Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.

N/A

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs related to the licensing, registration, certification, or permitting of a person, business, piece of equipment, or other entity (e.g., a facility). For each regulatory program, if applicable, describe

- **why the regulation is needed;**

- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **actions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

P. For each regulatory program, if applicable, provide detailed information on complaint and regulatory actions, including investigations and complaint resolutions. The data should cover the last five fiscal years and give a complete picture of the program's regulatory activity, including comprehensive information from initiation of a complaint to resolution of a case. The purpose of the chart is to create uniformity across agencies under review to the extent possible, but you may make small adjustments to the chart headings as needed to better reflect your agency's particular programs. If necessary to understand the data, please include a brief description of the methodology supporting each measure. In addition, please briefly explain or define terms as used by your agency, such as complaint, grievance, investigation, enforcement action, jurisdictional scope, etc.

N/A

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Clean Rivers Program

A. Provide the following information at the beginning of each program description.

Name of Program/Function	Location/Division	Contact Name	Statutory Citation for Program
Clean Rivers Program[1]	6790 Bigner Road, Beaumont, TX 77708	Jason Watson, Environmental Stewardship Manager	TX Water Code Ch. 26 §26.0135

[1] This program shares employment of four (4) FTEs w/ the Water Quality Lab.

B. What is the objective of this program or function? Describe the major activities performed under this program.

The Texas Clean Rivers Program (CRP) has a primary objective, which is to monitor and enhance the water quality of rivers and streams across the state of Texas. Within the Clean Rivers Program, the Lower Neches Valley Authority (LNVA) performs several major activities. LNVA conducts thorough water quality monitoring in various rivers and streams within its jurisdiction, collecting samples and analyzing them for various parameters, including nutrients, bacteria, metals, pesticides, and other pollutants. After gathering the data, LNVA carefully analyzes the results to assess the health of the water bodies and pinpoint potential pollution sources. This valuable information is then compiled into detailed reports to increase public awareness and aid decision-making by regulatory agencies.

Identifying the sources of pollution is another critical activity undertaken by LNVA. They diligently track pollution from point sources like industrial discharges, as well as non-point sources like runoff from urban areas or agricultural fields. To address water quality issues effectively, LNVA engages in watershed management efforts. This entails collaborating with various stakeholders, such as local governments, industries, and community groups, to implement best management practices that mitigate pollution and safeguard water resources.

Public outreach and education play an important role in LNVA's implementation of the Clean Rivers Program. They actively educate the public about the significance of clean water and how individuals can contribute to water conservation and pollution prevention. By raising awareness and promoting responsible behaviors, they aim to protect water quality collectively.

Working in close coordination with regulatory agencies is crucial for LNVA to ensure compliance with water quality standards and pollution control regulations. This collaboration helps enforce measures to reduce pollution and maintain water quality within acceptable limits.

Moreover, the Clean Rivers Program involves adaptive management and planning. As conditions change over time, LNVA continuously updates its strategies based on new data and scientific findings to address emerging water quality challenges effectively.

In summary, the major activities performed by the Lower Neches Valley Authority (LNVA) within the Clean Rivers Program are dedicated to safeguarding and enhancing the water quality of rivers

and streams in its region. By diligently executing these activities, LNVA contributes to the sustainable use of water resources for the benefit of current and future generations.

C. What information can you provide that shows the effectiveness and efficiency of this program or function? If applicable, reference but do not repeat any performance measures from Section II, Exhibit 2, and provide any other metrics of program effectiveness and efficiency. Also, please provide the calculation or methodology behind each statistic or performance measure.

The LNVA CRP demonstrates its effectiveness and efficiency through its implementation of a watershed management approach to identify and evaluate water quality issues. This approach ensures a comprehensive understanding of the entire watershed, identifying pollution sources and potential risks in a holistic manner. Based on the information gathered through watershed evaluations, the Texas Commission on Environmental Quality (TCEQ) establishes priorities for corrective action and works to implement those actions, allocating limited resources to address the most critical water quality challenges effectively.

To optimize efficiency, the Authority creates a comprehensive workplan that categorizes and prioritizes tasks based on the allocated budget. This organized approach ensures that efforts are targeted to achieve the most significant impact on water quality improvement. Moreover, the program collaborates with stakeholders and other relevant agencies monitoring water quality in the south-eastern portion of the State to avoid duplicate monitoring efforts. This coordinated effort streamlines data collection and resource allocation, maximizing the program's effectiveness.

In line with regulatory requirements, the CRP workplan is submitted to TCEQ for review, comment, and approval. This adherence to established procedures promotes transparency and ensures compliance with guidelines, contributing to the program's effectiveness. Additionally, the program's integration of State, Federal, and local agencies and stakeholders enhances its efficiency, leveraging a diverse pool of expertise and resources for water quality management efforts.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent. If the response to Section III of this report is sufficient, please leave this section blank.

The Clean Rivers Program in Texas has a significant history, dating back to its origins in the early 1970s as part of the Clean Water Act. However, the specific legislation that established the program in its current form was enacted in 1991 by the Texas Legislature (Chapter 26, Water Code). The Clean Water Act, enacted in 1972 at the federal level, served as the foundation for many state-level water quality programs, including Texas' Clean Rivers Program.

The Clean Rivers Program was established in response to growing concerns about water pollution and the imperative to protect and conserve the state's water resources. Its primary intent, at its

inception, was to address water quality issues and monitor the health of rivers and streams throughout Texas, in line with the objectives of the federal Clean Water Act.

Originally implemented with a focus on point sources of pollution and traditional water quality parameters, the Clean Rivers Program underwent notable changes over the years. One of the significant transformations was the adoption of a more comprehensive watershed management approach. This shift recognized the interconnected nature of watersheds and allowed for a more holistic understanding of water quality challenges. By considering the entire watershed, the program became more effective in identifying pollution sources and implementing targeted solutions.

As the importance of water quality and environmental conservation became increasingly apparent, the program expanded its scope to include collaboration with multiple stakeholders and agencies. State, Federal, and local entities, along with other stakeholders, were integrated into the program's efforts, bringing together a wealth of expertise and resources to address water quality issues more efficiently.

Moreover, the Clean Rivers Program recognized the value of public outreach and education. It began incorporating effective public engagement initiatives to raise awareness about water quality issues and encourage responsible behaviors in the community. This focus on public involvement fostered a sense of ownership and responsibility for water quality protection.

Advancements in technology also played a vital role in shaping the program's functions. With improved data collection and analysis methods, such as the use of Geographic Information Systems (GIS) and remote sensing technologies, the program gained better insights into water quality trends and pollution sources within watersheds.

E. List any qualifications or eligibility requirements for persons or entities affected by this program, such as licensees, consumers, landowners, for example. Provide a statistical breakdown of persons or entities affected.

N/A

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

The Clean Rivers Program is managed by, and shares staffing resources with, the LNVA Water Quality Lab Department, which consists of four (4) full-time employees, including one (1) Environmental Lab Manager, one (1) Senior Analyst/QA Officer, and two (2) Environmental Analysts.

The LNVA’s monitoring jurisdiction includes 23 stations located in Jasper, Tyler, Hardin, Jefferson, and Orange counties. The waterways making up the lower Neches Basin include Sam Rayburn

Reservoir, Angelina River, B.A. Steinhagen Lake, Village Creek, Pine Island Bayou, and the Neches River. In conjunction, the TCEQ Region 10 office monitors nineteen (19) stations in the lower Neches Basin and the Neches-Trinity Coastal Basin. The Neches-Trinity Coastal Basin is located in Jefferson County and consists of Hillebrandt Bayou, Taylor Bayou, the Intracoastal Waterway, and the Sabine/Neches Canal. As part of the Clean Rivers Program, the Authority completes annual water quality reports on the data collected in both basins.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. Please specify state funding sources (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

This program generates revenues through assessments of fees to major water rights holders and wastewater dischargers throughout the state.

The program's funding is provided through successive two (2) year contracts with the TCEQ, which is dispersed into the annual LNVA operating budget.

- **Lower Neches Valley Authority**
- **Exhibit 23: Clean Rivers Program Funding by Fiscal Year**

	2020		2021		2022	
	Budget	**Actual**	**Budget**	**Actual**	**Budget**	**Actual**
Operating Expense	$182,937	$196,837	$215,874	$218,174	$217,967	$172,415

Table 23 Exhibit 23 CRP Funding by Fiscal Year

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.

Other portions of this basin and other basins across the State of Texas participate in this same program.

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

Annual stakeholder meetings are held for coordination to maximize efficiency. Texas Commission on Environmental Quality contracts specify which geographical areas fall within their purview.

J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

Agencies work well together to provide a holistic view of water quality concerns across the state. CRP collaborates with local, regional, and federal government units to ensure alignment with policies and standards while complying with permits, licenses, and regulatory requirements as detailed in the table below.

- **Lower Neches Valley Authority**
- **Exhibit 24: Permits, Licenses, or Regulatory Program Requirements – CRP**

Name	Description	Agency	Relevant Regulation/Law
Clean Rivers Program	State grant program	TCEQ	Tx Water Code Ch. 26 §26.0135

Table 24 Exhibit 24 Permits, Licenses, or Regulatory Program Requirements – CRP

K. If contracted expenditures are made through this program please provide

- **a short summary of the general purpose of those contracts overall;**

Contract expenditures by the Clean Rivers Program generally provide for goods and services in promotion of the water quality monitoring in the Neches Basin.

- **the amount of those expenditures in fiscal year 2022;**

The amounts below reflect total expenditures related to purchase orders exceeding $10,000 and excludes salaries, benefits, and other ancillary operating costs.
$20,850

- **the number of contracts accounting for those expenditures;**

One (1) contract.

- **the award dates and funding source for those contracts;**

Refer to the table below for award dates of the top five contracts by dollar amount. Other contracted expenditures occur periodically throughout the year. Funding sources for all contracts are through contract with TCEQ.

- **the method used to procure those contracts;**

All contracts are procured in accordance with the LNVA Purchasing Policy. The LNVA Purchasing Policy provides for contracting professional services in accordance with Texas Government Code Ch. 2254 and all other goods and services in accordance with Texas Water Code Ch. 49, and Texas Government Code Ch. 2253, Ch. 2269 and Ch. 271.

- **top five contracts by dollar amount, including contractor and purpose;**

- **Lower Neches Valley Authority**
- **Exhibit 25: Top Five Contracts – Clean Rivers Program**

#	Vendor Name	Purpose	Contract Amount	Award Date
1	Boat Right Custom Boats	Laboratory boat for river travel and sample collection	$41,700	7/21/21

Table 25 Exhibit 25 Top Five Contracts – Clean Rivers Program

- **the methods used to ensure accountability for funding and performance; and**

Compliance with established Purchasing Policy Controls for accountability for funding and performance are set forth in the LNVA Purchasing Policy. See Attachment 11. The level of controls is tailored to the dollar value of the contract being issued.

- **a short description of any current contracting problems.**

N/A

L. Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.

None.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

In recent years, this team partnered with several academic institutions and agencies providing biological support by conducting surveys associated with native species. Several of the species are considered rare or threatened by Texas Parks and Wildlife Department (TPWD) and the U.S. Fish and Wildlife Service (USFWS). Data collection associated with these species have bolstered preexisting information that were not representative of their occupancy, abundance, and range. This information is provided to enable regulatory agencies to make informed decisions when protections are being considered.

The Clean Rivers Program also allows local volunteers to conduct water quality testing, and after being trained by LNVA staff, those volunteers become part of the Texas Stream Team. The Texas Stream Team originated from a group of citizen scientists trained to collect and submit surface water quality and other environmental data at Texas State University. The Texas Stream Team not only includes training but also water quality monitoring supplies.

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, piece of equipment, or other entity (e.g., a facility). For each regulatory program, if applicable, describe

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **actions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

P. For each regulatory program, if applicable, provide detailed information on complaint and regulatory actions, including investigations and complaint resolutions. The data should cover the last five fiscal years and give a complete picture of the program's regulatory activity, including comprehensive information from initiation of a complaint to resolution of a case. The purpose of the chart is to create uniformity across agencies under review to the extent possible, but you may make small adjustments to the chart headings as needed to better reflect your agency's particular programs. If necessary to understand the data, please include a brief description of the methodology supporting each measure. In addition, please briefly explain or define terms as used by your agency, such as complaint, grievance, investigation, enforcement action, jurisdictional scope, etc.

N/A

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A. Provide the following information at the beginning of each program description.

Name of Program/Function	Location/Division	Contact Name	Statutory Citation for Program
Saltwater Barrier	6790 Bigner Rd, Beaumont, TX 77708	Jason Watson, Environmental Stewardship Manager	N/A

B. What is the objective of this program or function? Describe the major activities performed under this program.

The Neches River Saltwater Barrier (Barrier) is designed to inhibit the upstream intrusion of saltwater for protection of freshwater intakes and the ecological integrity of the freshwater habitat upstream. The Barrier is a very beneficial water conservation tool as it eliminated the need for temporary saltwater barriers and associated water releases from storage to control saltwater intrusion. The Barrier also provides environmental benefits during periods of low to normal flow in the Neches River.

The Barrier program staffs four (4) full-time employees, which includes two (2) Lockmasters and two (2) Lock and Gate Operators. These employees work on two (2) different rotating day shifts with eight (8) days on-shift and six (6) days off-shift. The LNVA Water Quality Lab and Clean Rivers Program also office at the Barrier, which includes another four (4) full-time employees.

The Barrier facility includes two public boat ramps, public restrooms, picnic area, walking trail, and stocked fishing ponds and additional recreational opportunities through increased access to the Neches River and the adjacent Big Thicket National Preserve.

C. What information can you provide that shows the effectiveness and efficiency of this program or function? If applicable, reference but do not repeat any performance measures from Section II, Exhibit 2, and provide any other metrics of program effectiveness and efficiency. Also, please provide the calculation or methodology behind each statistic or performance measure.

Aside from protecting the freshwater supply of Southeast Texas, the project saves more than 500,000 acre-feet per year of water not having to be released from the Sam Rayburn Reservoir to control saltwater intrusion.

2022 Goals Snapshot

Introduction

In early 2020, staff began developing goals for LNVA's different divisions and departments in order to continually improve. By 2022, the goals were fully implemented and continually monitored. The general format for the goal is to identify a high priority goal for a division or department. Desired results can be determined to help identify how goal success looks. As some goals are hard to measure, lead measures are targets or tasks used to help accomplish a goal.

Typically, a division/department reports on the progress of lead measures. If accomplishing a lead measure doesn't help accomplish the goal or has adverse effects, those lead measures are removed or adapted. At year's end, goals and lead measures are reviewed to determine whether current goals and lead measures are still viable or new ones are warranted.

Saltwater Barrier

Goal

1) Efficient fresh water availability

Lead Measures

1) Ordering water within 10% of pumpage per quarter and annually
2) No readings above 250 µs/cm at Station X
3) Execution of the annual inspection program

Progress

1) **100%** - Water demand forecasting worked well.

	Quarter	*Accuracy (%Δ)*
a.	Q1	(5%)
b.	Q2	(1%)
c.	Q3	(1%)
d.	Q4	(0%)
e.	YTD	(1%)

2) **100%** -No readings above 250 µs/cm at Station X.
3) **100%** - 100% of the preventative maintenance program is complete. 100% of the annual facility maintenance is complete.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent. If the response to Section III of this report is sufficient, please leave this section blank.

N/A

E. List any qualifications or eligibility requirements for persons or entities affected by this program, such as licensees, consumers, landowners, for example. Provide a statistical breakdown of persons or entities affected.

The Neches River Saltwater Barrier protects the LNVA and City of Beaumont freshwater intakes on the Neches River from saltwater migration upstream as a result of the deep-draft navigation channel to Beaumont. The Authority's intakes are located on the northern side of Beaumont adjacent to Pine Island Bayou. It also protects the intake utilized by the City of Beaumont to divert raw water for potable treatment.

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

This project is operated and maintained as a result of a cooperative effort between the U.S. Army Corps of Engineers (USACE), the City of Beaumont, and the LNVA. The LNVA owns and operates the Barrier under its purview. The operation and maintenance (O&M) of the Barrier follows the Project Cooperation Agreement and the LNVA Neches River Saltwater Barrier Standard Operating Procedures. All O&M funding is expensed by the LNVA and reimbursed quarterly from the USACE and City of Beaumont in splits shown in the following section.

The Saltwater Barrier Department operates as a part of the Fresh Water Supply Division in the Environmental Stewardship Sub-division. The Environmental Stewardship Manager supervises two (2) Lockmasters and two (2) Lock & Gate Operators at the Saltwater Barrier. The Lockmaster is the on-site leader.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. Please specify state funding sources (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

The cost sharing agreement for the Neches River Salt Water Barrier as documented in the Project Cooperation Agreement (PCA) is 75% Federal / 25% Non-federal. By separate agreement the City of Beaumont, Texas and LNVA evenly split the non-federal cost. Accordingly, operation, maintenance, repair, replacement, and rehabilitation cost are allocated as follows: USACE 75%, City of Beaumont 12.5%, and LNVA 12.5%.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.

None.

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

The LNVA is the non-federal sponsor and operator of the Neches River Saltwater Barrier (SWB) at Beaumont, a USACE - Galveston District Federal Navigation Mitigation Project. Two large

USACE reservoirs, Sam Rayburn and B. A. Steinhagen ("Dam B"), collect and store water as it enters the basin. The Barrier employees are responsible for operation and maintenance of the structure, tracking LNVA customer raw water demand, scheduling raw water delivery to customers, and coordinating releases of water from reservoir storage with the USACE when needed. These reservoirs provide a reliable source of fresh water to the many communities, farms, and industries served by the LNVA.

K. If contracted expenditures are made through this program please provide

- **a short summary of the general purpose of those contracts overall;**

  Contract expenditures by the Saltwater Barrier program generally provide for goods and services in promotion of the operations and maintenance of the Neches River Saltwater Barrier structures and facilities.

- **the amount of those expenditures in fiscal year 2022;**

  The amounts below reflect total expenditures related to purchase orders exceeding $10,000 and excludes salaries, benefits, and other ancillary operating costs.

  $44,967

- **the number of contracts accounting for those expenditures;**

  Two (2) contracts.

- **the award dates and funding source for those contracts;**

  Refer to the table below for award dates of the top five contracts by dollar amount. Other contracted expenditures occur periodically throughout the year. Funding sources for all contracts are LNVA Operating and Non-Operating Revenues.

- **the method used to procure those contracts;**

  All contracts are procured in accordance with the LNVA Purchasing Policy. The LNVA Purchasing Policy provides for contracting professional services in accordance with Texas Government Code Ch. 2254 and all other goods and services in accordance with Texas Water Code Ch. 49, and Texas Government Code Ch. 2253, Ch. 2269 and Ch. 271.

- **top five contracts by dollar amount, including contractor and purpose;**

- **Lower Neches Valley Authority**
- **Exhibit 26: Top Five Contracts – Saltwater Barrier**

#	Vendor Name	Purpose	Contract Amount	Award Date
1	United States Geological Service	Real-time water level and flowrate monitoring	$54,600	9/30/22
2	Entergy, Inc.	Electrical power service for the Saltwater Barrier	$15,461	N/A

Table 26 Exhibit 26 Top Five Contracts – Saltwater Barrier

- **the methods used to ensure accountability for funding and performance; and**

Compliance with established Purchasing Policy Controls for accountability for funding and performance are set forth in the LNVA Purchasing Policy. See Attachment 11. The level of controls is tailored to the dollar value of the contract being issued.

- **a short description of any current contracting problems.**

None.

L. Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.

N/A

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, piece of equipment, or other entity (e.g., a facility). For each regulatory program, if applicable, describe

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **actions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

P. For each regulatory program, if applicable, provide detailed information on complaint and regulatory actions, including investigations and complaint resolutions. The data should cover the last five fiscal years and give a complete picture of the program's regulatory activity, including comprehensive information from initiation of a complaint to resolution of a case. The purpose of the chart is to create uniformity across agencies under review to the extent possible, but you may make small adjustments to the chart headings as needed to better reflect your agency's particular programs. If necessary to understand the data, please include a brief description of the methodology supporting each measure. In addition, please briefly explain or define terms as used by your agency, such as complaint, grievance, investigation, enforcement action, jurisdictional scope, etc.

N/A

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Wastewater Treatment Division - NRTP

A. Provide the following information at the beginning of each program description.

Name of Program/Function	Location/Division	Contact Name	Statutory Citation for Program
LNVA Wastewater Treatment Division (NRTP)	2655 Gulf States Road, Beaumont, TX 77701	Jesse Eastep, Utilities Manager	Texas Water Code Title 4, Chapter 49 Subchapter H. Sec. 49.213 and the Texas Special District Local Laws Code Title 6, Chapter 8504 Subchapter E.

B. What is the objective of this program or function? Describe the major activities performed under this program.

The Texas Water Code Title 4, Chapter 49 Subchapter H. and the Texas Special District Local Laws Code Title 6, Chapter 8504 Subchapter E. authorizes the Authority to develop, operate, and maintain wastewater treatment plants as part of an economic development program designed to improve the quality or quantity of services essential for the development of viable communities and economic growth. The Wastewater Treatment Division was established to provide regional wastewater treatment facilities that serve industrial, municipal, and commercial entities within the Authority's designated territory on a direct own/operate or contract operation basis. The Authority's territory is specified in Texas Special District Local Laws Code Title 6, Chapter 8504 Subchapter A.

The primary objectives of the division are to protect the public health and safety, protect the environment, and promote industrial, municipal, and commercial economic growth through the development and operation of regional wastewater treatment plants designed to ensure compliance with all local, state, and federal effluent discharge limitations.

<u>North Regional Treatment Plant (NRTP)</u>
The North Regional Treatment Plant (NRTP) is a 17.140 MGD Centralized Wastewater Treatment Plant that receives and treats wastewater streams from four adjacent participating industrial users; ExxonMobil Beaumont Refinery, ExxonMobil Beaumont Chemical Plant, Chemtrade Logistics, Inc., and Arkema, Inc. The LNVA partnered with the Neches River Treatment Corporation (NRTC), a wholly owned subsidiary of Mobil Oil Corporation, now Exxon Mobil Corporation, in the early 1970s to plan, design, construct, and operate the NRTP. The LNVA has provided on-going contract operation of the facility as a co-permittee with the NRTC on all applicable regulatory permits since its commissioning in 1976.

The NRTP is a conventional activated sludge aggressive secondary biological wastewater treatment facility (40 CFR § 261.31 (b)(2)) that receives and treats process wastewater and intermittent storm water from four (4) area participating refinery and petrochemical industrial users prior to discharge at its TPDES Permit WQ0001727000 permitted Outfall 001 in Lower Neches River Tidal in Segment 0601 of the Neches River. Each user's wastewater stream is transported via pipeline to the NRTP treatment system that consists of equalization, aggressive biological treatment (aeration), clarification, and tertiary filtration as needed. Caustic soda for pH

adjustment and phosphoric acid for supplemental macronutrient phosphorus are added as necessary. Mixed liquor solids are separated in secondary gravity clarifiers and the settled sludge is recycled (RAS) via pipeline to the aeration basin. Excess biomass is wasted from the RAS pipeline header to an onsite gravity thickener tank. The thickened solids are pumped via pipeline to an offsite facility where it is dewatered and disposed of at an off-site permitted landfill as Class II non-hazardous biosludge. The treatment system is designed to produce a discharge effluent quality that meets all state and federal water quality standards established for the receiving waters at its permitted Outfall 001.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and outcome performance measures that best convey the effectiveness and efficiency of this function or program. Also please provide a short description of the methodology behind each statistic or performance measure.

The NRTP provides participating users access to a state-of-the-art single source regional wastewater treatment facility designed to meet all state and federal treatment and disposal standards applicable to their wastewater streams. Utilization of the NRTP allows users to benefit from the synergies, treatment efficiency, and cost savings associated with a centralized wastewater treatment plant. Additionally, the plant design provides the treatment capacity required for management of additional wastewater associated with current and future user plant expansion projects.

The Texas Commission on Environmental Quality (TCEQ) TPDES Permit WQ0001727000, EPA I.D. No. TX0062677 authorizes the NRTP to discharge treated wastewater under the provisions of Section 402 of the Clean Water Act and Chapter 26 of the Texas Water Code. The permit defines the NRTP effluent discharge point (outfall), volume, and quality limitations, and the monitoring and reporting requirements. Additionally, the permit specifies the permit conditions, operational and maintenance requirements, and site-specific special requirements associated with the permitted facility. The permit requires continuous, daily, semiannual, and annual monitoring of specified effluent parameters that are reported to TCEQ via a monthly Discharge Monitoring Report (DMR).

Periodic comprehensive compliance inspections and NELAP laboratory conformance assessments are conducted by the TCEQ to determine NRTP's compliance with its TPDES Permit and NELAP Laboratory Accreditation requirements. The NRTP has maintained a good TCEQ Compliance History rating. Compliance history and other permit related information regarding the NRTP is documented and available for public access by a search of the TCEQ Central Registry.

The NRTP owner and co-permittee, Neches River Treatment Corporation, conducts periodic audits of the NRTP to assess LNVA compliance with the LNVA-NRTC Operating Contract, and Quality Practices and Guidelines (QP&G) assessments to evaluate the quality assurance practices associated with the NRTP laboratory testing activities. The NRTP complies with all Operating Contract requirements and maintains a NRTC Preferred laboratory services provider status based on QP&G audit results.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

N/A

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

The wastewater treatment plant operating services provided to ExxonMobil Beaumont Refinery, ExxonMobil Beaumont Chemical Plant, Chemtrade Logistics, Inc., and Arkema, Inc. by the LNVA ensures the industries comply with all state and federal laws regarding treatment and disposal of the wastewater streams they transport via pipeline to the NRTP. The participating users of the NRTP must be a party to the NRTC User Agreement or Auxiliary Participant Agreement, which specifies flow, load and quality requirements and limitations, and acknowledges LNVA as contract operator of the NRTP as specified in the LNVA-NRTC Operating Contract.

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

The LNVA operates the NRTP under the terms and conditions of the LNVA-NRTC Operating Contract and NRTC User Agreement. LNVA provides all management, supervision, operations, maintenance, and laboratory personnel required for day-to-day operation of the facility. The LNVA Utility Manager reports to the General Manager and has management oversight of the NRTP operations, maintenance and laboratory departments, regulatory compliance, and Operating Contract compliance. The plant staff consists of a Utility Manager, Assistant Utility Manager, Laboratory Supervisor, Maintenance Supervisor, Technical Assistant, Administrative Clerk, Analytical Specialist, Laboratory Projects Technician, two Relief Operators/Laboratory Technicians, four Wastewater Operators, four Laboratory Technicians, one Maintenance Leaderman, one Maintenance Assistant II, one Maintenance Assistant I, and one I&E Technician.

NRTP management and supervision staff are responsible for all administrative, purchasing, accounting, regulatory monitoring, documentation, and reporting activities at the plant level. Direct communication is maintained with the LNVA Administrative staff for coordination of all site specific administrative, accounting, and HR support requirements.

The NRTP maintains a continuous seven day per week 24-hour operation that includes monitoring, controlling, and processing all influent user wastewater streams, monitoring and controlling all segments of the treatment process, and conducting process control and regulatory monitoring test procedures utilizing NRTP in-house laboratory technicians or off-site contract laboratories. Plant general maintenance, electrical maintenance, and instrumentation

maintenance/calibration are performed by qualified plant staff. Contract maintenance and I&E providers are utilized on an as needed basis.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

As set forth in the LNVA-NRTC Operating Contract, all costs incurred by LNVA for the operation of the NRTP are reimbursed to LNVA by the NRTC monthly upon receipt of a LNVA Operating Charge (invoice) that includes all operating and maintenance costs incurred during the month. The NRTC is reimbursed the monthly operating and maintenance costs by the participating users in accordance with the calculated user cost share allocation procedure set forth in the NRTC User Agreement. The LNVA receives a monthly operating fee from the NRTC for providing contract operation of the NRTP, and a monthly management fee for LNVA activities as co-permittee for the NRTP TPDES permit, participation in NRTC general meetings, and state and regulatory activities required in the conduct of NRTP business.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.

N/A

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

NRTP collaborates with local, regional, and federal government units to ensure alignment with policies and standards while complying with permits, licenses, and regulatory requirements as detailed in the table below.

- **Lower Neches Valley Authority**
- **Exhibit 27: Permits, Licenses, or Regulatory Program Requirements – NRTP**

Name	Description	Agency	Relevant Regulation/Law
TPDES Permit No. WQ0001727000 (EPA I.D. No. TX0062677)	Wastewater Discharge Permit – Outfall 001	TCEQ EPA	Section 402 Clean Water Act Chapter 26 Texas Water Code

Name	Description	Agency	Relevant Regulation/Law
RCRA Hazardous Waste Permit No. 50349 (EPA I.D.No. TXD-074204991)	Hazardous Waste Storage, Processing, and Disposal Facility Post Closure Care Permit for TCEQ Permit Unit No. 01 Equalization Basin.	TCEQ EPA	Resource Conservation and Recovery Act
Department of the Army Permit No. 19989(01)	Permit Amendment for 1) installation of a Navigation Aid at Outfall 001.	US Army Corps of Engineers	US Army Corps of Engineers Nationwide Permit No. 1 & No. 7 33 CFR Parts 66 and 330
Permit by Rule (PI-8 Submittal) TCEQ Account No. JE-0320-T	Emission certification documentation that the NRTP is not a major source (as defined in 30 TAC, Chapter 122.10).	TCEQ	30 TAC, Chapter 106, Section 106.6(e)
TCEQ Air Account No. JE0320T Air Emissions Inventory Reporting	Annual air emissions inventory report submittal.	TCEQ EPA	Section 382.014 of the Texas Clean Air Act 30 TAC 101.10 (Air Emissions Inventory Rule)
National Emission Standards for Hazardous Air Pollutants (NESHAP) Reporting	Annual report submittal summarizing the regulatory status of the NRTP waste streams known to contain benzene.	TCEQ EPA	40 CFR 61.357(c)
Industrial Solid Waste Generation/Disposal Notice of Registration Number – 35045 (EPA I.D. No. TXD-074204991)	Classification of Biological Sludge as Class II Code 251970 Non-Hazardous for Off-Site Disposal.	TCEQ EPA	30 TAC Section 335
TCEQ Solid Waste Registration No. 30587 (Approval of Request for Variance from Subchapter R Classification)	Variance from 30 TAC, Section 335.508(6) to re-classify Biological Sludge from Class 1 Waste Code 00486071 to Class 2 Waste Code 00976072 Non-Hazardous for Off-Site Disposal.	TCEQ EPA	30 TAC Section 335
Conditionally Exempt Small Quantity Generator Classification (CESQGC)	Hazardous waste disposal procedures/requirements.	TCEQ	40 CFR 261.5(j) and 30 TAC 335.78(j).
Annual and Biennial Report Site Activity Report	Annual Site Activity report RCRA Biennial Report	TCEQ EPA	LNVA-NRTP RCRA Permit No. HW-50349 (EPA I.D.No. TXD-074204991)
SARA Tier II Submittal	Annual report documenting hazardous chemical inventories.	EPA TCEQ	Sections 312 and 313 of the Emergency Planning and Community Right-To-Know Act (EPCRA); 40 CFR Part 370
Notice of Registration (NOR) (Solid Waste Registration No. 35045 – EPA I.D. No. TXD074204994)	Registration of industrial and hazardous waste.	TCEQ	31 TAC 335
Wastewater Operator Certification	Operator certification requirement for facility STP.	TCEQ	30 TAC Chapter 30
ISTC Contractor Safety Training (Annual)	Annual contractor safety training required by all participating User industries.	User Industries	Facility User

Name	Description	Agency	Relevant Regulation/Law
Crane Operator Certification (Up to 20 Ton HYD Crane)	Participating NRTP User Industries require Certification by licensed OSHA trainer for LNVA-NRTP maintenance personnel to operate crane equipment within their facilities.	User Industries	Facility User
Contractor Fire Watch Training	Participating NRTP User Industries require trained fire watch personnel on duty when LNVA-NRTP maintenance personnel welding within their facilities	User Industries	Facility in accordance with OSHA Standards.

Table 27 Exhibit 27 Permits, Licenses, or Regulatory Program Requirements – NRTP

K. If contracted expenditures are made through this program please provide:

- **a short summary of the general purpose of those contracts overall;**

The general purpose of the contracts is to purchase goods and services for the North Regional Treatment Plant that are necessary to ensure efficient operations and maintain compliance with the facility's security and regulatory requirements.

- **the amount of those expenditures in fiscal year 2022;**

$1,407,691

- **the number of contracts accounting for those expenditures;**

16

- **the award dates and funding source for those contracts;**

Refer to the table below for award dates of the top five contracts by dollar amount. Other contracted expenditures occur periodically throughout the year. Funding sources for all contracts are LNVA operating and non-operating revenues.

- **the method used to procure those contracts;**

All contracts are procured in accordance with the LNVA Purchasing Policy. The LNVA Purchasing Policy provides for contracting professional services in accordance with Texas Government Code Ch. 2254 and all other goods and services in accordance with Texas Water Code Ch. 49, and Texas Government Code Ch. 2253, Ch. 2269 and Ch. 271.

- **top five contracts by dollar amount, including contractor and purpose;**

- **Lower Neches Valley Authority**
- **Exhibit 28: Top Five Contracts - Wastewater Treatment Division (NRTP)**

#	Vendor Name	Purpose	Contract Amount	Award Date
1	ExxonMobil Oil Corporation	Processing and out hauling of excess non-hazardous solids generated by the North Regional Treatment Plant wastewater treatment process	$1,068,459	BY 2022
2	Allied Universal	24-hours a day / 7-days a week onsite security guard services for the North Regional Treatment Plant	$140,572	BY 2022
3	Honeywell	Honeywell Micro TDC 3000 DCS proprietary equipment Service Agreement	$64,060	BY 2022
4	Satellite Shelters, Inc.	Annual lease fees associated with three North Regional Treatment Plant office trailers	$32,975	BY 2022
5	Coastal Spray Company	Vegetation control services for all areas of the North Regional Treatment plant	$21,765	BY 2022

Table 28 Exhibit 28 Top Five Contracts – Wastewater Treatment Division (NRTP)

- **the methods used to ensure accountability for funding and performance; and**

The LNVA follows Board approved defined purchasing procedures to ensure consistent and legally compliant procurement practices are adhered to. Once a contract is executed, the responsible LNVA staff ensure the service or product is delivered as described in the respective contract.

- **a short description of any current contracting problems.**

N/A

L. Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.

N/A

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **sanctions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated**
- **entities.**

N/A

P. For each regulatory program, if applicable, provide detailed information on complaint investigation and resolution. Please adjust the chart headings as needed to better reflect your agency's particular programs. If necessary to understand the data, please include a brief description of the methodology supporting each measure.

N/A

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West Regional Water Treatment Plant - WRWTP

A. Provide the following information at the beginning of each program description.

Name of Program/Function	Location/Division	Contact Name	Statutory Citation for Program
West Regional Water Treatment Plant	1303 Devillier Road Winnie, Texas 77665	Jesse Eastep Utilities Manager	N/A

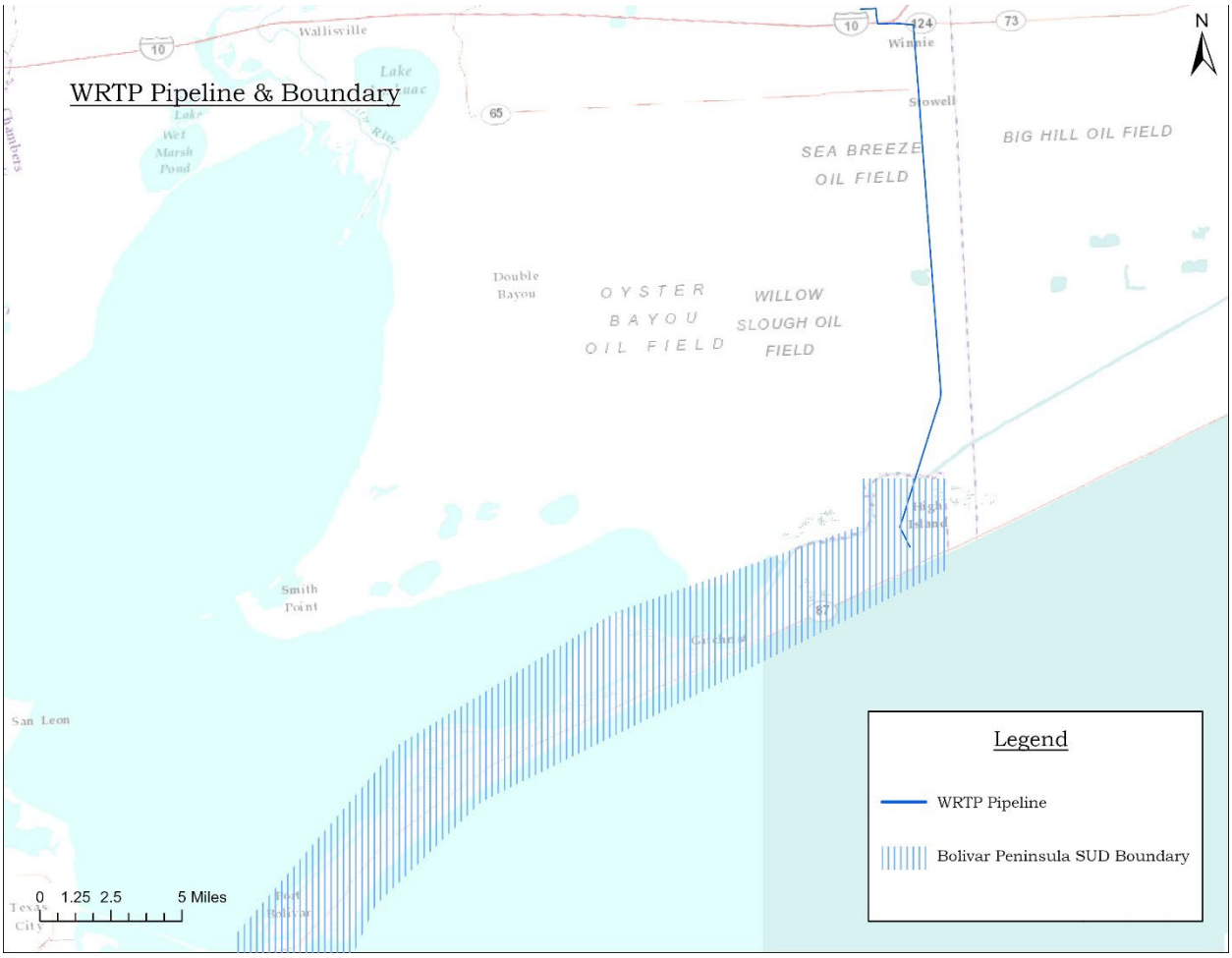
B. What is the objective of this program or function? Describe the major activities performed under this program.

The LNVA-WRWTP was constructed in response to a request by Bolivar Peninsula Special Utility District to address water quality and quantity issues and to provide for future growth. LNVA submitted a funding application to the Texas Water Development Board in 1999. With a $20,520,000 bond issued at 0% interest and $2,737,235 grant funding, engineering and construction began on the facility. The first full year of facility operation was in 2005.

The West Regional Water Treatment Plant (WRWTP) is a surface water treatment plant with a capacity of 5.0 million gallons per day (MGD). It is strategically located near an existing LNVA raw water canal and features various facilities such as a fresh water reservoir, parallel treatment trains for flocculation, clarification, disinfection, and filtration. Additionally, the plant has adequate storage and pumping facilities, chemical storage and feed areas, maintenance, office, laboratory building, emergency generator, instrumentation, control systems, and other related appurtenances.

To ensure the distribution of treated water to the Bolivar Peninsula, a transmission line has been established. The transmission line consists of a 20-inch diameter pipeline spanning 8,500 feet from the treatment plant in Winnie to a tee, allowing for future expansion. From there, the pipeline extends as a 20-inch diameter line covering a distance of 18,500 feet from Stowell. Continuing on, the pipeline transforms into a 20-inch diameter line that stretches 80,000 feet, reaching the Bolivar Peninsula Special Utility District (BPSUD) ground storage tank in High Island, Texas.

Moreover, a special project was undertaken by the Bolivar Peninsula Special Utility District to enhance the delivery of potable water from the High Island storage facility to the main service area on the peninsula. The project involved the installation of a new 20-inch diameter transmission line that spans 65,000 feet along the peninsula, connecting High Island to the storage facility at the Singing Sands Subdivision. Additionally, upgrades were made to the pump stations at High Island and Gulf Haven to support the water supply infrastructure.



C. What information can you provide that shows the effectiveness and efficiency of this program or function? If applicable, reference but do not repeat any performance measures from Section II, Exhibit 2, and provide any other metrics of program effectiveness and efficiency. Also, please provide the calculation or methodology behind each statistic or performance measure.

An average of 3% annual increase in demand has occurred since the facility came on-line through 2022. In 2022 the calculated daily average demand was 1.241 MGD with a maximum daily demand of 2.259 MGD on May 29, 2022.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent. If the response to Section III of this report is sufficient, please leave this section blank.

On September 13, 2008, Hurricane Ike came ashore, and the storm surge devastated the Bolivar Peninsula. With widespread damage to property and infrastructure demand dropped 13% in 2009. Construction and recovery efforts soon exceeded pre-Hurricane Ike potable water demand and continues to this day.

E. List any qualifications or eligibility requirements for persons or entities affected by this program, such as licensees, consumers, landowners, for example. Provide a statistical breakdown of persons or entities affected.

Public water system operators who perform process control duties in production or distribution of drinking water or operations companies that operate public water systems on a contractual basis must be licensed with the TCEQ**.** To become licensed as a public water system operator, an applicant must: complete the required course training, meet the required education, meet the required experience, complete the TCEQ application and pay the fee, and pass the applicable exam.

Each surface water treatment plant must have at least one Class "C" or higher surface water operator on duty at the plant when in operation or the plant must be provided with continuous turbidity and disinfectant residual monitors with automatic plant shutdown and alarms to summon operators so as to ensure that the water produced continues to meet the commission's drinking water standards during periods when the plant is not staffed.

LNVA-WRTP staff hold the following TCEQ Water Operator Licenses: 2 – Class “A” Water Operators, 1- Class “B” Surface Water Treatment Operator, and 1- Class “C” Surface Water Treatment Operator.

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

The LNVA operates the WRWTP and provides all management, supervision, operations, maintenance, and process laboratory functions required for day-to-day operation of the facility.

LNVA Utility Manager reports to the General Manager and has management oversight of the WRWTP operations, maintenance, and laboratory departments, regulatory compliance, with support from the LNVA Assistant Utilities Manager. The WRWTP staff include a Lead Operator, two (2) Water Operators on rotation, a Relief Water Operator, and a Maintenance Worker/Operator Trainee.

The WRWTP Lead Operator is responsible for the day-to-day production of potable water, purchasing of process chemicals, regulatory monitoring requirements and documentation. Direct communication is maintained with the LNVA Assistant Utilities Manager and LNVA Utilities Manager.

The WRWTP maintains a 7-day per week, 12-hour operation that includes monitoring, controlling and processing raw water influent, monitoring and controlling all segments of the treatment process, conducting process control and regulatory monitoring utilizing the WRWTP in-house laboratory. Laboratory testing requiring extensive space (microbiological) or specialized equipment (total organic carbon, metals and organic compounds) are sent to a TCEQ NELAC approved laboratory.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. Please specify state funding sources (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

All costs and expenses incurred by LNVA for raw water, labor, supplies, repairs, and replacements, treatment, storage, and transportation of potable water for delivery are reimbursed by Bolivar Peninsula Special Utility District under the contract terms.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.

N/A

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

WRWTP collaborates with local, regional, and federal government units to ensure alignment with policies and standards while complying with permits, licenses, and regulatory requirements as detailed in the table below.

- **Lower Neches Valley Authority**
- **Exhibit 29: Permits, Licenses, or Regulatory Program Requirements – WRWTP**

Name	Description	Agency	Relevant Regulation/Law
Texas Water System Number: TX0360112	Public Water System	TCEQ EPA	30 TAC 290.38-47 30 TAC 290.101-122 30 TAC 290.271-275
Public Water System Operator Licenses	Public water system operators who perform process control duties in production or distribution of drinking water.	TCEQ	30 TAC 30
TPDES Permit No. WQ0014525001 (EPA I.D. No. TX0126748)	Wastewater Discharge Permit – Outfalls 001.	TCEQ EPA	Section 402 Clean Water Act Chapter 26 Texas Water Code
Water Treatment Plant Registration No. 730159	Beneficially land apply Water Treatment Plant residuals.	TCEQ	40 CFR Part 257 30 TAC Chapter 312
Risk Management Plan	LNVA utilizes one substance, chlorine gas, that is a regulated substance under the Risk Management Program	EPA	40 CFR 68

Name	Description	Agency	Relevant Regulation/Law
	Rule in a quantity above the listed threshold		
Nitrification Action Plan (NAP)	Ensure chloramine disinfection is successful by preventing and/or responding to nitrification.	TCEQ	30 TAC 290
SARA Tier II Submittal	Annual report documenting hazardous chemical inventories	EPA TCEQ	Sections 312 & 313 of the Emergency Planning and Community Right To Know Act (EPCRA); 40 CFR Part 370
Annual Tank Inspection	Ground, elevated and pressure tanks are inspected annually	TCEQ	30 TAC 290.46(m)
TCEQ Chemical Sampling	Scheduling, sampling and testing by TCEQ Contract Lab	TCEQ	30 TAC 290
Reduced Pressure Zone (RPZ) Annual Inspection	Protect the public water facility from potential contamination.	TCEQ	30 TAC 290.44 (h)
On Site Sewage Facility (OSSF) Unit Annual Inspection	Ensure proper operation of OSSF by a TCEQ licensed Inspector	TCEQ	30 TAC Chapter 285, Subchapter A
Chlorinator System PM Maintenance Annual Inspection	Implement procedures to maintain the on-going mechanical integrity of the process equipment	EPA TCEQ	WRTP RMP 40 CFR 68.56
Soil-Sludge Mixture Sampling for Annual Sludge Summary Report	Sampling of Soil-Sludge Mixture inside the TCEQ Registration No. 730159 land application area.	TCEQ	40 CFR Part 257 30 TAC Chapter 312
Operator and/or Employment Notice Form	Annually provide the TCEQ Executive Director with a list of all the water works operators and operating companies that the public water system uses.	TCEQ	30 TAC 290.47(d)
Spill Prevention Control & Countermeasure (SPCC)	WRTP SPCC Plan implementation help facilities prevent oil spill, as well as control a spill should one occur.	EPA	40 CFR part 112
Consumer Confidence Report Water Quality Data to Bolivar Peninsula SUD and Provider Certification of Delivery of Drinking Water Quality Data for Calendar Year	Provide the appropriate drinking water quality data to Bolivar Peninsula SUD for creation of their annual Consumer Confidence Report to their customers.	TCEQ	30 TAC 290.274 (g)
Overhead Crane & Hoist Annual Inspection	Annual inspection report documenting discrepancies found and corrective action.	EPA TCEQ	29 CFR 1910.179
SCBA Annual Inspection and Testing	Ensure emergency PPE functions properly	EPA TCEQ	29 CFR 1910.134

Table 29 Exhibit 29 Permits, Licenses, or Regulatory Program Requirements – WRWTP

K. If contracted expenditures are made through this program please provide

- **a short summary of the general purpose of those contracts overall;**

The general purpose of the contracts is to purchase goods and services for the West Regional Water Treatment Plant that are necessary to ensure efficient operations and maintain compliance with the facility's security and regulatory requirements.

- **the amount of those expenditures in fiscal year 2022;**

$288,000

- **the number of contracts accounting for those expenditures;**

2

- **the award dates and funding source for those contracts**

Refer to the table below for award dates of the top five contracts by dollar amount. Other contracted expenditures occur periodically throughout the year. Funding sources for all contracts are LNVA operating and non-operating revenues.

- **the method used to procure those contracts;**

All contracts are procured in accordance with the LNVA Purchasing Policy. The LNVA Purchasing Policy provides for contracting professional services in accordance with Texas Government Code Ch. 2254 and all other goods and services in accordance with Texas Water Code Ch. 49, and Texas Government Code Ch. 2253, Ch. 2269 and Ch. 271.

- **top five contracts by dollar amount, including contractor and purpose;**

- **Lower Neches Valley Authority**
- **Exhibit 30: Top Five Contracts – West Regional Water Treatment Plant**

#	Vendor Name	Purpose	Contract Amount	Award Date
1	AFCO 360 LLC	Labor, materials and equipment to clean North & South Sludge (Water Treatment Plant Residuals) Holding Ponds of sludge/vegetative material and land apply Water Treatment Plant Residuals on a TCEQ Registered site.	$273,000	BY 2022
2	Alice Holcomb	Lease agreement to register property adjacent to WRWTP with TCEQ as a Dedicated Disposal site and land apply water treatment plant residuals.	$15,000	BY 2022

Table 30 Exhibit 30 Top Five Contracts – WRTP

- **the methods used to ensure accountability for funding and performance; and**

Controls for accountability for funding and performance are set forth in the LNVA Purchasing Policy. The level of controls is tailored to the dollar value of the contract being issued.

- **a short description of any current contracting problems.**

N/A

L. Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.

N/A

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, piece of equipment, or other entity (e.g., a facility). For each regulatory program, if applicable, describe

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **actions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

P. For each regulatory program, if applicable, provide detailed information on complaint and regulatory actions, including investigations and complaint resolutions. The data should cover the last five fiscal years and give a complete picture of the program's regulatory activity, including comprehensive information from initiation of a complaint to resolution of a case. The purpose of the chart is to create uniformity across agencies under review to the extent possible, but you may make small adjustments to the chart headings as needed to better reflect your agency's particular programs. If necessary to understand the data, please include a brief description of the methodology supporting each measure. In addition, please briefly explain or define terms as used by your agency, such as complaint, grievance, investigation, enforcement action, jurisdictional scope, etc.

N/A

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Planning & Projects Division

A. Provide the following information at the beginning of each program description.

Name of Program/Function	Location/Division	Contact Name	Statutory Citation for Program
Planning & Projects Division	7850 Eastex Freeway, Beaumont, Tx 77708	Ryan Ard, P.E. Engineering Manager	N/A

B. What is the objective of this program or function? Describe the major activities performed under this program.

The Planning & Projects Division includes the Engineering, Real Estate, and Information Technology (IT) Departments. These departments provide technical support services to other divisions internal to LNVA including Fresh Water Supply and Treated Water Operations divisions.

The Engineering Department develops, executes, and manages the Capital Improvement Program (CIP) of the Authority. CIP projects include replacement, revitalization, and new construction of capital assets necessary to perform the duties of the Authority.

The Real Estate Department is responsible for acquiring and protecting the real property assets of the Authority, including processing of permitted encroachments, management of third-party access, and maintenance of property deeds and easement documents. The Real Estate Department also serves as the clearinghouse for raw water contracts for municipal, agricultural, industrial, and mining uses.

The IT Department is responsible for managing the Authority's technological foundation. Primary duties include maintaining compliance with network and cybersecurity standards. The department is responsible for the Authority's servers, personal hardware devices, internet and phone contracts, disaster recovery protocols, site security access control, and fire alarm systems.

C. What information can you provide that shows the effectiveness and efficiency of this program or function? If applicable, reference but do not repeat any performance measures from Section II, Exhibit 2, and provide any other metrics of program effectiveness and efficiency. Also, please provide the calculation or methodology behind each statistic or performance measure.

Engineering Department personnel are primarily dedicated to execution of the Capital Improvement Program (CIP). Generally, the goal of the CIP is to execute projects in support of fresh water supply and treated water operations. Each year the Board of Directors approves a list of new projects to be added to the program along with the estimated funds to complete those projects. Those funds are earmarked in a separate CIP fund which carries year over year as a collective pool of funds. The CIP budget does not necessarily run year-to-year but is cumulative. Many times, CIP projects are expected to span over multiple fiscal years. Below are CIP statistics from the previous three (3) years:

- **Lower Neches Valley Authority**
- **Exhibit 31: Capital Improvement Program Expenditures**

	2022	2021	2020
Total Approved CIP Projects	39	44	47
Projects Capitalized @ FYE	11	16	12
Total Expenditures @ FYE	$8,366,176	$6,442,147	$11,751,512
Remaining CIP Balance @ FYE [1]	$9,114,391	$12,437,233	$11,323,259

[1] *Excludes Strategic Long-Term Plan project(s) encumbrance.*

Table 31 Exhibit 31 Capital Improvement Program Expenditures

The Real Estate Department implements measures to ensure effectiveness including maintaining a master list of municipal, industrial, and mining water contracts including their effective and end dates to ensure no contracts go into expiry unexpectedly. The Real Estate Department also routinely investigates and responds to any claimed real estate encroachments or property conflicts with adjacent landowners. The Real Estate Department maintains and manages the LNVA's property acquisition and title/deed records.

The IT Department primarily measures effectiveness and efficiency by periodically reviewing the amount of unscheduled downtime on the network servers which support the primary functions of the Authority. The established goal is to maintain unscheduled downtime to less than 1% annually. Below are statistics on unscheduled downtime for the previous three (3) years:

- **Lower Neches Valley Authority**
- **Exhibit 32: Network Server Downtime**

Year	Annual [%] [1]
2022	0.07
2021	0.09
2020	0.43

[1] *Represents an annual average of all maintained servers.*

Table 32 Exhibit 32 Network Server Downtime

Additionally, beginning in 2021 the IT Department contracts annually with a third-party company to perform a "penetration test" wherein the third-party simulates a malicious attack on the network system in an attempt to gain access. All deficiencies identified by the simulation are promptly resolved.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent. If the response to Section III of this report is sufficient, please leave this section blank.

The IT Department originated as a support service to modernize and digitize various support activities of the Authority. In its early years, the focus was primarily on hardware support and expansion; however, the IT sector has evolved dramatically in the previous 5-10 years. This evolution has brought cybersecurity to the forefront of the duties and responsibilities of the

department. Accordingly, the Authority's IT Department has evolved as these demands emerged to ensure the Authority is protected against malicious cyber threats.

E. List any qualifications or eligibility requirements for persons or entities affected by this program, such as licensees, consumers, landowners, for example. Provide a statistical breakdown of persons or entities affected.

N/A

F. Describe how your program or function is administered, including a description of the processes involved in the program or function. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

The Planning & Projects Division is directed by the Engineering Manager who reports to the General Manager. The division includes the Engineering, Real Estate, and Information Technology (IT) departments.

Engineering Department

The Engineering Department consists of (1) Engineering Manager, (1) Engineer, (1) Engineer-in-Training, and (2) Engineering Technicians. The Engineering Manager oversees the development and execution of the Capital Improvement Program (CIP), including design and contract management of certain projects. The Engineer is responsible for design and contract management of assigned projects. The Engineer-in-Training is responsible for design and contract management of assigned projects under the direct supervision of either the Engineer or Engineering Manager. The Engineering Technicians hold divided duties with one dedicated to computer aided design (CAD) and the other dedicated to construction inspection.

Real Estate Department

The Real Estate Department consists of (1) Real Estate Manager. The Real Estate Manager processes and maintains contracts for water service from municipal, industrial, and agricultural customers as well as manages permits for real estate encroachments and pipeline/other crossings. The Real Estate Manager is also responsible for all right-of-way acquisitions necessary for the operation of LNVA facilities and canals, as well as temporary or permanent workspaces required for construction projects, and assists the LNVA with any adjacent landowner conflicts.

Information Technology (IT) Department

The IT Department consists of (1) IT Manager. The IT Manger oversees the network and all IT infrastructure of the Authority. The IT Manager also directs a contract with a technical Managed Service Provider (MSP) who serves as a third-party resource for specialized technical support and 24/7 monitoring of critical server systems.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. Please specify state funding sources (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

All funding for the Planning & Projects Division is derived from revenues received through water sales. Occasionally, partial or supplemental funding may come from federal sources such as FEMA in response to a declared federal disaster that affected assets of the Authority. These funds are typically used to offset costs incurred under the Capital Improvement Program related to disaster recovery and are not typical or budgeted in the Authority's annual budget.

The table below summarizes the total budget and actual expenditures for each of the departments in the Planning and Projects Division for the previous three (3) years.

- **Lower Neches Valley Authority**
- **Exhibit 33: Budget & Expenditures – Planning & Projects**

Department	2020		2021		2022	
	Budget	Actual	Budget	Actual	Budget	Actual
Engineering [1]	$466,445	$503,587	$500,000	$483,369	$591,000	$579,461
Real Estate	$191,201	$166,432	$197,000	$108,492	$176,480	$150,699
IT	$197,881	$291,966	$239,000	$232,003	$311,000	$275,514

[1] *The Capital Improvement Program (CIP) administered by the Engineering Department is a separate line item in the Authority's budget and is not totaled under the department.*

Table 33 Exhibit 33 Budget & Expenditures – Planning & Projects

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.

N/A

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A. The Planning & Projects Division supports internal LNVA operations only. It does not offer services to the public community.

J. If the program or function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

Interaction with other local, state, or federal units of government from the Planning & Projects division is generally limited to coordination of specific project elements that involve the other entity. For example, the Saltwater Barrier (SWB) owned and operated by LNVA is a partnership project with the U.S. Army Corps of Engineers (USACE). Projects involving the SWB are

coordinated with USACE in the planning, design and construction phases. Day to day O&M expenses related to the SWB are shared according to a Project Cost-Sharing Agreement (PCA). This relationship is covered in more detail in the Saltwater Barrier Section of Part VII. Engagement of local and state units of government are generally limited to coordination of project work in or adjacent to rights-of-way owned by those units of government.

K. If contracted expenditures are made through this program please provide

- **a short summary of the general purpose of those contracts overall;**

Contracted expenditures by the Planning & Projects Division generally include engineering consultant design, construction, and managed network services in support of LNVA's core objectives.

- **the amount of those expenditures in fiscal year 2022;**

The amounts below reflect total expenditures related to purchase orders exceeding $10,000 and excludes salaries, benefits, and other ancillary operating costs.

Engineering
$7,874,482; consisting of 47 contracts.

Real Estate
$29,231; consisting of 1 contract.

Information Technology
$140,701; consisting of 5 contracts.

- **the number of contracts accounting for those expenditures;**

52

- **the award dates and funding source for those contracts;**

Refer to the table below for award dates of the top five contracts by dollar amount. Other contracted expenditures occur periodically throughout the year. Funding sources for all contracts are LNVA Operating and Non-Operating Revenues.

- **the method used to procure those contracts;**

All contracts are procured in accordance with the LNVA Purchasing Policy. The LNVA Purchasing Policy provides for contracting professional services in accordance with Texas Government Code Ch. 2254 and all other goods and services in accordance with Texas Water Code Ch. 49, and Texas Government Code Ch. 2253, Ch. 2269 and Ch. 271.

- **top five contracts by dollar amount, including contractor and purpose;**

The total contract amount and purpose for the top five (5) projects having expenditures occur in FY22 are listed below:

- **Lower Neches Valley Authority**
- **Exhibit 34: Top Five Contracts – Planning & Projects**

#	Vendor Name	Purpose	Contract Amount	Award Date
1	Discovery IT	Managed Services Provider	$64,626	07/31/2019
2	Whiteley Oliver	Surveying Services	$29,231	01/03/2022
3	Discovery IT	Network Security Services	$25,862	06/23/2022
4	Zones, Inc.	Microsoft MPSA Service Agreement	$20,970	08/10/2022
5	Discovery IT	Server Equipment	$18,242	05/18/2022

Table 34 Exhibit 34 Budget & Expenditures – Planning & Projects

Top Five Contracts – Capital Improvement Plan

#	Vendor Name	Purpose	Contract Amount [1]	Award Date
1	Elite Contractors & Equipment	Capital Project # 134 – Atlantic Canal Improv. @ 20th, 18th, 17th, Fairbanks, Canal Ave.	$3,394,285	03/02/21
2	ALLCO, LLC	Capital Project # 131 - Exxon Mobil Intake Structure	$2,253,003	12/31/21
3	Spindletop Energy Products	Capital Project # 444 – Engine Control Panels (x18)	$1,417,910	01/20/22
4	Elite Contractors & Equipment	Capital Project # 415 – BI 1st Intake Rehabilitation	$1,407,590	09/30/22
5	Freese & Nichols, Inc.	Capital Project # 439 – Devers 1st Pump Station	$1,100,000	01/25/21

[1] *Original contract amount as awarded. Does not include additional work authorized by change order.*

Table 35 Exhibit 34 Budget & Expenditures – Capital Improvement Plan

- **the methods used to ensure accountability for funding and performance; and**

Controls for accountability for funding and performance are set forth in the LNVA Purchasing Policy. The level of controls is tailored to the dollar value of the contract being issued.

- **a short description of any current contracting problems.**

N/A

L. Provide information on any grants awarded by the program.

N/A

M. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.

N/A

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, piece of equipment, or other entity (e.g., a facility). For each regulatory program, if applicable, describe

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **actions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

P. For each regulatory program, if applicable, provide detailed information on complaint and regulatory actions, including investigations and complaint resolutions. The data should cover the last five fiscal years and give a complete picture of the program's regulatory activity, including comprehensive information from initiation of a complaint to resolution of a case. The purpose of the chart is to create uniformity across agencies under review to the extent possible, but you may make small adjustments to the chart headings as needed to better reflect your agency's particular programs. If necessary to understand the data, please include a brief description of the methodology supporting each measure. In addition, please briefly explain or define terms as used by your agency, such as complaint, grievance, investigation, enforcement action, jurisdictional scope, etc.

N/A

VIII. Statutory Authority and Recent Legislation

A. Fill in the following charts, listing citations for all state and federal statutes that grant authority to or otherwise significantly impact your agency. Do not include general state statutes that apply to all agencies, such as the Public Information Act, the Open Meetings Act, or the Administrative Procedure Act. Provide information on Attorney General opinions from fiscal years 2015-20, or earlier significant Attorney General opinions, that affect your agency's operations.

Lower Neches Valley Authority
Exhibit 35: Statutes / Attorney General Opinions

Statutes

Citation / Title	Authority / Impact on Agency (e.g., "provides authority to license and regulate nursing home administrators")
Texas Special District Local Laws Code – Chapter 8504	LNVA enabling legislation sets out basic powers and duties of LNVA
River and Harbor Act of 1945 (Public Law 14, 79th Congress, Chapter 19, 1st Session, S. 35, re: Senate Document 98, 76th Congress)	Authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes. (Neches and Angelina Rivers)
River and Harbor Act of 1948 Law 858-80th Congress, Chapters 771 – 2nd Session [H.R. 6419], Sec. 104	Authorizing the construction, repairs, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes. Amends the Neches and Angelina Project. Impact- authorizes construction of reservoirs (Rayburn/Steinhagen).
Texas Water Code – Chapter 11	Primary statute governing administration of water rights; authorizes LNVA to adopt rules relating to water supply
Texas Water Code – Chapter 12	Provisions generally applicable to water rights
Texas Water Code – Chapter 13	Establishes Public Utility Commission of Texas appellate jurisdiction over LNVA water rates
Texas Water Code – Chapter 16	Establishes process for ongoing state and regional water planning
General Laws Relating to Water Districts Texas Water Code, § 49.001, et seq.	This chapter of the Water Code prescribes certain duties and certain powers for all water districts, including LNVA

Table 36 Exhibit 35 Statutes

B. Provide a summary of significant legislation regarding your agency by filling in the charts below or attaching information already available in an agency-developed format. Briefly summarize the key provisions. For bills that did not pass but were significant, briefly explain the key provisions and issues that resulted in failure of the bill to pass (e.g., opposition to a new fee, or high cost of implementation). Place an asterisk next to bills that could have a major impact on the agency. See Exhibit 14 Examples.

N/A for the 88th Legislative Session.

IX. Major Issues

The purpose of this section is to briefly describe any potential issues raised by your agency, the Legislature, or stakeholders that Sunset could help address through changes in statute to improve your agency's operations and service delivery. Inclusion of an issue does not indicate support, or opposition, for the issue by the agency's board or staff. Instead, this section is intended to give the Sunset Commission a basic understanding of the issues so staff can collect more information during our extensive research on your agency. Some questions to ask in preparing this section may include: (1) How can your agency do a better job in meeting the needs of customers or in achieving agency goals? (2) What barriers exist that limit your agency's ability to get the job done?

Emphasis should be given to issues appropriate for resolution through changes in state law. Issues related to funding or actions by other governmental entities (federal, local, quasi-governmental, etc.) may be included, but the Sunset Commission has no authority in the appropriations process or with other units of government. If these types of issues are included, the focus should be on solutions that can be enacted in state law.

For river authorities, Texas Government Code, Section 325.025 limits the scope of Sunset reviews to each authority's governance, management, operating structure, and compliance with legislative requirements. However, river authorities may provide information about major issues facing the authority even if they are outside this limited scope. Previously, this type of information has provided valuable context for understanding the authority's current situation and operations.

This section contains the following components: Major Issues List (Questions A-C) and Obstacles, Unnecessary Functions, and Opportunities (Questions D-F).

A. Brief Description of Issue

None.

B. Discussion

N/A

Background. Include enough information to give context for the issue. Information helpful in building context includes:

- What specific problems or concerns are involved in this issue?
- Who does this issue affect?
- What is the agency's role related to the issue?
- Any previous legislative action related to the issue?

C. Possible Solutions and Impact

N/A

Provide potential recommendations to solve the problem. Feel free to add a more detailed discussion of each proposed solution, including:

- How will the proposed solution fix the problem or issue?
- How will the proposed change impact any entities or interest groups?
- How will your agency's performance be impacted by the proposed change?
- What are the benefits of the recommended change?
- What are the possible drawbacks of the recommended change?
- What is the fiscal impact of the proposed change?

Complete the first three questions for **each** issue. Copy and paste components A through C as many times as needed to discuss each issue. ***See Major Issue Example.***

D. What key obstacles impede your agency's ability to achieve its objectives?

None.

E. What, if any, agency or program functions does your agency perform that are no longer serving a clear and ongoing purpose? Which agency functions could be eliminated?

None.

F. Aside from additional staff or funding, what are your agency's biggest opportunities for improvement in the future? For example, are there other programs or duties the agency could take on to better carry out its mission?

Our commitment to enhancing public understanding of the LNVA's mission and operations goes beyond meeting the minimum requirements set by existing statutes. While we acknowledge that the current statutes provide us with the necessary authority and direction, we are proactive in seeking ways to go above and beyond these requirements.

X. Other Contacts

A. Fill in the following charts with updated information on people with an interest in your agency and be sure to include the most recent email address.

Lower Neches Valley Authority
Exhibit 36: Contacts

Interest Groups
(groups affected by agency actions or that represent others served by or affected by agency actions)

Group or Association Name/ Contact Person	Address	Telephone	Email Address
Sabine-Neches Chiefs Assn. Tim Ocnaschek	P.O. Box 2257 Nederland, TX 77627	409.838.6371	sabinenecheschiefsassn@gmail.com
Southeast Texas Plant Managers Forum John Durkay	324 Hwy. 69 Nederland, TX 77627	409.724.2565 x1131	John.Durkay@istc.net
U.S. Army Corps of Engineers Floyd Boyett Reece Nelson	5171 FM 92 S Woodville, TX 75979 7696 Hwy 255 Jasper, TX 75951	409.429.3491 409.384.5716 x223	Floyd.E.Boyett@usace.army.mil Reece.E.Nelson@usace.army.mil

Table 37 Exhibit 36 Interest Groups

Interagency, State, or National Associations
(that serve as an information clearinghouse or regularly interact with your agency)

Group or Association Name/ Contact Person	Address	Telephone	Email Address
Texas Water Conservation Assn. Stacey Steinbach	4401 Westgate Blvd, Ste 320 Austin, TX 78745	512.472.7216	info@twca.org
Texas Water Development Board Jeff Walker	1700 N. Congress Ave. Austin, TX 78711-3231	512.463.7847	Jeff.Walker@twdb.texas.gov
Texas Commission on Environmental Quality Kelly Keel	12100 Park 35 Circle Austin, TX 78753	512.239.3900	info@tceq.texas.gov
Texas Parks & Wildlife Craig Bonds	4200 Smith School Road Austin, TX 78744	512.389.4643	Craig.Bonds@tpwd.texas.gov

Table 38 Exhibit 36 Interagency, State, and National Association

XI. Additional Information

A. Texas Government Code, Section 325.0075 requires agencies under review to submit a report about their reporting requirements to Sunset with the same due date as the SER. Include a list of each agency-specific report that the agency is required by statute to prepare and an evaluation of the need for each report based on whether factors or conditions have changed since the statutory requirement was put in place. Please do not include general reporting requirements applicable to all agencies, reports that have an expiration date, routine notifications or notices, posting requirements, federally mandated reports, or reports required by G.A.A. rider. If the list is longer than one page, please include it as an attachment. *See Exhibit 16 Example.*

LNVA is not subject to the requirements of Texas Government Code, Section 325.0075 nor does it have any other reporting requirements that are unique respective to other river authorities.

B. Does the agency's statute use "person-first respectful language" as required by Texas Government Code, Section 325.0123? Please explain and include any statutory provisions that prohibit these changes.

Although our agency is not mandated by this specific statute, we recognize the significance of employing respectful and inclusive language in all our communications and interactions. It aligns with our core values to treat all individuals with dignity and respect, regardless of their background or abilities.

C. Please describe how your agency receives and investigates complaints about the agency and its operations.

The Lower Neches Valley Authority (LNVA) has established an informal and undocumented process to receive and investigate complaints about the agency and its operations. The following steps outline how LNVA handles such complaints:

Complaint Submission: Individuals can submit their complaints to the LNVA through various channels. These channels may include email, phone, online forms, or written correspondence. LNVA ensures that these complaint submission methods are easily accessible to the public.

Complaint Documentation: Upon receiving a complaint, LNVA documents the details of the complaint, including the complainant's contact information, a description of the issue, and any supporting evidence or documentation provided.

Complaint Review: LNVA assigns staff members or designated individuals to review the complaint. They carefully assess the nature of the complaint and determine the appropriate course of action.

Investigation Process: LNVA initiates an investigation based on the merits of the complaint. This may involve gathering additional information, conducting interviews, examining relevant records, or engaging in any other necessary fact-finding activities.

Resolution and Communication: LNVA strives to resolve complaints in a timely and efficient manner. Once the investigation is complete, LNVA communicates the findings and any actions taken to the complainant. This may include providing explanations, addressing concerns, or outlining any corrective measures implemented as a result of the complaint.

Follow-up and Feedback: LNVA values feedback and encourages complainants to provide their thoughts on the investigation process and the outcome. This feedback helps LNVA continually improve its procedures and address any shortcomings identified.

Transparency and Accountability: LNVA maintains a commitment to transparency throughout the complaint handling process. The agency ensures that all complaints are treated seriously and that investigations are conducted impartially, with due diligence and fairness.

D. Fill in the following chart detailing information on complaints received about your agency and its operations. Do not include complaints received about people or entities you regulate.

Lower Neches Valley Authority
Exhibit 37: Complaints Against the Agency — Fiscal Years 2018-22

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Number of complaints received	4	5	10	8	24[1]
Number of complaints resolved	4	4	8	7	24
Number of complaints dropped / found to be without merit	0	1	2	1	0
Number of complaints pending from prior years	0	0	0	0	0
Average time period for resolution of a complaint	84 days	51 days	28 days	10 days	<12 months

[1] *Complaints received in FY 2022 resulted from a levee breech and resolution was calculated based upon the date of the final insurance settlement.*

Table 39 Exhibit 37 Complaints Against the Agency

E. Fill in the following charts detailing your agency's Historically Underutilized Business (HUB) purchases. *See Exhibit 18 Example.* Sunset is required by law to review and report this information to the Legislature.

LNVA is not subject to the requirements of Texas Government Code, Section 2161.003, TAC Title 34, Part 1, Rule 20.286c and therefore does not track HUB spending; however, based on cursory research LNVA identified two (2) prior vendors which are certified HUBs. Expenditures with those two (2) businesses are identified in the corresponding tables.

Lower Neches Valley Authority
Exhibit 38: Purchases from HUBs

Fiscal Year 2020

Category [1]	Total $ Spent	Total HUB $ Spent	Percent	Agency Specific Goal [2]	Statewide Goal
Heavy Construction	$6,816,552	-	-	N/A	11.2%
Building Construction	$751,384	$540,234	71.90%	N/A	21.1%
Professional Services	$636,603	$132,182	20.76%	N/A	23.7%
Commodities	$626,778	-	-	N/A	21.1%
TOTAL	$8,831,317	$672,416	7.61%		

[1] *Information on expenditures provided where available in accordance with LNVA's established categories which differ from the provided categories.*

[2] *LNVA is not subject to the requirements of Texas Government Code, Section 2161.003, TAC Title 34, Part 1, Rule 20.286c and therefore does not establish agency specific goals related to HUB purchasing.*

Table 40 Exhibit 39 HUB Purchases for FY 2020

Fiscal Year 2021

Category	Total $ Spent	Total HUB $ Spent	Percent	Agency Specific Goal	Statewide Goal
Heavy Construction	$3,686,869	-	-	N/A	11.2%
Building Construction	$1,574,578	$916,531	58.21%	N/A	21.1%
Professional Services	$523,652	$70,012	13.37%	N/A	23.7%
Commodities	$1,867,818	-	-	N/A	21.1%
TOTAL	$7,652,917	$986,543	12.89%		

[1] *Information on expenditures provided where available in accordance with LNVA's established categories which differ from the provided categories.*

[2] *LNVA is not subject to the requirements of Texas Government Code, Section 2161.003, TAC Title 34, Part 1, Rule 20.286c and therefore does not establish agency specific goals related to HUB purchasing.*

Table 41 Exhibit 39 HUB Purchases for FY 2021

Fiscal Year 2022

Category	Total $ Spent	Total HUB $ Spent	Percent	Agency Specific Goal	Statewide Goal
Heavy Construction	$4,297,740	-	-	N/A	11.2%
Building Construction	$424,534	$424,533	100%	N/A	21.1%
Professional Services	$613,270	-	-	N/A	23.7%
Commodities	$1,972,211	-	-	N/A	21.1%
TOTAL	$7,307,755	$424,533	5.81%		

[1] *Information on expenditures provided where available in accordance with LNVA's established categories which differ from the provided categories.*

[2] *LNVA is not subject to the requirements of Texas Government Code, Section 2161.003, TAC Title 34, Part 1, Rule 20.286c and therefore does not establish agency specific goals related to HUB purchasing.*

Table 42 Exhibit 39 HUB Purchases for FY 2022

F. Does your agency have a HUB policy? How does your agency address performance shortfalls related to the policy? (Texas Government Code, Section 2161.003; TAC Title 34, Part 1, Rule 20.286c)

LNVA is not subject to the requirements of Texas Government Code, Section 2161.003, TAC Title 34, Part 1, Rule 20.286c and therefore does not have a HUB policy.

G. For agencies with contracts valued at $100,000 or more: Does your agency follow a HUB subcontracting plan to solicit bids, proposals, offers, or other applicable expressions of interest for subcontracting opportunities available for contracts of $100,000 or more? (Texas Government Code, Section 2161.252; TAC Title 34, Part 1, Rule 20.285)

Refer to response in Section F., above.

H. For agencies with biennial appropriations exceeding $10 million, answer the following HUB questions.

1. Do you have a HUB coordinator? If yes, provide name and contact information. (Texas Government Code, Section 2161.062; TAC Title 34, Part 1, Rule 20.296)

N/A

2. Has your agency designed a program of HUB forums in which businesses are invited to deliver presentations that demonstrate their capability to do business with your agency? (Texas Government Code, Section 2161.066; TAC Title 34, Part 1, Rule 20.297)

N/A

3. **Has your agency developed a mentor-protégé program to foster long-term relationships between prime contractors and HUBs and to increase the ability of HUBs to contract with the state or to receive subcontracts under a state contract? (Texas Government Code, Section 2161.065; TAC Title 34, Part 1, Rule 20.298)**

N/A

I. **Fill in the charts below detailing your agency's Equal Employment Opportunity (EEO) statistics. *See Exhibit 19 Examples.* Sunset is required by law to review and report this information to the Legislature. Please use only the categories provided below. For example, some agencies use the classification "paraprofessionals," which is not tracked by the state civilian workforce. Please reclassify all employees within the appropriate categories below.**

Lower Neches Valley Authority
Exhibit 40: Equal Employment Opportunity Statistics

1. Officials / Administration

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2020	12	0%	8.5%	0%	24.7%	16.67%	41.7%
2021	12	0%	8.5%	0%	24.7%	16.67%	41.7%
2022	12	0%	8.5%	0%	24.7%	16.67%	41.7%

Table 43 Exhibit 40 EEO Statistics for Officials/Administration

2. Professional

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2020	12	0%	10.9%	8.33%	21.8%	41.67%	54.1%
2021	15	0%	10.9%	6.67%	21.8%	46.67%	54.1%
2022	15	0%	10.9%	6.67%	21.8%	46.67%	54.1%

Table 44 Exhibit 40 EEO Statistics for Professionals

3. Technical

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2020	16	6.25%	15.1%	0%	29.8%	25.00%	56.9%
2021	15	0%	15.1%	0%	29.8%	26.67%	56.9%
2022	15	0%	15.1%	0%	29.8%	40.00%	56.9%

Table 45 Exhibit 40 EEO Statistics for Technical

4. Administrative Support

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2020	4	0%	14.6%	0%	36.5%	100%	74.7%
2021	4	0%	14.6%	0%	36.5%	100%	74.7%
2022	4	0%	14.6%	0%	36.5%	100%	74.7%

Table 46 Exhibit 40 EEO Statistics for Administrative Support

5. Service / Maintenance

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2020	30	23.33%	13.3%	10.00%	53.0%	0%	54.0%
2021	32	25.00%	13.3%	9.32%	53.0%	0%	54.0%
2022	35	22.86%	13.3%	8.57%	53.0%	0%	54.0%

Table 47 Exhibit 40 EEO Statistics for Service and Maintenance

6. Skilled Craft

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2020	44	20.45%	11.5%	0%	52.3%	0%	14.0%
2021	42	21.43%	11.5%	0%	52.3%	0%	14.0%
2022	45	20.00%	11.5%	0%	52.3%	0%	14.0%

Table 48 Exhibit 40 EEO Statistics for Skilled Craft

J. Does your agency have an equal employment opportunity policy? How does your agency address performance shortfalls related to the policy?

Yes, LNVA Personnel Policies & Procedures, Article II. Equal Employment Opportunity and Anti-Harassment. LNVA has not experienced any performance shortfalls as related to this policy. All personnel decisions are made on the basis of occupational qualifications and job-related factors such as skill, knowledge, education, experience, and ability to perform a specific job, without any illegal discrimination. Should a claim related to LNVA's EEO policy occur, Human Resources and LNVA General Counsel would conduct a thorough investigation and all findings and recommendations would be presented to the General Manager and Board of Directors.

XII. Agency Comments

Provide any additional information needed to gain a preliminary understanding of your agency.