



***Resolution Authorizing the Issuance and Sale of
Brazos River Authority Water Supply System
Revenue Bonds, New Series 2027 and Resolving
Other Matters Related Thereto***

**Presented by
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Water Supply Bond Authorization

- During the presentation and adoption of the FY 2027 Annual Operating Plan (AOP) at the July 2026 Board meeting, we reviewed the Capital Improvement Plan (CIP) and noted that the BRA would need to issue debt in FY 2027 to fund the CIP.
- The AOP anticipated issuing up to \$50 million in Water Supply System Revenue Bonds in FY 2027.
- The exact timing and size of this debt issue will be determined at a later date and is dependent on factors such as:
 - Any TWDB or other funding that may be awarded to the BRA
 - Progress and spending on the CIP
 - BRA Rate Stabilization Reserve levels
- This agenda item is the first step in the debt issuance process



Debt Issuance Process

- **Request Board authorization to issue debt**
- **Determine FY 26 ending Rate Stabilization Reserve Level**
- **Continue to refine cost estimates and timelines of projects**
- **Apply for funding from other sources (TWDB)**
- **Work with Bond Counsel/Advisor on legal requirements, document preparation, rating agency interviews, debt structure, etc.**
- **Report to Board on timing and size of proposed debt issue**
- **Conduct sale of debt**
- **Close transaction**



The Projects

- The BRA plans to use debt to fund part of the following projects

Project	FY 27 Budget	FY 27 Activities
Allens Creek Reservoir	\$15.5 M	Site investigations and alternatives analysis in support of permit application
Belhouse Drought Preparedness	\$8.4 M	Design, engineering, land/easement acquisition
EWC Expansion	\$46.3 M	Design, easement acquisition, begin construction on Trinity Wells and treated water pipeline
Total	\$70.2 M	



RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF BRAZOS RIVER AUTHORITY WATER SUPPLY SYSTEM REVENUE BONDS, NEW SERIES 2027 AND RESOLVING OTHER MATTERS RELATED THERETO

THE STATE OF TEXAS :
BRAZOS RIVER AUTHORITY :

“WHEREAS, the Brazos River Authority (the “Authority”) was duly created and is lawfully operating under Chapter 8502, Texas Special District Local Law Code, as amended (the “Act”), pursuant to and in furtherance of the purposes of Article XVI, Section 59 of the Constitution of Texas; and

WHEREAS, in order to facilitate the conservation and development of the surface waters of the Brazos River, the Authority has heretofore established the Brazos River Water Supply System (the “System”) comprised of various facilities of the Authority; and



WHEREAS, the Board of the Authority has determined it to be in the best interests of the Authority to issue the hereinafter authorized bonds for the purpose of paying the ongoing costs of the planning, acquisition, design and construction of the Allens Creek Reservoir, the Belhouse Drought Preparedness Project, improvements and expansions of the East Williamson County Regional Water System (the “Project”), and paying the costs of issuing the bonds; and

WHEREAS, the bonds hereinafter authorized are to be issued and delivered pursuant to the Act, Chapter 1371 of the Texas Government Code, and other applicable laws, for the purposes herein provided.



THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BRAZOS RIVER AUTHORITY, THAT:

- **Section 1. RECITALS, COVENANTS AGREEMENT AND AMOUNT AND PURPOSE OF THE BONDS.** The Board of the Authority hereby incorporates the recitals set forth in the preamble hereto as if set forth in full at this place and further finds and determines that said recitals are true and correct. Additional terms used in this Resolution are defined as set forth in the Series 2027 Bond Covenants Agreement (the “Agreement”) substantially in the form presented at this meeting, the terms of which Agreement are hereby incorporated herein as if set forth in full at this place. The Presiding Officer, the Assistant Presiding Officer, the Secretary, and any Assistant Secretary of the Board and the General Manager/CEO are authorized and directed to execute the Agreement. The Bonds of the Authority are hereby authorized to be issued and delivered, in one or more series, in the aggregate principal amount not to exceed \$50,000,000 for purposes of paying the ongoing costs of the Project and paying the costs of issuing the Bonds.



Section 2. DELEGATION TO AUTHORIZED OFFICER TO DETERMINE TERMS OF SALE OF BONDS.

(a) Each Bond issued pursuant to this Resolution shall be designated: “BRAZOS RIVER AUTHORITY WATER SUPPLY SYSTEM REVENUE BOND, NEW SERIES 2027”, subject to paragraph (c) of this section. As authorized by Chapter 1371, Texas Government Code, the General Manager/CEO of the Authority is hereby designated as the “Authorized Officer” of the Authority.

(b) Initially there shall be issued, sold, and delivered hereunder, in one or more series, fully registered bonds, without interest coupons, numbered consecutively upward payable to the respective initial registered owners thereof, or to the registered assignee or assignees of the Bonds or any portion or portions, in the denomination of \$5,000 or any integral multiple thereof, maturing not later than 40 years from the date of the Bonds, payable serially or otherwise on the dates, in the years and in the respective principal amounts, and at the respective rates of interest, and dated, all as set forth in a certificate of the Authorized Officer.



(c) As authorized by Chapter 1371 of the Texas Government Code, the Authorized Officer is hereby authorized, appointed, and designated to act on behalf of the Board in selling and delivering the Bonds and carrying out the other procedures specified in this Resolution and the Agreement, by no later than one year from the date hereof, including determining and fixing the date of the Bonds, any different or additional designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the aggregate principal amount of the Bonds within the maximum amount set forth in Section I hereof, the rate of interest to be borne by each such maturity, the principal and interest payment periods and dates, the redemption provisions thereof, procuring municipal bond insurance, and approving modifications to this resolution and the Agreement and executing such instruments, documents and agreements as may be necessary with respect thereto, if it is determined that such insurance would be financially desirable and advantageous, and all other matters relating to the issuance, sale, and delivery of the Bonds. The Authorized Officer, acting for and on behalf of the Authority, is authorized to arrange for the Bonds to be sold at competitive sale pursuant to a notice of sale and bidding instructions and official bid form, or negotiated sale to an underwriter or underwriting syndicate and to enter into and carry out a bond



purchase agreement with such underwriters of the Bonds, upon such terms as shall be set forth therein. Any bond purchase agreement or notice of sale and bidding instructions shall be substantially in such form as approved by the Authorized Officer, provided that the price to be paid for the Bonds shall be not less than 95% of the initial aggregate principal amount thereof plus accrued interest thereon from their date to their delivery, and no Bond shall bear interest at a rate greater than 10% per annum. The Authorized Officer is further authorized, for and on behalf of the Authority, to approve any official statement, and any supplements thereto relating to the Bonds and referred to in any such notice of sale or bond purchase agreement. It is further provided, however, that, notwithstanding the foregoing provisions, the Bonds shall not be delivered unless, prior to their delivery, the Bonds have been rated by a nationally recognized rating agency for municipal long term obligations, as required by said Chapter 1371 of the Texas Government Code.

(d) In establishing the aggregate principal amount of the Bonds, the Authorized Officer shall establish an amount within the amount authorized in Section 1 hereof, which amount shall be sufficient to provide for the initial funding of the various Funds required to be established and maintained by the Agreement, paying the costs of the Project and paying the costs of issuance of the Bonds.



Section 3. IMMEDIATE EFFECT. This resolution shall be effective immediately from and after its adoption. “