



Quarterly Board Actions
October 18, 2010
October 25 and 26, 2010

RETIREMENT COMMITTEE MEETING

The Brazos River Authority's Retirement Committee held their regular quarterly meeting on October 18th in Waco, Texas. The following action was taken:

AUTHORIZATION TO NEGOTIATE A RETIREMENT PLAN ADVISORY SERVICES CONTRACT

The Retirement Committee approved a resolution for the General Manager/CEO to negotiate a contract for retirement plan advisory services with The Bogdahn Group for a period of five years.

BOARD MEETING

The Brazos River Authority's Board of Directors held their quarterly meeting on October 25 and 26, 2010. The following actions were taken.

AMENDMENT TO BRAZOS RIVER AUTHORITY RETIREMENT PLAN

The Board of Directors passed a resolution amending the Employee Retirement Plan and Defined Contribution Plan requiring a letter be sent to the Internal Revenue Service (IRS) requesting determinations for the tax exempt status of both plans. The Board also resolved that following a favorable determination from the IRS, distributions be made available to all eligible participants.

AMENDMENT TO RETIREMENT TRUST FOR AUTHORITY EMPLOYEES

The Board adopted a resolution amending the Authority Employee Retirement Trust, effective November 30, 2010.

AMENDMENTS TO PERSONNEL POLICIES EFFECTIVE NOVEMBER 1, 2010

The Board amended the Human Resources Policies on personal Internet blogs and posts, absences, shift premiums, unauthorized work hours, timeliness, employee responsibilities and reports, on-the-job injuries and termination of employment.

AMENDMENTS TO PERSONNEL POLICIES EFFECTIVE JANUARY 1, 2011

The Board amended the Human Resources Policies on introductory periods, and coverage effective dates for insurance, long-term disability and the flexible benefits plan.

RESOLUTION AMENDMENT ON WILLIAMSON COUNTY REGIONAL RAW WATER LINE REFUNDING BONDS

The Board amended a resolution passed on July 26, 2010 authorizing the issuance of up to \$20 million for the Williamson County Regional Raw Water Line Project. The issuance will help the Authority realize savings, providing \$5.8 million for new projects and pay the costs of issuance of the debt.

POTENTIAL DECOMMISSIONING THE POSSUM KINGDOM LAKE HYDROELECTRIC GENERATION

The Board took no action on the potential decommissioning of the Possum Kingdom Lake hydroelectric generation plant. The Board scheduled a special meeting for November 8, 2010 at 11 a.m. at the Central Office in Waco for further discussion of the issue.

SHORELINE CONTROL STRIP LEASE FORM FOR POSSUM KINGDOM

The Board adopted the Federal Energy Regulatory Commission (FERC) Project Area Shoreline Control Strip Lease Form. The Board also resolved that Shoreline Control Strip leases shall have a one-year term and shall automatically renew for one-year periods unless terminated.

ENCROACHMENTS BELOW 1,000 FOOT COUNTOUR AT POSSUM KINGDOM LAKE

The Board approved a resolution that, with exceptions, requires removal of encroachments situated below the 1000 foot contour in the lakebed at Possum Kingdom Lake. The policy also set an annual encroachment fee, effective January 1, 2011 of 10 cents per square foot (\$50 minimum) for structures allowed to continue to encroach into the lake bed.

ENCROACHMENTS ONTO RETAINED BRAZOS RIVER AUTHORITY LAND AT POSSUM KINGDOM LAKE

The Board approved a resolution that, with exceptions, requires removal of encroachments onto Brazos River Authority retained property at Possum Kingdom Lake. The policy also set an annual encroachment fee, effective January 1, 2011 of 10 cents per square foot (\$50 minimum) for structures allowed to continue to encroach onto Authority-retained property.

POSSUM KINGDOM LAKE POST-DIVESTITURE ADJUSTMENTS

The Board approved a resolution allowing certain fees to be assessed that had previously been waived for residential property leased from the Authority. The fees, which have long been assessed for deeded property owners around the lake, will now be applied to property sold in the recent divestiture. The adjustment includes fees for issuance of Transfer, Residential Water Use Permit, On-Water Facility Permit, Water Recreational User and fees related to Authority waste convenience stations.

PUBLICATIONS AND FORMS UPDATE

The Board authorized the General Manager/CEO to update the Possum Kingdom Lake Shoreline Management Plan and Customer Guide, the Permit and Agreement for On-Water Facility form, the Permit and Agreement for Residential Water Use form, and all other Brazos River Authority publications as needed to reflect the policies adopted by the Board at its October 25, 2010 meeting, and to make such forms and publications consistent with the Authority's post-divestiture responsibilities.

POSSUM KINGDOM CRANE REPLACEMENT

The Board authorized the General Manager/CEO to enter into a contract to buy a crawler crane for up to \$847,000 in accordance with the Fiscal Year 2011 budget.

DETERMINATION OF INTERRUPTIBLE WATER AVAILABLE FOR CALENDAR YEAR 2011

The Board determined that 117,161 acre-feet of interruptible water can be made available for sale in calendar year 2011. The Board also authorized the General Manager/CEO to enter into interruptible water availability agreements for the use of this water, which shall be sold at the current system rate per acre foot, except for water for agricultural use, as that term is defined in Chapter 11 of the Texas Water Code, which shall be sold at the current agricultural rate.

ELECTRICITY AGGREGATOR ENGAGEMENT

The Board authorized the General Manager/CEO to enter into negotiations with Houston Galveston Area Cooperative Energy (H-GAC) to obtain electric power for meters in deregulated areas and to enter into an agreement in a form and manner most advantageous to the Authority.

AUTHORIZATION TO PARTICIPATE IN H-GAC ENERGY PURCHASING CORPORATION

The Board agreed to join the Houston-Galveston Area Council and other participating political subdivisions and participate in the H-GAC Energy Purchasing Corporation. The Board approved the H-GAC Energy Purchasing Corporation's Articles of Incorporation Bylaws. Directors also agreed the Authority will cooperate with the Corporation in providing data related to electricity demand for its accounts, and other information that may assist in preparing bid solicitations or requests for proposals.

By approving this resolution, the Authority did not create an obligation for itself, nor did it authorize the Corporation to purchase electricity on its behalf without the Authority's prior consent to specific purchases. The Board also agreed to allow the Corporation to use the Authority's name as a participant in descriptions of the Corporation.

GRANT FOR IMPLEMENTATION OF SELECT MANAGEMENT MEASURES FOR THE LAKE GRANBURY WATERSHED PROTECTION PLAN

The Board authorized the General Manager/CEO to enter into a grant agreement with the Texas Commission on Environmental Quality to implement select portions of the Lake Granbury Watershed Protection Plan. The total amount of the grant is \$544,799, with the Brazos River Authority's portion being approximately 40 percent of this amount and will be covered by in-kind services.

GRANGER LAKE REAL PROPERTY ACQUISITION

The Board authorized the General Manager/CEO to take necessary or desirable actions required to acquire interests in real property for the construction and operation of a 48" Water Pipeline and Water Intake Facility at Granger Lake.

GRANGER LAKE INTAKE MITIGATION

The Board authorized the General Manager/CEO to enter into an agreement with the United States Army Corps of Engineers for mitigation of impacts to Granger Lake in conjunction with the construction of the Authority Granger Lake Intake project.

REGULAR BOARD MEETING UPDATE AND LOCATION

As required by Authority Bylaws, the change to the date and location of its regular Board meetings must be approved by a Board vote. The Board passed a resolution setting meeting dates and locations for upcoming January and April 2011 regular quarterly meetings for January 31, 2011 in Sugar Land, Texas and April 18th in Waco, Texas.