



QUARTERLY BOARD OF DIRECTORS ACTIONS

January 25, 2016

The Brazos River Authority Board of Directors held their first meeting of 2016 on Monday, January 25. The Board took the following action:

COMPREHENSIVE ANNUAL FINANCIAL REPORT

The Board approved the Comprehensive Annual Financial Report (CAFR) for fiscal year 2015, and authorized the document to be filed with the Texas Commission on Environmental Quality in accordance with the Texas Water Code. The CAFR was jointly prepared by BRA staff and the accounting firm Padgett Stratemann & Company.

INVESTMENT POLICY

The Board approved the Brazos River Authority Investment Policy, including the Investment Strategy Statement, approved broker/dealer list and approved training resources.

FISCAL YEAR 2016 BUDGET AMENDMENT

The Board approved a Fiscal Year 2016 budget amendment increasing the Brazos Basin Watermaster FY 2016 budget by \$20,000, from its current level of \$410,000 to \$430,000. To calculate its initial funding, the BRA used estimates from the Texas Commission on Environmental Quality (TCEQ) that were based on TCEQ's proposed budget and a draft methodology for how costs would be allocated to water rights holders to. The final methodology adopted by the TCEQ differed slightly from the draft methodology, resulting in the need for extra funds to cover the allocation and any other costs that may arise.

RETIREMENT COMMITTEE MEMBERSHIP

The Board ratified the Retirement Committee membership appointed by Presiding Officer Dave Scott. Committee officers include: Jeff Tallas, chair; Sal Zaccagnino, vice chair; Peter Bennis; John Henry Luton; Ford Taylor; David Collinsworth; Jim Forte; and Matt Wheelis.

ENCROACHMENT BELOW 1,000 FOOT CONTOUR

The Board approved a policy dealing with encroachments below the 1,000 foot contour at Possum Kingdom Lake. This policy replaces the one previously approved during the divestiture process in October 2010. The policy requires encroachments in general to be removed; however, if the encroachment is a habitable residential structure, then the residential and/or commercial lessee may execute an agreement with the Brazos River Authority granting a license for the structure to remain in place. The agreement requires the licensee to assume all responsibility and liability for the encroachment, including but not limited to, flooding. Licensees pay an annual encroachment fee of 10 cents per square foot, with a \$50 minimum. Additionally, the policy allows certain encroachments, such as retaining walls and structures that conform to the lakebed, such as concrete pads.

ENCROACHMENTS ONTO RETAINED BRAZOS RIVER AUTHORITY LANDS

The Board approved a policy regarding encroachments onto retained Brazos River Authority lands at Possum Kingdom Lake. This policy replaces the one previously adopted during the

divestiture process in 2010. In general, encroachments must be removed; however, residential and commercial lessees may execute an agreement granting a license for certain encroachments to remain in place. Structures that may remain include, habitable residential structures, enclosed substantial structures that are permanently affixed to the ground and not easily removed, and on-site sewerage facility systems. The license has an annual encroachment fee of 10 cents per square foot, with a \$50 minimum.

FISHERIES HABITAT IMPROVEMENT

The Board of Directors authorized the BRA General Manager/CEO to execute an interlocal agreement with the Texas Parks and Wildlife Department for fisheries habitat improvement at Lake Proctor, Lake Granbury and Possum Kingdom Lake. The projected cost is \$15,000.

WASTEWATER CONTRACT WITH THE CITY OF SUGAR LAND

The Board authorized the BRA General Manager/CEO to negotiate a wastewater contract with the City of Sugar Land. The current contract between the BRA and Sugar Land expires in September.

RESERVOIR SEDIMENT SURVEYS

The Board authorized the BRA General Manager/CEO to enter into agreements with the Texas Water Development Board and the U.S. Army Corps of Engineers to facilitate hydrographic reservoir sediment surveys at Lakes Belton, Stillhouse Hollow, Georgetown, Possum Kingdom and Whitney, and to secure funding from the U.S. Army Corps of Engineers for a portion of the cost.

LOWER BASIN FLOOD PROTECTION PLANNING STUDY

The Board approved \$151,166 for Phase II of Lower Basin Flood Protection Planning Study. The study area is from the Grimes/Waller County line to the Gulf of Mexico. The study will be beneficial for short-term flood forecasting and response as well as long-term flood planning.