



## **Quarterly Board Actions July 27, 2009 and July 28, 2009**

The Brazos River Authority's Board of Directors held their quarterly meeting Monday, July 27, 2009 and Tuesday, July 28, 2009. The following actions were taken.

### **ADOPTION OF FISCAL YEAR 2010 ANNUAL OPERATING PLAN (BUDGET)**

The Board of Directors approved the Fiscal Year 2010 annual operating plan. The Board authorized the General Manager/CEO to make expenditures and enter into contracts for expenditures as listed in the Operating Plan, and to adjust individual line item amounts of the Budget, provided that the total spent is not more than \$60,169,898 for the Total Operating Budget and \$37,328,872 for the Total Capital Budget. The board also adopted a rate of \$60.50 per acre-foot of water annually for Fiscal Year 2010 for the System Water Rate and Interruptible Water Rate.

### **RETIREMENT COMMITTEE MEMBERSHIP**

The Board approved Presiding Officer DeCluitt's appointment of the following people to serve on the Retirement Committee: Jean Killgore, Chair; John Brieden, Vice Chair; LeRoy Bell; Peter Bennis; James Landtroop; David Collinsworth, Jim Forté and Matt Wheelis. The Retirement Committee members will serve on the committee until a successor is appointed.

### **TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM RETIREMENT PLAN**

The Board passed a resolution maintaining the plan provisions for Authority retirees and non-retirees with the Texas County and District Retirement System and establishing the required employer contribution rate to be 7.61 percent for the 2010 plan year.

### **SURPLUS PERSONAL PROPERTY**

The Board gave the General Manager/CEO the authorization to dispose of surplus personal property, ranging from furniture to office and work equipment, under terms and conditions that are in the best interest of the Authority.

### **APPROVAL OF RESOLUTION AUTHORIZING PARTICIPATION IN INTERLOCAL COOPERATIVE PURCHASING PROGRAM**

The Board authorized the General Manager/CEO to execute an Interlocal Cooperative Purchasing Agreement with The Interlocal Purchasing System.

### **POSSUM KINGDOM LAKE DIVESTITURE**

The Board approved the contract for the third party sale of leased property at Possum Kingdom Lake (PK) to Patterson PK Land Partnership, Ltd. for approximately \$50 million. The Board also authorized and directed the General Manager/CEO to negotiate, acknowledge as necessary and deliver the contract and all amendments as well as related documents, including those required by HB 3031. The Board also authorized and directed the General Manager/CEO to post on the Authority's Web site dates related to the sale, to file related documents in the counties where the property is located, to deliver to leaseholders a letter announcing the sale and to take any other action to

complete the sale, possibly including submitting applications to the Federal Energy Regulatory Commission (FERC).

#### **POSSUM KINGDOM LAKE FERC ENCROACHMENTS**

The Board directed the General Manager/ CEO to take actions regarding the surveying and classification of encroachments in the FERC setback area at PK.

#### **POSSUM KINGDOM RESIDENTIAL LEASE RATE METHODOLOGY**

The Board adopted the Residential Lease Rate Methodology for Possum Kingdom residential leases subject to rental rate adjustments after Jan. 1, 2010 to continue to be based on the assessed value of the leased property rather than changing to the appraised value.

#### **MABE LAKEVIEW, LLC**

The Board authorized the General Manager/CEO to obtain outside legal counsel experienced in condominium law to evaluate a Feb. 17, 2009 proposal by MaBe Lakeview, LLC to build condominiums on its commercial lease at Possum Kingdom Lake.

#### **COMMERCIAL LEASE RATE ADJUSTMENT**

The Board authorized a 25 percent lease rate increase, every five years, for all Commercial Lease operations eligible for an adjustment extension or renewal under the terms of their existing agreement, effective for calendar year 2010 invoicing.

#### **WEST CENTRAL BRAZOS WATER DISTRIBUTION SYSTEM**

The Board authorized the General Manager/CEO to establish a system of rates and charges and a revised Transportation Agreement for the West Central Brazos Water Distribution System to reduce the annual economic loss from the facility's operation and maintenance.

#### **STEPHENS REGIONAL SPECIAL UTILITY DISTRICT SYSTEM WATER AVAILABILITY AGREEMENT AMENDMENT**

The Board authorized the General Manager/CEO to amend the Stephens Regional Special Utility District's System Water Availability Agreement to allow diversion of 1,200 acre-feet of raw water through the West Central Brazos Water Distribution System pipeline. The Board also authorized the amendment of the Fort Griffin Special Utility District's (formerly Shackelford Water Supply Corporation) System Water Availability Agreement to divert 353 acre-feet of raw water through the pipeline.

The Board resolved that any future requests from either district for additional raw water via the pipeline or upon the expiration of their existing System Water Availability Agreements, are subject to any Transportation Agreement or Transportation fee(s) in place at that time.

The Board also authorized the General Manager/CEO to change or add provisions to either district's System Water Availability Agreement related to the delivery and transportation of raw water via the pipeline.

#### **AUTHORIZATION TO SUBMIT WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY – LAKE GRANBURY SURFACE WATER AND TREATMENT SYSTEM**

The Board adopted a Water Conservation and Drought Contingency Plan, dated May 2009, prepared in conformance with the requirements of the Texas Commission on Environmental Quality (TCEQ) for the Lake Granbury Surface Water and Treatment System. The plan supersedes the current plan, dated August 2007. The Board also directed the General Manager/CEO to submit the plan to the TCEQ for approval.

**PLAN FOR PRICING WATER FOR AGRICULTURAL USE**

The Board approved an Agriculture Rate for water use at 70 percent of the System Rate to be offered to qualifying System Water and Interruptible Water customers. The Board determined that the Agriculture Rate shall be adopted every subsequent Fiscal Year concurrent with the adoption of the Annual Budget and the System Rate for that Fiscal Year.

**REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD; AUTHORIZING THE FILING OF AN APPLICATION FOR FINANCIAL ASSISTANCE; AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH**

The Board authorized the General Manager/CEO to file an application with the Texas Water Development Board seeking financial assistance of up to \$100 million for costs related to completing the Granger Lake Conjunctive Use Project.

**WILLIAMSON COUNTY REGIONAL RAW WATER LINE CONTRACT AMENDMENT**

The Board authorized the General Manager/CEO to complete all actions needed, including the execution of any contracts required, to complete the Phase II Pump Improvement Project for the Williamson County Regional Raw Water Line.

**CLEAN RIVERS CONTRACT FOR FY 2010 – 2011**

The Board authorized the General Manager/CEO to enter into a contract with the TCEQ to perform water quality monitoring services and other activities under the Texas Clean Rivers Program.

**EXECUTIVE SESSION 25 A**

The Board directed the General Manager/CEO to investigate and begin process to surrender its FERC License and decommissioning the Possum Kingdom Lake Morris Sheppard Dam hydroelectric generation facility.

**EXECUTIVE SESSION 25 A-1**

The Board authorized the General Manager/CEO to take any and all actions deemed appropriate to manage, coordinate, and negotiate any and all litigation associated with the Morris Sheppard Dam hydroelectric generation facility and Brazos Electric Power Cooperative, Inc.

**EXECUTIVE SESSION 25 D**

The Board commended the performance of the Authority General Manager/CEO and authorized maintenance of the current compensation package for FY 2010.