

# Brazos River Authority

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE BRAZOS RIVER AUTHORITY  
MAY 22, 2006**

***Agenda Item 10  
Property Management Strategy for  
Possum Kingdom Lake***

**“BE IT RESOLVED** that the Board of Directors of the Brazos River Authority hereby adopts the following recommendations after consideration of the Possum Kingdom Land Strategic Study Phase III:

- Adopt a Strategic Vision
- Continuing leasing real property interest at Possum Kingdom
- Implement a Master Plan
- Consider long range development goals, in coordination with the Master Plan, for additional unencumbered real property at Possum Kingdom
- Develop a Resource Preservation and Utilization Plan in coordination with the Master Plan
- Explore wetland mitigation
- Implement a periodic inspection program
- Require periodic review and adjustment for lake fees
- Consider concession agreements for public enhancement
- Provide self-sustaining public recreation through concession agreements
- Adopt new lease forms effective September 1, 2006
  - Continue current rent methodology until December 31, 2007
  - Commence new rent methodology beginning January 1, 2008

**BE IT FURTHER RESOLVED** that the Board of Directors of the Brazos River Authority hereby adopts the following Residential

rate methodology adopted on September 24, 2001, for Possum Kingdom residential lessees:

For the initial five-year term, beginning January 1, 2008 through December 31, 2012, the lessee will pay 4% of the current year county appraisal district assessment for each year of the five year term, with a minimum annual rental of \$667. For the second five-year term, beginning January 1, 2013 through December 31, 2017, the lessee will pay 5% of the current year county appraisal district assessment for each year of the five year term, with a minimum annual rental of \$833. For the third five-year term, beginning January 1, 2018 through December 31, 2022, the lessee will pay 6% of the current year county appraisal district assessment for each year of the five year term, with a minimum annual rental of \$1000. For the fourth five-year term, beginning January 1, 2023 through December 31, 2027, the lessee will pay 6% of the current year county appraisal district assessment for each year of the five year term, with a minimum annual rental of \$1000. Beginning January 1, 2028, through the conclusion of the existing lease term, the lessee will pay 6% of the current year county appraisal district assessment for each year of the remainder of the existing lease term, with a minimum annual rental of \$1000. In addition, the Board of Directors expressly removes any maximum rental rate previously adopted, effective January 1, 2008.

**BE IT FURTHER RESOLVED** that the Board of Directors of the Brazos River Authority hereby adopts the following Discounted Residential Lease Rate methodology for lessees that execute a new lease form (effective January 1, 2008) with the Brazos River Authority prior to October 1, 2007:

The initial five-year term, beginning January 1, 2008 through December 31, 2012, the lessee will pay 2% of the current year county appraisal district assessment for each year of the five year term, with a minimum annual rental of \$667. The second five-year term, beginning January 1, 2013 through December 31, 2017, the lessee will pay 3% of the current year county appraisal district assessment for each year of the five year term, with a minimum annual rental of \$833. The third five-year term, beginning January 1, 2018 through December 31, 2022, the lessee will pay 4% of the current year county appraisal district assessment for each year of the five year term, with a minimum annual rental of \$1000. The fourth five-year term, beginning January 1, 2023 through December 31, 2027, the lessee will pay 5% of the current year

county appraisal district assessment for each year of the five year term, with a minimum annual rental of \$1000.

At the conclusion of the twentieth year of the lease term, the lessee will pay 6% of the current year county appraisal district assessment for each year of the remainder of the lease term with a minimum of \$1000.

### Commercial Lease Approach

The Board of Director hereby adopts the following strategy to be further refined:

#### On-Water Facilities

- Includes a permit amount; and/or
- A percentage of gross sales

#### Off-Water Facilities

- Includes a base rate based on land value; and/or
- A percentage of gross sales

The aforementioned resolution was approved by the Board of Directors of the Brazos River Authority on May 22, 2006, to certify which witness my hand and seal.



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**Steve Pena**  
Presiding Officer

SUBSCRIBED AND SWORN TO BEFORE ME on this the 22<sup>nd</sup> day of May, 2006, to certify which witness my hand and official seal.



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Notary Public in and for the  
State of Texas

