



QUARTERLY BOARD OF DIRECTORS ACTIONS OCTOBER 27, 2014

The Brazos River Authority's Board of Directors held their quarterly meeting Monday, October 27, 2014. The Board took the following actions:

REGULATIONS OF BRAZOS RIVER AUTHORITY LAKES AND ASSOCIATED LANDS

The Board of Directors approved changes to the Rules for Governance of Brazos River Authority Lakes and Associated Lands. These changes consolidate the BRA's Rules for Governance and Shoreline Management Guides into one publication. The changes include revisions to existing rules and extraction of line items that apply to both lakeside property owners and those utilizing the reservoirs for recreational purposes.

EXECUTIVE SESSION 1B.1

The Board rejected a bid to purchase the remaining BRA commercial and residential lease property at Lake Possum Kingdom, consistent with Senate Bill (SB) 918, passed by the 83rd Texas Legislature. The Board then directed BRA staff to post a new request for bids for the properties. In the event no qualified bid is received, the Board directed the General Manager/ CEO to initiate a tract-by-tract sale in accordance with statutorily required timelines set by SB 918.

EXECUTIVE SESSION 1B.2

The Board approved inclusion of specific undeveloped strips in the Senate Bill 918 property sale.

SELECTION OF INVESTMENT ADVISOR

The Board authorized the General Manager/CEO to negotiate a contract for investment advisory services with Valley View Consulting, LLC for a period of two years with options to extend for two additional two year terms, with the contract containing such terms and conditions as the General Manager/CEO shall determine to be in the best interest of the BRA.

AUDIT REQUIREMENTS OF TEXAS ADMINISTRATIVE CODE, TITLE 30, PART 1, CHAPTER 292, SUBCHAPTER B, RULE 292.13(6)(A)

The Board instructed the General Manager/CEO to comply with the provisions of Texas Administrative Code, Title 30, Part 1, Chapter 292, Subchapter B, Rule 292.13(6)(A), by conducting an independent management audit every five years and submitting it to the applicable agency. The Board also determined that Directors shall approve the firm to perform the audit.

BANK DEPOSITORY SERVICES

The Board authorized the General Manager/CEO to enter into a contract for banking services for two years with options to extend for two additional two-year terms, with the

contract containing such terms and conditions as the General Manager/CEO shall determine to be in the best interest of the BRA.

ISSUANCE AND SALE OF BRAZOS RIVER AUTHORITY WATER SUPPLY SYSTEM REVENUE REFUNDING BONDS

The Board approved the sale of New Series 2015 Refunding Bonds totaling about \$17.5 million. These bonds, to be issued at low, current market interest rates, will be used to prepay at a better rate older bonds that were previously sold to fund the expansion of the East Williamson County Water Treatment System. The refunding will save the BRA approximately \$2 million in interest over the life of the bonds.

SURPLUS PERSONAL PROPERTY

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

DETERMINATION OF INTERRUPTIBLE WATER AVAILABLE FOR 2015

The Board authorized the BRA's General Manager/CEO to provide up to 43,569 acre-feet of interruptible water in calendar year 2015 for existing interruptible water agreements with terms that continue beyond December 31, 2014.

Directors also approved, as part of this resolution, potentially making available an additional 68,983 acre-feet of interruptible water if total BRA System Storage rises above the Stage 1 Drought Watch Trigger level of 1,514,536 acre-feet defined in the BRA Drought Contingency Plan. Interruptible water is firm water not used in previous years and supplies from the reservoir sediment pools, which are not sold on a long-term basis.

AMENDMENTS TO PERSONNEL POLICIES

The Board approved revisions to the Human Resources Policy Manual, to be effective November 1, 2014.

LIVE-STREAM BOARD MEETINGS

The Board approved the development and implementation of a live-stream video system to broadcast future Board meetings in real-time via the Internet.