



**BRAZOS RIVER AUTHORITY
BIMONTHLY BOARD OF DIRECTOR'S ACTIONS
July 31, 2023**

The Brazos River Authority's Board of Directors held its regular bimonthly meeting Monday, July 31, 2023. The Board took the following actions:

Executive Session

The Board resolved that the sustained, exemplary performance by the General Manager/CEO warrants an annual salary increase of ten percent of his existing salary and justifies a one-time merit bonus of 10 percent of his existing salary.

Executive Session

The Board authorized the General Manager/CEO to negotiate and execute a contract(s) with an engineering consultant(s) in relation to the Brazos River Authority's protest of Gulf Coast Water Authority's water rights amendment applications.

Fiscal Year 2024 Strategic Plan

The Board of Directors resolved that the Strategic Plan, including the Mission Statement, Vision Statement, Guiding Principles, Goals and Objectives and Strategies, be approved and adopted for a five-year period as presented at the July 31, 2023, meeting.

Fiscal Year 2024 Annual Operating Plan (Budget) Workshop and Adoption of Budget

The Board resolved that the Fiscal Year 2024 Annual Operating Plan and Multi-Year Capital Improvement Plan (Budget), as presented to the Board at the July 31, 2023 meeting, be approved and adopted, including the following provisions:

- that the General Manager/CEO is authorized to make expenditures and enter into contracts for expenditures as listed in the Budget, in accordance with the Brazos River Authority's General Operations Practices, Policy 2.01, Authority And Responsibilities Of the Board Of Directors and General Manager/Chief Executive Officer;
- that the General Manager/CEO is authorized to make adjustments in the individual line item amounts of the Budget provided that the total amount expended shall not exceed the total amount authorized for each operating division as presented in the meeting;
- that the Board adopts the Multi-Year Capital Improvement Plan as presented in the Budget and approves and adopts a rate of \$93.50 per acre-foot of water annually for Fiscal Year 2024, for both the System Water Rate and the Interruptible Water Rate;
- that the Board approves and adopts a rate of \$65.45 per acre-foot of water annually for Fiscal Year 2024 for the Agricultural Water Rate;
- that the Board approves and adopts a methodology for quarterly or monthly payments to include a multiplier to be applied to the annual payment allowing the Brazos River Authority to recover interest lost on any unpaid balance plus a service charge for administrative costs, including, but not limited to, costs involving the billing, accounting and collecting for the quarterly or monthly payments;
- that the Board approved and adopted a methodology for quarterly payments or monthly payments to include a multiplier applied to the annual payment to allow the Brazos River Authority to recover interest lost on any unpaid balance plus a service charge for

administrative costs, including, but not limited to, costs involving the billing, accounting and collecting for the quarterly or monthly payments;

- that the methodology used to determine the multiplier consists of applying the current savings rate the Brazos River Authority would be earning on the funds if paid in full annually to the unpaid balance on a monthly or quarterly schedule to determine lost interest;
- that the service charge shall remain at twenty dollars \$20 per invoice to cover additional administrative costs for billing, accounting and collecting the associated payments;
- and that the Board approves and adopts an annual interest rate of 4% and a daily interest rate charge of .0109589% ($4\% \div 365$) to be applied for quarterly and monthly payments for Fiscal Year 2024.

Allens Creek Short-Term Financing

The Board agreed to authorize bonds for the purpose of acquiring and permitting the Allens Creek Reservoir. Bonds in the amount of \$46 million will be secured by and made payable from a subordinate lien on the net revenues of the BRA System. As part of the arrangement, the Authority will no longer issue bonds payable from a lien on the net revenues of the Authority's Water Supply System on a parity with the Series 1991 Bonds or bonds issued previously.

Allens Creek Texas Water Development Board Financing Agreement

The Board voted to authorize the GM/CEO to execute and deliver the financing agreements on a loan from the Texas Water Development Board of approximately \$50 million to finance the Allens Creek Reservoir Project.

Clean Rivers Program Contract for Fiscal Year 2024-2025

The Board authorized the General Manager/CEO to enter into an agreement with the Texas Commission on Environmental Quality (TCEQ), whereby TCEQ will provide funding, in the amount of \$948,176 to the Brazos River Authority to perform water quality monitoring services and other activities under the Texas Clean Rivers Program for Fiscal Years 2024 and 2025.