



May 4, 2018

Caaren Skrobarczyk, Manager
Team 2 - Brazos
Texas Water Development Board
1700 N. Congress Avenue, 5th Floor
Austin, Texas 78711-3231

Re: Brushy Creek Regional Utility Authority Phase 2 SWIFT Loan Application

Dear Ms. Skrobarczyk,

On behalf of the Brushy Creek Regional Utility Authority, and its member cities of Cedar Park, Leander, and Round Rock, I am pleased to submit the enclosed Application for Financial Assistance, in both hard copy and electronic form.

BCRUA requests \$6,970,000 in Low Interest loan funding, and \$8,770,000 in Deferred Loan funding from the SWIFT Program.

The \$15,740,000 total request will cover portions of our costs for Phase 1D and Phase 2 Final Design, additional land rights acquisitions for Phase 2, and certain design and construction costs associated with early electrical system improvements that must be completed prior to Phase 2 construction. This loan request is submitted on behalf of two of our three member cities, Cedar Park, and Leander. Our third member city, Round Rock, intends to cover its share of the above listed projects by utilizing the bulk of its remaining Phase 1A project savings.

Please review the enclosed application, and contact me if there are any questions, or if you need any additional information

Sincerely,

Tom Gallier, General Manager

enclosure

APPLICATION FOR FINANCIAL ASSISTANCE FOR WATER AND WASTEWATER INFRASTRUCTURE PROJECTS

This application is comprehensive, covering all loan and grant assistance applications for water and wastewater infrastructure financing through the various Texas Water Development Board (TWDB) programs. The format of the application is intended to expedite the review process for both the applicant and TWDB staff. This application can be used by political subdivisions, including water supply corporations.

Please submit one double-sided original and one indexed, electronic copy, via electronic storage media such as CD or flash drive using MS Word, Excel and/or Adobe Acrobat.

Please submit your application to:

Texas Water Development Board
Water Supply and Infrastructure-Regional Water Planning and Development
P O Box 13231
1700 N. Congress Avenue, 5th Floor
Austin, Texas 78711-3231
(78701 for courier deliveries)

A complete application consists of all of the applicable information and forms requested in this document. When preparing this application please review the Application and all Guidance and Forms, listed at the end.

For more information, please contact your Regional Project Implementation Team at:

http://www.twdb.texas.gov/financial/programs/swift/regional_project_teams.asp

Thank you.

TWDB Use Only

Name of Applicant: _____

Date application received: _____

Date administratively complete: _____

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

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Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part A: General Information

1. The legal authority under which the applicant was created and operates.
 - a) TYPE A GENERAL-LAW MUNICIPALITY (Texas Local Gov't Code Sec. 5.001)
 - b) TYPE B GENERAL-LAW MUNICIPALITY (Texas Local Gov't Code Sec. 5.002)
 - c) TYPE C GENERAL-LAW MUNICIPALITY (Texas Local Gov't Code Sec. 5.003)
 - d) HOME-RULE MUNICIPALITY (Texas Local Gov't Code Sec. 5.004)
 - e) SPECIAL-LAW MUNICIPALITY (Texas Local Gov't Code Sec. 5.005)
 - f) NONPROFIT ORGANIZATION (Business Organization Code Chapter 22)
 - g) NONPROFIT WATER SUPPLY OR SEWER SERVICE CORP. (Texas Water Code Chapter 67)
 - h) ALL DISTRICTS (Texas Water Code Chapter 49)
 - i) OTHER (attach)

2. Applicant Name and Contact Information:

Name:	Brushy Creek Regional Utility Authority, Inc.
County:	Williamson
Physical Address:	221 East Main Street Round Rock, Texas 78664
Mailing Address:	Same
Phone:	512/218-5400
Fax:	512/218-7097
Website:	www.bcrua.org

3. Brief description of the project includes planning and design and land rights funding for Phase 1D and Phase 2. The project also includes funding for some electrical upgrades to service the Phase 2 project. Phase 2 is a new raw water intake in a deep water location in Lake Travis to meet future ultimate demands and reduce vulnerability to drought conditions. Phase 1D is an expansion of the water treatment plant to accommodate increased supply from the Phase 2 raw water delivery system.

4. Applicant's Officers and Members:

<u>Name</u>	<u>Office Held</u>
Frank Leffingwell	President
Ron Abruzzese	Vice President
Stephen Thomas	Secretary
Corbin Van Arsdale	Director
Andrea Navarette	Director
Rene Flores	Director

5. Applicant's **primary contact person** for day-to-day project implementation.

Name:	Tom Gallier
Title:	General Manager
Address:	221 East Main Street, Round Rock, Texas 78664
Phone:	512/788-2036

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Fax:	512/218-7097
Email:	tgallier@bcrua.org

6. Applicant's Consultants (Attach copies of all draft and/or executed contracts for consultant services to be used by the Applicant in applying for financial assistance or constructing the proposed project.):

a) Applicant Engineer N/A

Firm Name:	Walker Partners
Contact:	Aaron Archer, P.E.
Address:	804 Las Cimas Parkway, Suite 150, Austin, Texas 78746
Phone:	512/382-0021
Fax:	512/382-0042
Email:	aarcher@walkerpartners.com

b) Bond Counsel N/A

Firm Name:	McCall, Parkhurst & Horton L.L.P. (RR/CP) + Bickerstaff Heath Delgado Acosta LLP (Leander)
Contact:	Richard Donoghue / David Mendez
Address:	600 Congress Avenue, Suite 1800, Austin, TX 78701 / 3711 S. MoPac Expwy. Bldg.1 #300, Austin, TX 78746
Phone:	512/478-3805 / 512/472-8021
Fax:	512/472/0871 / 512/320-5638
Email:	rdonoghue@mphlegal.com / dmendez@bickerstaff.com

c) Financial Advisor N/A

Firm Name:	Specialized Public Finance Inc. (Round Rock/Cedar Park) + Hilltop Securities Inc. (Leander)
Contact:	Garry Kimball and Dan Wegmiller / Chris Allen
Address:	248 Addie Roy Road, #B-103, Austin, TX 78746 / 300 W. 6 th Street, #1940, Austin, TX 78701
Phone:	512/275-7300 / 512/481-2013
Fax:	512/275-7305 / 512/481-2010
Email:	garry@spfmuni.com / chris.allen@hilltopsecurities.com

d) Certified Public Accountant (or other appropriate rep) N/A

Firm Name:	Weaver & Tidwell, LLP Adam McCane, CPA (contact)
Contact:	
Address:	1601 S MoPac Expressway, D250, Austin, Texas 78746
Phone:	512/609-1900
Fax:	512/609-1911
Email:	Adam.mccane@weaver.com

e) Legal Counsel (if other than Bond Counsel) N/A

Firm Name:	Sheets & Crossfield, P.C.
Contact:	Steve Sheets

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Address:	309 East Main Street, Round Rock, Texas 78664
Phone:	512/255-8877
Fax:	N/A
Email:	steve@scrllaw.com

f) Any other consultant representing the Applicant before the Board N/A

Firm Name:	
Contact:	
Address:	
Phone:	
Fax:	
Email:	

7. List the counties within the Applicant's service area. Williamson, Travis

8. Identify the Applicant's total service area population: 266,591

9. Applicant is requesting funding from which programs? Check all that apply.

	PROGRAM	AMOUNT REQUESTED
a) <input type="checkbox"/>	Drinking Water State Revolving Fund (DWSRF)	\$ _____
b) <input type="checkbox"/>	Clean Water State Revolving Fund (CWSRF)	\$ _____
c) <input type="checkbox"/>	Texas Water Development Fund (DFund)	\$ _____
d) <input type="checkbox"/>	State Participation	\$ _____
e) <input type="checkbox"/>	Rural Water Assistance Fund (RWAFF)	\$ _____
f) <input checked="" type="checkbox"/>	State Water Implementation Fund for Texas (SWIFT)	\$ <u>15,740,000</u>
g) <input type="checkbox"/>	Economically Distressed Areas Program (EDAP)	\$ _____
h) <input type="checkbox"/>	If other please explain: _____	\$ _____

10. Other Funding Sources: Provide a list of any other funding source(s) being utilized to complete the project, including Applicant's local contribution, if any, or commitments applied for and/or received from any other funding agency for this project or any aspect of this project. **Provide commitment letters if available. Additional funding sources must be included within the Project Budget (TWDB-1201).**

Funding Source	Type of Funds (Loan/Grant)	Amount (\$)	Date Applied for Funding	Anticipated or Funding Secured Date
TWDB	DFund	6.7M	2009	2009
Total Funding from All Sources	N/A	\$6.7M	N/A	N/A

Comments: City of Round Rock is utilizing residual 2009 bond proceeds from Phase 1A.

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

11. Applicant is requesting funding for which phase(s)? Check all that apply.

- Planning
- Acquisition
- x Design
- Construction

12. Is Applicant requesting funding to refinance existing debt?

- Yes If yes, attach a copy of the document securing the debt to be refinanced.
- Attached document**
- No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part B: Legal Information

13. Cite the legal authority under which the Applicant can issue the proposed debt including the authority to make a proposed pledge of revenues. Chapter 431, Subchapter D of the Texas Transportation Code, as amended.

14. What type of pledge will be used to repay the proposed debt?
 Systems Revenue
 Taxes
 Combination of systems revenues and taxes
 Other (Contract Revenue, etc.)

15. Provide the full legal name of the security for the proposed debt issue(s).

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.,_CITY OF CEDAR PARK, TEXAS
CONTRACT REVENUE BONDS, SERIES 2018
(BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT);

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.,_CITY OF LEANDER, TEXAS CONTRACT
REVENUE BONDS, SERIES 2018
(BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT)

16. Describe the pledge being offered and any existing rate covenants. Pledge of contract payments received by BCRUA under Article IX of the Master Contract.

17. Attach the resolution from the governing body requesting financial assistance.
TWDB-0201A (<http://www.twdb.texas.gov/financial/instructions/>)
x **Attached Resolution**

18. Attach the Application Affidavit
TWDB-0201 (<http://www.twdb.texas.gov/financial/instructions/>)
X **Attached Applicant Affidavit**

19. Attach the Certificate of Secretary
TWDB-201B (<http://www.twdb.texas.gov/financial/instructions/>)
X **Attached Certificate of Secretary**

20. Is the applicant a Water Supply Corporation (WSC)? No.
 Yes If yes, attach each of the following:
 Articles of Incorporation
 Certificate of Incorporation from the Texas Secretary of State evidencing that the current Articles of Incorporation are on file with the Secretary
 By-laws and any amendments
 Certificate of Status from the Texas Secretary of State (i.e. Certificate of Existence)
 Certificate of Account Status from the Texas Comptroller of Public Accounts (certifies that the WSC is exempt from the franchise tax and that the WSC is in good standing).
 No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

21. Is the applicant proposing to issue revenue bonds?
 Yes If yes, attach copies of the most recent resolution/ordinance(s) authorizing any outstanding parity debt. This is essential to insure outstanding bond covenants are consistent with covenants that might be required for TWDB financing.
 Attached resolution/ordinance(s)
 No
22. Does the applicant possess a Certificate of Convenience and Necessity (CCN)?
 Yes If yes, attach a copy of the CCN and service area map showing the areas the applicant is allowed to provide water or wastewater services.
 Attached CCN and service area map
 No If no, indicate the status of the CCN. _____
 N/A
23. Has the applicant been the subject of any enforcement action by the Texas Commission on Environmental Quality (TCEQ), the Environmental Protection Agency (EPA), or any other entity within the past three years?
 Yes If yes, attach a brief description of every enforcement action within the past three years and action(s) to address requirements.
 Attached
 No
24. Are any facilities to be constructed or the area to be served within the service area of a municipality or other public utility?
 Yes If yes, has the applicant obtained an affidavit stating that the utility does not object to the construction and operation of the services and facilities in its service area?
 If yes, attach a copy of the affidavit.
 Attached affidavit
 If no, provide an explanation as to why not. N/A
 No
25. If the assistance requested is more than \$500,000 a Water Conservation Plan (WCP) is required. The WCP cannot be more than **FIVE** years old and must have been adopted by the applicant. Has the applicant adopted a Board-approved WCP? (Check one and attach requested information, if any.)
 Yes Enter date of Applicant's WCP adoption: _____
 No If no, attach a copy of a draft Water Conservation Plan and Drought Contingency Plan prepared in accordance with the TWDB WCP Checklist (<http://www.twdb.state.tx.us/financial/instructions/doc/TWDB-1968.pdf>)
 Attached Draft WCP and Drought Contingency Plan
 Attached Utility Profile TWDB-1965
<http://www.twdb.state.tx.us/financial/instructions/doc/TWDB-1965.pdf>
 N/A (Request is \$500,000 or less per Water Code §§ 15.106(c), 17.125(c), 17.277(c), and 17.857(c))

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Note: If the applicant will utilize the project financed by the TWDB to furnish services to another entity that in turn will furnish services to the ultimate consumer, the requirements for the WCP may be met through contractual agreements between the applicant and the other entity providing for establishment of a water conservation plan. The provision requiring a WCP shall be included in the contract at the earliest of: the original execution, renewal or substantial amendment of that contract, or by other appropriate measures.

26. Does the applicant provide retail water services?
 Yes If yes, has the applicant already submitted to the TWDB the annual water use survey of groundwater and surface water for the last **THREE** years?
 Yes
 No If no, please download survey forms and attach a copy of the completed water use surveys to the application.
<http://www.twdb.texas.gov/waterplanning/waterusesurvey/index.asp>
 Attached Water Use Survey
- No
27. Is the applicant a retail public utility that provides potable water?
 Yes If yes, has the applicant already submitted the most recently required water loss audit to the TWDB?
 Yes
 No If no, and if applying for a water supply project, please complete the online TWDB Water Audit worksheet found at <http://www.twdb.texas.gov/conservation/resources/waterloss-resources.asp> and attach a copy to the application.
 Attached TWDB Water Audit worksheet
- No
28. Does the Applicant provide wastewater services?
 Yes
 No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part C: Financial Information

Regional or wholesale providers, complete questions 29-31.

Retail providers, complete questions 32-34.

29. List top **TEN** customers of the system by annual usage in gallons and percentage of total usage, including whether any are in bankruptcy.

Customer Name	Annual Usage (gal)	Percent of Usage	Bankruptcy (Y/N)
City of Cedar Park	1,017 MG	54.9 %	N
City of Leander	824.8 MG	44.6 %	N
City of Round Rock	9.07 MG	0.50 %	N

Comments: _____

30. List the top TEN customers of the system by gross revenues and percent of total revenues, including whether any are in bankruptcy (per 2017 BCRUA Audit)

Customer Name	Annual Revenue(\$)	Percent of Revenue	Bankruptcy (Y/N)
City of Cedar Park	692,550	30.1%	N
City of Leander	1,234,745	53.6%	N
City of Round Rock	375,370	16.3%	N
NA			

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

31. Provide a summary of the wholesale contracts with customers

Contract Type	Minimum annual amount	Usage fee per 1,000 gallons	Annual Operations and Maintenance	Annual Capital Costs	Annual Debt Service	Other
See Attached Master Contract						

32. List top **TEN** customers of the water and/or wastewater system by annual revenue with corresponding usage and percentage of total use, including whether any are in bankruptcy.

a. **WATER**

Customer Name	Annual Usage (gal)	Percent of Total Water Revenue	Bankruptcy (Y/N)
See Table 29			
NA			

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

b. **WASTEWATER**

Customer Name	Annual Usage (gal)	Percent of Total Wastewater Revenue	Bankruptcy (Y/N)
N/A			

33. Current Average Residential Usage and Rate Information*

Service	Date of Last Rate Increase	Avg. Monthly Usage (gallons)	Avg. Monthly Bill (\$)	Avg. Monthly Increase Per Customer(\$)	Projected Monthly Increase Necessary (\$)
Water	N/A	N/A	N/A	N/A	N/A
Wastewater	N/A	N/A	N/A	N/A	N/A

*BCRUA has no residential customers.

34. Provide the number of customers for each of the past five years.

Year	Number of Customers*
2016	3
2015	3
2014	3
2013	3
2012	3

*Wholesale only.

All applicants complete questions 35-51 of the financial section, as applicable.

35. Disclose all issues that may affect the project or the applicant's ability to issue and/or repay debt (such as anticipated lawsuits, judgments, bankruptcies, major customer closings, etc.).
No material issues.

36. Has the applicant ever defaulted on any debt?

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

- Yes If yes, disclose all circumstances surrounding prior default(s). _____
 No

37. Does the applicant have taxing authority?

- Yes
 No

38. Provide the last five-years of data showing total taxable assessed valuation including net ad valorem taxes levied, corresponding tax rate (detailing debt service and general purposes), and tax collection rate.

Fiscal Year Ending	Net Taxable Assessed Value (\$)	Tax Rate	General Fund	Interest & Sinking Fund	Tax Levy \$	Percentage Current Collections	Percentage Total Collections
20	N/A						
20							
20							
20							
20							

Comments: _____

39. Attach the last five-years of tax assessed values delineated by Classification (Residential, Commercial and Industrial). **If applicant does not have taxing authority, provide the assessed values of the county.**

- a) 20 attached
 b) 20 attached
 c) 20 attached N/A
 d) 20 attached
 e) 20 attached

40. Attach the direct and overlapping tax rate table:

- Attached tax rate table N/A

41. Provide the current top **TEN** taxpayers showing percentage of ownership to total assessed valuation. State if any are in bankruptcy and explain anticipated prospective impacts in the Comments blank, below. If any of these have changed in the past three years, please provide information on the changes to the top ten.

Taxpayer Name	Assessed Value	Percent of Total	Bankruptcy (Y/N)
	N/A		

Comments: _____

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

42. Provide the maximum tax rate permitted by law per \$100 of property value. N/A

43. Does the applicant collect sales tax?

Yes Provide the sales tax collection history for the past five years.

Fiscal Year Ending	Total Collections
20	
20	
20	N/A
20	
20	

No

44. Indicate the tax status of the proposed loan?

Tax-Exempt

Taxable

45. Proforma (**Select one of the four listed below**) Please be sure the proforma reflects the schedule requested, including multi-phased funding options.

a. System revenues are anticipated to be used to repay the proposed debt. Attach a proforma indicating the following information for each year the debt is outstanding:

- projected gross revenues
- operating and maintenance expenditures
- outstanding and proposed debt service requirements
- net revenues available for debt service and coverage of current and proposed debt paid from revenues

b. Taxes are anticipated to be used to repay the proposed debt. Attach a pro forma indicating the following information for each year the debt is outstanding:

- N/A outstanding and proposed debt service requirements
- the tax rate necessary to repay current and proposed debt paid from taxes
- list the assumed collection rate and tax base used to prepare the schedule

c. Combination of system revenues and taxes to be used to repay the proposed debt. Attach a pro forma indicating the following information for each year the debt is outstanding:

- N/A projected gross revenues, operating and maintenance expenditures, net revenues available for debt service
- outstanding and proposed debt service requirements
- the tax rate necessary to pay the current and proposed debt
- list the assumed collection rate and tax base used to prepare the schedule

d. Another type of pledge will be used to repay the proposed debt. Attach a pro forma with information for each year the debt is outstanding, which includes projected revenues, annual expenditures, outstanding debt requirements, and revenues available for debt service.

N/A Attached

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

46. Attach a **FIVE** year comparative system operating statement (not condensed) including audited prior years and an unaudited year-to-date statement. Unaudited year-to-date statement must reflect the financial status for a period not exceeding the latest six months.
 Attached Operating Statement. See Attached Audits.
47. Attach **ONE** copy of an annual audit of financial statements, including the management letter, for the preceding fiscal year prepared by a certified public accountant or firm of accountants and, if the last annual audit was more than 6 months ago, then, provide interim financial information.
 Attached Annual Audit
 Attached Management Letter
 If applicable, attached interim financial information
48. Does the applicant have any outstanding debt? (Check all that apply)
 Yes, General obligation debt
 Yes, Revenue debt
 Yes, Authorized but unissued debt
 No
49. Attach a listing of total outstanding debt and identify the debt holder. Segregate by type (General Obligation or Revenue) and present a consolidated schedule for each, showing total annual requirements. Note any authorized but unissued debt.
- a. General Obligation Debt:
 Yes
 Attached schedule. The schedule should also identify the debt holder.
 No
- b. Revenue:
 Yes
 Attached schedules. The schedule should also identify the debt holder.
 No
- c. Authorized by Unissued Debt:
 Yes
 Attached schedule. The schedule should also identify the debt holder.
 No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

50. List the ten largest employers of the Applicant's service area:

Name	Number of Employees
Dell, Inc.	13,000
Round Rock ISD	6,586
Leander ISD	4,890
City of Round Rock	956
Emerson Process Management	875
Round Rock Premium Outlets	800
Scott & White Healthcare	750
Round Rock Medical Center	689
Liquidation Channel	600
HEB Grocery	575

Comments (example, any anticipated changes to the tax base, employers etc.) NA

51. Provide any current bond ratings with date received.

	Standard & Poor's	Date Received	Moody's	Date Received	Fitch	Date Received
RR-G.O.	AA+	2/5/2012	Aa1	4/23/2010	N/A	N/A
RR-Revenue	AAA	12/8/17	Aa2	4/23/2010	N/A	N/A
CP-G.O.	AA+	7/29/2016	Aa2	4/23/2010	N/A	N/A
CP-Revenue	AA+	7/29/2016	N/A	N/A	N/A	N/A
Leander-G.O.	AA	12/15/17	Aa2	10/11/2016	N/A	N/A
Leander-Revenue	N/A	N/A	N/A	N/A	N/A	N/A

52. Is the project intended to allow the applicant to provide or receive water or sewer services to or from another entity?

Yes. If yes, the applicant must attach, at a minimum, the proposed agreement, contract, or other documentation establishing the service relationship, with the final and binding agreements provided prior to loan closing.

Attached

No.

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part D: Project Information

53. Description of Project Need (for example, is the project needed to address a current compliance issue, avoid potential compliance issues, extend service, expand capacity, etc.):
The Brushy Creek Regional Utility Authority is a regional partnership of the cities of Cedar Park, Round Rock, and Leander. The BCRUA project is described in Volume 2, page 7.2-11 of the Region G Plan. Portions of the regional system, including Phase 1A and 1B, have already been completed. Phase 1C is underway and includes an expansion of the raw water intake and water treatment plant. Construction of Phase 1C is being funded by 2017 SWIFT proceeds. The proposed project includes planning and design and land rights funding for Phase 1D and Phase 2. The project also includes funding for some electrical upgrades to service the Phase 2 project. Phase 2 is a new raw water intake in a deep water location in Lake Travis to meet future ultimate demands and reduce vulnerability to drought conditions. Phase 1D is an expansion of the water treatment plant to accommodate increased supply from the Phase 2 raw water delivery system.

54. Description of Project, including a bulleted list of project elements/components, and alternatives considered (including existing facilities):

The project includes design of the following major components:

- 145 MGD raw water intake at a deep water location in Lake Travis
- 9,000 linear feet of 96-inch diameter tunnel to convey water to a remotely located raw water pump station
- 145 MGD raw water pump station with pumping capacity to convey water to the BCRUA, Cedar Park, and Leander water treatment plants
- 3,000 linear feet of 84-inch diameter transmission tunnel to convey water to the existing Phase 1A raw water transmission main
- Expansion of the BCRUA WTP from 32.5 MGD to 43 MGD
- Delivery point improvements to the three WTPs that receive water from the pump station
- 21,500 feet of overhead electrical service upgrades to extend power to the pump station site
- Rebuild of a 1,200 feet overhead electric line span crossing Lake Travis

The project also includes the following tasks:

- Acquisition of land rights to develop the project
- Construction of the 21,500 feet of overhead electric upgrades

A complete preliminary engineering feasibility data must include:

- a. A description and purpose of the project, including existing facilities.
 - Note: CWSRF and DWSRF must address issues scored in Intended Use Plan submittal

Attached – See below

Engineering and environmental planning documents for Phase 1 have been previously submitted to TWDB (funded by DFund). These documents included project elements and components for Phase 1D. Construction of this capacity expansion has not changed from the plan outlined in the previously submitted documents.

The Phase 2 Preliminary Engineering Report has previously been provided to TWDB and is a large document. A Phase 2 Engineering Feasibility Report and Environmental Assessment have also been previously submitted to the TWDB. An email from TWDB has been attached noting that the Preliminary Engineering Report is consistent with the Environmental Determination for the project.

Please let us know if additional electronic or hard copies of any of these documents are required to complete review of the application.

- b. If project is for **Construction only**, then attach the appropriate Engineering

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Feasibility Report:

a) **Water** (TWDB-0555 at

<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0555.pdf>)

Attached

b) **Wastewater** (TWDB-0556 at

<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0556.pdf>)

Attached

c. DWSRF applicants must complete a Projected Draw Schedule

(TWDB-1202 at <http://www.twdb.texas.gov/financial/instructions/doc/TWDB-1202.xls>)

55. Water Made Available (For projects requesting a construction component):

a. *New supply* N/A (*acre-feet/year*) N/A (*\$*) *capital cost*

- The **increase** in the total annual volume of water supply that will be made available to the recipient(s) by the proposed project.
- Water Plan project examples: new groundwater wells, reservoir development, pipelines to sources.

b. *New Conservation savings* N/A (*acre-feet/year*) N/A (*\$*) *capital cost*

- Annual volume of anticipated water savings resulting from implementation of the proposed conservation project including water loss) and other conservation activities,
- Water Plan project examples: municipal conservation, advanced Water Conservation, on-farm conservation, brush control, irrigation conservation.

c. *New Reuse supply* N/A (*acre-feet/year*) N/A (*\$*) *capital cost*

- Increase in the annual volume of (direct or indirect) reuse water supply that will be made available to the recipient(s) by the proposed project.
- Water Plan project examples: direct reuse, non-potable reuse, recycled water programs.

d. *Maintenance of Current Supply* N/A (*acre-feet/year*) N/A (*\$*) *capital cost*

- Volume of recipients' current supplies that will be maintained by implementing the proposed project
- Water Plan project examples: None. Not a water plan project. (Examples of these type projects: treatment rehabilitation, system storage facilities, system upgrades).

56. Project Location:

Travis and Williamson Counties

Attach a map of the service area and drawings as necessary to locate and describe the project. The map should show the project footprint and major project components.

Attached

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

57. Attach the Census tract numbers in which the applicant's service area is within. The Census tracts within your area may be found at:

<http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

Please follow these steps:

- Select Advanced Search.
- Select the Geographies button located below Topics (left side of page).
- On the top of the window select the Name tab.
- In the text box, type "All Census Tracts within____" (Fill in the blank with the name of a County Subdivision or a Place.) Select "Go".
- If your town is a County Subdivision, select the geography labeled "All Census Tracts (or parts) within City, County, State" from the Geography Results. If your town is a place select the geography labeled "All Census Tracts (or parts) full-or-partially within City, State" from the Geography Results.
- Close the Geographies Search window.
- Use the Topics on the left side of the page to further refine your search or to select a table(s) from your search results.

Attached Census tracts

58. Project Schedule:

- a) Requested loan closing date.
November 15, 2018
- b) Estimated date to submit environmental planning documents.
N/A – previously submitted
- c) Estimated date to submit engineering planning documents.
N/A – previously submitted
- d) Estimated date for completion of design.
June 2021
- e) Estimated Construction start date for first contract.
January 2020 (limited electrical improvements only – construction of other project components not included in this funding application)
- f) Estimated Construction end date for last contract.
June 2021 (limited electrical improvements only – construction of other project components not included in this funding application)

59. **Attach** a copy of current and future populations and projected water use or wastewater flows. Include entities to be served.

Attached

60. Attach the most current itemized project cost estimate (include all costs and funding sources). Utilize the budget format provided (TWDB-1201 at <http://www.twdb.texas.gov/financial/instructions/>). If applying for pre-construction costs only (i.e., P, A, D) then itemize only the relevant portions in the attached budget template

Attached

Please label each attachment with the number of the pertinent application section (i.e. “Part D5”)

61. Attach the appropriate Project Information Form:
 Wastewater: Attached a completed Wastewater Project Information Form WRD-253a <http://www.twdb.texas.gov/financial/instructions/index.asp>
 Water: Attached a completed Water Project Information Form WRD-253d <http://www.twdb.texas.gov/financial/instructions/index.asp>
62. If the project is for Construction only, wastewater projects that involve the construction of a new plant or the expansion of an existing plant and/or associated facilities, attach evidence that an application for a new Texas Pollution Discharge Elimination System Permit or amendment to an existing permit related to the proposed project has been filed with the Texas Commission on Environmental Quality (TCEQ). Final permit authorization must be obtained from the TCEQ before funds can be released for construction activities.
 Attached
 No. Provide explanation: N/A

63. If this project will result in: (a) an increase by the applicant in the use of groundwater, (b) drilling a new water well, or (c) an increase by the applicant in use of surface water, then the applicant must demonstrate that it has acquired – by contract, ownership or lease – the necessary property rights, groundwater permits, and/or surface water rights sufficient for the project before funds can be released for construction.

a) Does the applicant currently own all the property rights, groundwater permits and surface water rights needed for this project?

- Yes If yes, please attach the completed, appropriate form.
 1. WRD 208A (<http://www.twdb.texas.gov/financial/instructions/index.asp>) (Surface Water)
 Attached
 2. WRD 208B (<http://www.twdb.texas.gov/financial/instructions/index.asp>) (Groundwater)
 Attached
 No
 N/A

b) If all property rights, groundwater permits, and surface water rights, needed for this project have not yet been acquired, identify the rights and/or permits that will need to be acquired and provide the anticipated date by which the applicant expects to have acquired such rights and/or permits.

Type of Permit Water Right	Entity from which the permit or right must be acquired	Acquired by lease or full ownership	Expected acquisition date	Permit / Water Right ID No.
N/A				

c) List any major permits not identified elsewhere that are necessary for completion of project.

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Also, list any more necessary minor permits that may involve particular difficulty due to the nature of the proposed project.

Permit	Issuing Entity	Permit Acquired (Y/N)
Nationwide General Permit 12	US Army Corp of Engineers	Y
General Utility Permit	Lower Colorado River Authority	Y
Site Development Permit	Village of Volente	Y

64. Has the applicant obtained all necessary land and easements for the project?

Yes. If yes, attach the site certificate (ED-101 at <http://www.twdb.texas.gov/financial/instructions/index.asp>)
 Attached

No. If no, **fill out the table below** and describe the land or easements that will need to be acquired, provide the anticipated date by which the applicant expects to have the land or easements, and indicate if funding from TWDB is to be used for the acquisition.

Description of Land or Easement Permit	Entity from which the permit or right must be acquired	Acquired by lease or full ownership	Expected acquisition date	To Be Funded by TWDB (Yes/No)
Subsurface Tunnel Easements (24)	Private Property Owners	Easement	Q3 2019	No
Intake Easement (1)	Lower Colorado River Authority	Easement	Q4 2018	No
Electrical Easements (125)	Private Property Owners	Easement	Q2 2020	Yes
Temporary Construction Easements (4)	LCRA (1) & Private Property Owners (3)	Temporary Easement	Q2 2020	No
Substation Expansion (1)	Developer	Fee Simple	Q1 2019	No

65. Has a Categorical Exclusion (CE), Determination of No Effect (DNE), Finding of No Significant Impact (FONSI), Record of Decision (ROD), or any other environmental determination been issued for this project?

Yes
 Attach a copy of the finding.
 No – not required

66. Is the project potentially eligible for a Categorical Exclusion (CE)/ Determination of No Effect (DNE) because it involves only minor rehabilitation or the functional replacement of existing equipment?

Yes
 No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

67. Are there potentially adverse environmental or social impacts that may require mitigation or extensive regulatory agency or public coordination (e.g. known impacts to properties eligible for listing on the National Register of Historic Places; potentially significant public controversy; need for an individual permit from the U.S. Army Corps of Engineers)?

- Yes
 If yes, attach additional information
 No

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part E: State Water Implementation Fund for Texas (SWIFT) Applicants Only:

68. Identify the type of SWIFT funding (If more than one funding option is being requested indicate the amount of funding for each):

X	Deferred	\$6,970,000
X	Low Interest Loan	\$8,775,000
<input type="checkbox"/>	Board Participation	\$

69. For multi-year funding request or phased commitments, provide a schedule reflecting the closing dates for each loan requested.

Attached: NA

70. **Notice to SWIFT Applicants:** Texas Water Code Sec. 15.435(h) requires all recipients of financial assistance from the SWIFT to acknowledge any applicable legal obligations in federal law, related to contracting with disadvantaged business enterprises, and state law, related to contracting with historically underutilized businesses. Checking the boxes below serves as this acknowledgement.

X As an applicant for financial assistance from SWIFT, I acknowledge that this project must comply with any applicable legal obligations in federal law related to contracting with disadvantaged business enterprises.

X As an applicant for financial assistance from SWIFT, I acknowledge that this project must comply with applicable legal obligations in state law (Texas Government Code Chapter 2161 and Texas Administrative Code Chapter 20, Subchapter B) related to contracting with historically underutilized businesses.

71. Provide drafts of the following documents:

Bond resolution has previously been provided by bond counsel.

a. Proposed Bond Ordinance

Attached

b. Private Placement Memorandum

To be provided.

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part F: Economically Distressed Programs (EDAP) Applicants Only: NA

In accordance with TWDB Rules (31 TAC Chapter 363), an application for EDAP will **not** be considered until the County has adopted and is enforcing the Model Subdivision Rules (MSRs) Texas Water Code § 16.343. If the proposed project is within a municipality or its extraterritorial jurisdiction (ETJ), or if the applicant is a municipality, the municipality must also have adopted and be enforcing MSRs.

72. Describe procedures for collecting monthly customer bills (include procedures for collection of delinquent accounts)

73. Is financing being requested for a **wastewater** project?
 Yes If yes, does the applicant have the required resolution/ordinance establishing a mandatory hookup policy?
 Yes. If yes, attach a copy of the resolution/ordinance.
 Attached
 No. If no, explain _____
 No
74. Required documentation for the project area for Preliminary EDAP Eligibility (31 TAC Chapter 363)
 Attached documentation of inadequacy of water and/or wastewater services.
 Attached documentation regarding the financial resources of the residential users in the EDAP area. Census data or documentation regarding median household income should be provided.
 Attached documentation demonstrating existence of a residence in the project area prior to **June 1, 2005**. This could include tax records of residence, dated aerial maps, or, other documentation demonstrating existence of a residence.
75. Has the Department of State Health Services issued a determination stating a public health nuisance exists in the project area?
 Yes If yes, attach a copy of the determination.
 Attached
 No If no determination exists, attach documentation demonstrating a public health nuisance exists in the project area. (*Photographs may be submitted, but they **must** be labeled with location and date when taken. If the soil types are mentioned in the project area as an issue, include soil profile maps*) This documentation will be used by TWDB staff to request a determination from the Department of State Health Services
 Attached
76. Is this project providing new service?
 Yes If yes, attach plats of the affected subdivisions.
 Attached
 No
77. Attach an EDAP Facility Engineering Plan/Scope of Services report that complies with the requirements of WRD-023A. <http://www.twdb.texas.gov/financial/instructions/index.asp>
 Attached

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part G: CWSRF/DWSRF Applicants Only - NA

Only applicants applying for funding from the CWSRF and DWSRF Programs must complete this section.

Pursuant to Federal Funding Accountability and Transparency Act (FFATA) the applicant is required to obtain a DUNS number that will represent a universal identifier for all federal funding assistance. DUNS numbers can be obtained from Dun and Bradstreet at <http://fedgov.dnb.com/webform/>

78. Applicant's Data Universal Number System (DUNS) Number:
DUNS _____

Pursuant to Federal Funding Accountability and Transparency Act (FFATA) the applicant is required to register with System for Award Management (SAM) and maintain current registration at all times during which the Board loan agreement is active or under consideration by the Board. Register at: <https://sam.gov>.

79. The applicant has registered and will maintain current SAM registration at all times during which a federal subaward is active or under consideration by the Board.
 Yes
 No

80. Federal Awards information:

1. Did applicant receive over 80% of their revenue from Federal Awards last year?

Yes
 No

2. Did applicant receive over \$25 million in Federal Awards last year?

Yes
 No

3. Public does not have access to executive compensation information via SEC or IRS reports?

Yes
 No

81. If applicant checked **YES** to **ALL** three boxes in 3 above, applicant is required to disclose the name and compensation of the five most highly compensated officers.

Officer's Name	Officer's Compensation (\$)

82. Complete form WRD 213 (<http://www.twdb.texas.gov/financial/instructions/index.asp>) - Certification Regarding Lobbying

Attached Yes
 No
 N/A

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

83. If applying for CWSRF Equivalency or DWSRF, **attach** the Certification Regarding Debarment, Suspension and Other Responsibility. SRF-404
(<http://www.twdb.texas.gov/financial/instructions/doc/SRF-404.pdf>)

- Attached** Yes
 No
 N/A

84. If applying for CWSRF Equivalency or DWSRF, **attach** the Assurances – Construction Programs. EPA-424D (<http://www.twdb.texas.gov/financial/doc/EPA-424D.pdf>)

- Attached** Yes
 No
 N/A

85. The applicant must comply with the Davis-Bacon Act regarding prevailing wage rates. The applicant acknowledges that they are aware of, and will abide by, the Davis-Bacon Act requirements.

- Yes
 No

Further information on the Davis-Bacon requirement is available through the TWDB Guidance document, DB-0156 (<http://www.twdb.texas.gov/financial/instructions/index.asp>)

All project costs funded by the TWDB through CWSRF Equivalency or DWSRF must comply with the federal Disadvantaged Business Enterprise (DBE) program rules and requirements. The federal DBE program requires a good faith effort to contract with DBE's for all procurements including: professional and non-professional consulting services, equipment, supplies and construction to be funded by federal equivalency dollars. Guidance and forms are found at:

TWDB-0210 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0210.pdf>)

86. **At a minimum, you must complete and attach** the Applicant Affirmative Steps Certification and Goals. This form is required to obtain a financial assistance commitment.

TWDB-0215 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0215.pdf>)

- Attached** Yes
 No

87. If you have already solicited contractors, complete and attach the Affirmative Steps Solicitation Report. This form is required prior to loan closing and release of any funds; therefore, if this question is not applicable at this time, select N/A.

TWDB-216 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0216.pdf>)

- Attached** Yes
 No
 N/A

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

88. If you have awarded contracts to contractors, complete and attach the Loan/Grant Participation Summary. This form must be submitted for review prior to loan closing and release of funds. This form is required prior to loan closing and release of any funds; therefore, if this question is not applicable at this time, select N/A.

TWDB-0373 (<http://www.twdb.texas.gov/financial/doc/TWDB-0373.pdf>)

Attached Yes
 No
 N/A

89. All Contractors that have been awarded will need to complete and attach the Prime Contractor Affirmative Steps Certification and Goals This form is required prior to loan closing and release of any funds; therefore, if this question is not applicable at this time, select N/A.

TWDB-217 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0217.pdf>)

Attached Yes
 No
 N/A

90. **All CWSRF applicants** must be a Designated Management Agency (DMA) for wastewater collection and treatment. Please complete and attach DMA resolutions. WRD-210 (<http://www.twdb.texas.gov/financial/doc/WRD-210.pdf>) is an example of this type of resolution.

 Attached
 N/A

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part H: Documentation of "Green" Projects and Project Components

CWSRF and DWSRF Applicants Only - NA

All SRF applicants must complete this section if green benefits are all or part of the project (**more than an incidental benefit**). Project is defined as the entire project or a stand-alone component of the project. This section is required so that the TWDB may determine whether the project qualifies as "green" pursuant to Environmental Protection Agency (EPA) Guidance.

A project (or project component) is "green" if the primary purpose qualifies under EPA Guidance as one of the following:

- a. Green Infrastructure,
- b. Water Efficiency-related,
- c. Energy Efficiency-related, or
- d. Environmentally Innovative.

You must use the Green Project Reserve guidance to complete this section. Current guidance may be found at: **Green Project Reserve: Guidance for determining project eligibility**

TWDB-0161 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0161.pdf>)

91. Does your project or a component of your project qualify as Green, per EPA guidance?

- Yes
 No

If Yes, Please complete the remainder of Section G.

92. Type of Green Project

- Water Efficiency Energy Efficiency Green Infrastructure Environmentally Innovative

93. The correct worksheets must be completed.

Green Project Reserve: CWSRF Green Project Worksheets

TWDB-0162 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0162.pdf>)

- Attached** Yes
 No
 N/A

Green Project Reserve: DWSRF Green Project Worksheets

TWDB-0163 (<http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0163.pdf>)

- Attached** Yes
 No
 N/A

TWDB will make the final determination whether your project (or project component) meets federal criteria as "green". You may be required to submit a **business case, utilizing the Green guidance**

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part I: Summary of attachments to application

Following is a list of the documents that may be necessary in order to process this application. While not all of the listed information below may be required for all projects, an applicant should review the application carefully because incomplete applications will not be processed until all of this information has been provided. In addition, please make sure your entity system name appears on every attachment. **Label each attachment with the number of the pertinent application section (i.e. "Part B5").**

Check list for your convenience

Part A

- No. 6
- No. 12

General Information

Draft or executed consulting contracts (engineering, financial advisor, bond counsel)
Existing security document for refinancing

Part B

- No. 17
- No. 18
- No. 19
- No. 20

Legal

Resolution (TWDB-0201A)
Application Affidavit (TWDB-0201)
Certificate of Secretary (TWDB-201B)
Water Supply Corporations

- Articles of Incorporation
- Certificate of incorporation from the Texas Secretary of State
- By-laws and any amendments
- Certificate of status from the Texas Secretary of State
- Certificate of account status from Texas Comptroller

- No. 21
- No. 22
- No. 23
- No. 24
- No. 25
- No. 26

Resolution/ordinance authorizing the issuance of parity debt
Certificate of Convenience & Necessity
Enforcement Actions
Affidavit of No Objection
Two copies of the Water Conservation Plan (TWDB-1968 and TWDB-1965)
Water use surveys

- No. 27

Water Loss Audit
<http://www.twdb.texas.gov/waterplanning/waterusesurvey/index.asp>
<http://www.twdb.texas.gov/conservation/resources/waterloss-resources.asp>

Part C

- No. 39
- No. 40
- No. 45
- No. 46
- No. 47
- No. 49
- No. 52

Financial

Assessed Values by Classifications
Direct and Overlapping Tax Table
Proforma for each year of debt outstanding
Five year comparative system operating statement.
Annual audit and management letter
Outstanding debt schedule
Service provider contracts

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part D

Project Information

- No. 54a Preliminary Engineering Feasibility Data (PEFD)
- No. 54b Engineering Feasibility Report
 - Water (TWDB-0555)
 - Wastewater (TWDB-0556)
- No. 54c Project Draw Schedule (TWDB-1202)
- No. 56 Project Map
- No. 57 Census Tract(s)
- No. 59 Current and future populations and projected water use or wastewater flows
- No. 60 Project Cost Estimate Budget (TWDB-1201)
- No. 61 Wastewater Project Information Form (WRD-253a)
Water Project Information Form (WRD-253d)
- No. 62 Texas Pollution Discharge Elimination System Permit
- No. 63 If applicant has property rights and permits
 - a. WRD-208A (Surface Water)
 - b. WRD-208B (Groundwater)
- No. 63c Additional Permits
- No. 64 Site certificate, evidencing land ownership for the project. (ED-101)
- No. 65 Categorical Exclusion (CE), Finding of No Significant Impact (FONSI), Record of Decision or any other supporting document
- No. 67 Social or environmental issues

Part E

State Water Implementation Fund for Texas

- No. 69 Multi-year/phased commitment schedule
- No. 71a Draft Bond Ordinance
- No. 71b Private Placement Memorandum

Part F

Economically Distressed Areas Program

- No. 73 Resolution/ordinance establishing a mandatory hookup policy
- No. 74 EDAP applicants
 - Inadequacy documentation
 - Financial resources documentation
 - Existence of residences prior to 06/01/2005
- No. 75 Public health nuisance
- No. 76 Plats
- No. 77 EDAP Planning Phase – Facility Engineering Plan/Scope of Services (WRD-023A)

Part G

CWSRF/DWSRF Applicants Only

- No. 82 Lobbying Activities (WRD-213)
- No. 83 Certification Regarding Debarment, Suspension and Other Responsibility Requirements. (SRF-404)
- No. 84 Assurances – Construction Programs (EPA-424D)
Disadvantaged Business Requirements Guidance (TWDB-0210)
- No. 86 Affirmative Steps Certification and Goals (TWDB-0215)
- No. 87 Affirmative Steps Solicitation Report (TWDB-216)
- No. 88 Loan/ Grant Participation Summary (TWDB-0373)
- No. 89 Prime Contractor Affirmative Steps Certification and Goals (TWDB-217)
- No. 90 Designated Management Agency (WRD-210)

Part H

Green Projects

- No. 93 Guidance (TWDB-0161)
CWSRF Green Project Worksheets (TWDB-0162)
DWSRF Green Project Worksheets (TWDB-0163)

Please label each attachment with the number of the pertinent application section (i.e. "Part D5")

Part J: Guidance and Forms

Part A

General Information

CWSRF – 31 TAC 375

DWSRF – 31 TAC 371

EDAP and SWIFT - 31 TAC 363

For more information visit, <http://www.twdb.texas.gov/about/rules/index.asp>.

Part D

Project Information

[State Programs - 31 TAC 363](#)

[Drinking Water State Revolving Fund - 31 TAC 371](#)

[Clean Water State Revolving Fund / Equivalency - 31 TAC 375](#)

[Clean Water State Revolving Fund / Non-Equivalency - 31 TAC 375](#)

Guidelines for Environmental Assessment, Clean Water Non-Equivalency (ED-001A)

Clean Water EID Instructions (SRF-099)

Guidelines for Environmental Assessment, State Participation, DFund, RWF and WIF,
(ED-001B)

Guidelines for Environmental Assessment, EDAP (ED-001C)

Drinking Water EID Instructions (DW-001)

Part H

Green Projects and Project Components

Green Project Reserve: Guidance for determining project eligibility
(TWDB-0161)

October 18, 2017

Board of Directors
Brushy Creek Regional Utility Authority, Inc.

Dear Ladies and Gentlemen:

This engagement letter will outline our proposed services as Bond Counsel to the Brushy Creek Regional Utility Authority, Inc. (the "Authority") in connection with the issuance of bonds, notes or other obligations by the Authority for the City of Cedar Park, Texas and our understanding of the compensation therefor (the "Matter").

SERVICES

We will perform all usual and necessary legal services as Bond Counsel. Specifically, we will prepare and direct legal proceedings and perform other necessary legal services with reference to the formation of the Authority, preparation and review of financing contracts, and authorization, sale, and delivery of the Authority's bonds, notes or other obligations referenced above (for convenience hereafter collectively referred to as "bonds"), including the following:

1. consultation with the Authority's Board (the "Board"), as appropriate, and any advisors in planning for the bond issue, including consultations concerning federal tax considerations;
2. preparation of all contracts, resolutions, trust indentures, and other instruments pursuant to which bonds will be authorized, secured, sold and delivered in consultation with the Board's General Counsel, financial advisors, the underwriters and their counsel and any officials and consultants thereof;
3. attendance at meetings of the Board, as appropriate, and with other representatives thereof to the extent required or requested with reference to the creation of the Authority and authorization and issuance of the bonds;
4. preparation of all documents necessary to seek the approval of the Attorney General of Texas and the submission of such documents to the Attorney General for approval and to the Comptroller of Public Accounts for registration of the bonds as required by law;



5. supervision of the printing and execution of the bonds and the delivery thereof to the initial purchaser of the bonds;
6. rendering our nationally accepted opinions covering the validity of the bonds under Texas law and tax status of the interest thereon under federal income tax laws; and
7. preparation of a transcript of all proceedings in connection with the issuance of the bonds.

The foregoing legal services as Bond Counsel do not include any direct responsibility for litigation of any kind. However, if during the issuance of the bonds any litigation should develop regarding the issuance of the bonds or the provisions made for their payment or security, we will consult, advise and cooperate with General Counsel to the Board concerning any such litigation. Our fees for such services would be based upon an hourly rate of \$300 an hour.

In addition, our services as Bond Counsel do not include any direct responsibility for the "disclosure obligations" owed to the investing public under the federal securities laws and the various state securities laws. We will not be responsible for the preparation of any Official Statement and will not assume any responsibility with respect thereto nor undertake independently to verify any of the information therein, except that, in our capacity as Bond Counsel, we will review various statements in any Official Statement to verify that such statements conform to the provisions of the legal instruments and documents therein described.

The firm will undertake upon the request of the Board such services as may be necessary to assist the Authority in satisfying the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission. Our fees for such services would be based upon an hourly billing rate of \$300 per hour. Should it be necessary for the firm to render a written opinion with respect to any matters relating to the compliance by the Authority with the ongoing disclosure or other compliance requirements of Rule 15c2-12, such fee for legal services provided in connection with the delivery of the opinion will be set at an amount agreed upon by us and the Authority.

Our services as Bond Counsel do not include any responsibility for investigating the financial condition and affairs of the Authority. Our approving legal opinion as Bond Counsel will contain a paragraph substantially to the effect that we have acted as Bond Counsel for the Authority for the sole purpose of rendering an opinion with respect to the legality and validity of the bonds under the Constitution and laws of the State of Texas, and with respect to the exemption of the interest on the bonds from federal income taxes, and for no other reason or purpose. The paragraph will also disclose that we have not been requested to investigate or verify, and have not investigated or verified, any records, data, or other material relating to the financial condition or capabilities of the Authority, and have not assumed any responsibility with respect thereto.



COOPERATION

To enable us effectively to perform the services contemplated, it is essential that you disclose fully and accurately all facts and keep us apprised of all developments relating to the Matter. You have agreed to cooperate fully with us and to make your representatives available to attend meetings, conferences, hearings, and other proceedings.

CLIENT DOCUMENTS

We will maintain all documents you furnish us in our client files for the Matter. At the conclusion of the Matter (or earlier if appropriate), it is your obligation to advise us as to which, if any, of the documents in our files you wish us to return to you. We may keep copies thereof to the extent we believe advisable for our records. We will retain any remaining documents in our files for a certain period of time and ultimately destroy them in accordance with our record retention program schedule then in effect.

STANDARDS OF PROFESSIONALISM AND ATTORNEY COMPLAINT INFORMATION

In performing services under this Agreement, we agree to comply with all applicable state and federal laws.

Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we are to advise clients that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled *Attorney Complaint Information* is available at all of our Texas offices and is likewise available upon request. A client that has any questions about State Bar's disciplinary process should call the Office of the General Counsel of the State Bar of Texas at 1-800-932-1900 toll free.

CONFLICTS OF INTERESTS

You understand that the firm represents many investment banking firms, commercial banks, and other parties to public finance transactions from time to time in connection with other issues, including the Authority's financial advisors and potential underwriters for your bonds, and you do not object to our continued representation (in connection with other issues) of any such party with respect to which you choose to do business in connection with issuance of the bonds, since doing so is how we are able to gain the experience we need to represent you effectively. If a controversy arises between you and any other client of the firm, the firm, after taking into account the rules of professional ethics applicable to it, may decline to represent either you or such other client or both you and such other client.



COMPENSATION

We propose a fee of 0.20% of the principal amount of bonds issued with a minimum fee of \$15,000. Any fees for refundings or more complicated financing structures utilizing variable rate bonds or SWAPs or similar instruments will be negotiated at that time. Our bond counsel fee is contingent upon the issuance of any bonds.

In addition, for certain complex transactions, including financings through a program funded by the United States Department of Agriculture, the Texas Water Development Board or a similar agency or entity, our fee will be a minimum of \$17,500 for up to the first \$1,000,000 in principal amount, plus \$5 per each \$1,000 in principal amount from \$1,000,000 to \$5,000,000, and plus \$2 per each \$1,000 in principal amount over \$5,000,000.

We also expect to be reimbursed for all normal, actual out-of-pocket expenses incurred (such as travel, communications, reproduction and delivery service) in connection with the services performed. Since the work for the Authority will be performed by attorneys in the Austin office, it is not anticipated that travel expenses will be incurred; however, in the event travel is necessary it will not be undertaken without prior approval by the Board. Copying charges are normally twenty cents a page. Large copying orders are sometimes subcontracted out, in which case the actual charges are billed.

NO BOYCOTT OF ISRAEL

We hereby represent and verify, for purposes of Chapter 2270 of the Texas Government Code, that at the time of execution and delivery of this engagement, except to the extent otherwise required by applicable federal law, for the term of this engagement, the firm does not, nor will it, boycott Israel, in compliance with and within the meaning of 50 U.S.C. Section 4607 and Section 2270.002, of the Texas Government Code. The term "boycott Israel" as used in this paragraph have the meaning set out in Section 808.001 of the Texas Government Code, as amended.

TERMINATION

This engagement may be terminated by either party upon thirty (30) days written notice; provided, however, if the Board exercises the early termination, the Authority shall pay Bond Counsel all fees and expenses accrued to the date of such termination. There shall not be individual liability on any member of the Board, or other official of the Authority, for the payment of any amounts due hereunder.



If the Board finds this proposal to be satisfactory, we ask that a copy of this letter be signed and returned to us for our files. We look forward to working with the Authority.

Respectfully submitted,

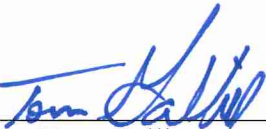
McCall, Parkhurst & Horton L.L.P.

Richard S. Donoghue



The foregoing agreement is hereby accepted on behalf of the Brushy Creek Regional Utility Authority, Inc.

Date:



By: Tom Gallier
Title: General Manager

Bickerstaff Heath Delgado Acosta LLP

3711 S. MoPac Expressway Building One, Suite 300 Austin, Texas 78746 (512) 472-8021 Fax (512) 320-5638 www.bickerstaff.com

June 11, 2014

City of Leander
200 W. Willis
Leander, Texas 78641

Attention: Mr. Kent Cagle, City Manager

RE: Bond Counsel Services

Dear Mr. Cagle:

This letter is submitted to state our fees and describe the legal services of the undersigned law firm in performing the duties of bond counsel for the City of Leander (the "City") with reference to the issuance of the City's general obligation bonds, certificates of obligation, tax notes or utility system revenue bonds (the "Bonds").

Generally, we will perform all usual and necessary legal services as bond counsel in connection with the authorization, issuance, and delivery of the Bonds. Specifically, we will prepare and direct the legal proceedings and perform the other necessary legal services with reference to the authorization, issuance, and delivery of the Bonds, including the following:

1. Render opinions regarding the validity and binding effect of securities and, if the Bonds are issued on a tax-exempt basis, the excludability of interest on the Bonds from gross income for federal income tax purposes.
2. Prepare all resolutions, ordinances, notices and other instruments pursuant to which Bonds will be authorized, issued, delivered and secured in cooperation and upon consultation with City staff, City Council, financial advisors, consultants, and other legal counsel of the City of Leander, Texas.
3. Assist the City of Leander in preparing for bond elections, drafting bond propositions (ballot), scheduling, related notices, ordinances, and all other required documents for calling bond elections.
4. Attend meetings of the City Council and the Finance Committee with reference to the authorization and issuance of Bonds to the extent required or requested.
5. Represent the City of Leander, Texas in the preparation of any bond purchase contracts and insuring that all participants, including underwriters and investment banking firms, whether retained by or contracting with the City of Leander, disclose all conflicts of interest to and with the City of Leander and any other parties involved in the Bonds.

6. Prepare or cause to be prepared any IRS filings required by federal tax law.
7. Assist in the preparation of specified sections of the Preliminary Official Statement and the Final Official Statement, with the understanding that bond counsel will not be expected to independently verify other data contained in the Official Statement and that the Official Statement may so state.
8. Make prospective legal recommendations on credit enhancement options, legality and feasibility of synthetic products, commercial paper and bond refundings and refinancings.
9. Assist the City of Leander, Texas in presentations to the major rating agencies in order to obtain ratings for the Bonds.
10. Prepare certain certificates and reviewing such other documents as is customary and necessary in order to structure and issue Bonds.
11. Provide advice and counsel on continuing compliance with securities, tax, and the applicable law.
12. Provide assistance on legislative matters affecting the City of Leander, Texas.
13. Supervise the printing and binding of the bond transcripts and provide a hard copy and an electronic copy of the bond transcript.
14. Submit bond transcript to the Attorney General of Texas for approval.
15. Assist with the preparation of closing documents, provide instructions and advice for closing, and attend closing as required or requested.
16. Assist the City of Leander, Texas in connection with legal services involving loans or grants from local, state or federal agencies.
17. Provide all other services usually necessary and required of a full service bond counsel, whether specifically outlined in the scope of services or not.
18. Render opinions regarding eligible investments under the Texas Public Funds Investment Act.
19. Assist with Investment Policy revisions per legislative changes to the Texas Public Funds Investment Act.

The fee covering the legal services of this firm, as bond counsel, for the issuance of the Bonds, is as follows:

Ad valorem tax backed obligations

New Money – General Obligation Bonds, Certificates of Obligation and Tax Notes

\$8,500 for the first million dollars of Bonds;
\$1.00 per \$1,000 of Bonds thereafter.

If an election is required, there will be a \$1,000 fee for preparing the documents related to the election

Refundings

\$10,000 for the first million dollars of Bonds;
\$1.00 per \$1,000 of Bonds thereafter.

If an election is required, there will be a \$1,000 fee for review and preparation of election related documents. Such fee will be payable regardless of the outcome of the election.

Utility System Revenue Bonds

New Money – Revenue Bonds

\$9,500 for the first million dollars of Bonds;
\$1.00 per \$1,000 of Bonds thereafter.

Refundings

\$11,000 for the first million dollars of Bonds;
\$1.00 per \$1,000 of Bonds thereafter.

Other Obligations

For the issuance of obligations other than traditional general obligation or utility revenue obligations, the fee for such services will be negotiated on a case by case basis, depending on the complexity and difficulty of the proposed financing.

In addition, the City will be responsible for the statutory examination fee for the Attorney General of Texas which we will advance on the City's behalf. We would also expect to be reimbursed for our actual out-of-pocket expenses reasonably and necessarily incurred in connection with the authorization, issuance, and delivery of such Bonds, *i.e.*, travel, photocopies, courier. A list of our current costs for out-of-pocket expenses is enclosed. In the event there is a fee for paying agent services, that fee will be the responsibility of the City.

The foregoing legal services as bond counsel do not include any direct responsibility for the "disclosure obligations" owed to the investing public under the federal securities laws and the various state securities laws, and this is to state that our engagement is not that broad. We will, however, provide assistance to the City in identifying what the City's responsibility is in meeting its continuing disclosure responsibilities.

Our fees and expenses will be payable at the time of the delivery of and payment for the Bonds, but our fees are wholly contingent upon actual delivery of such Bonds, except where an election is required, as specified above.

If the arrangement proposed herein is satisfactory, please indicate acceptance hereof by signing the acceptance clause below and return one copy of this letter to the undersigned.

The fees discussed herein do not apply in litigation work in reference to the Bonds or matters separate from that actual issuance of debt. All fees in respect to litigation shall be agreed upon between the City and the undersigned. For services not directly associated with the issuance of debt, the hourly fees for the attorneys and legal assistants proposed to provide services to the City are as follows:

Tom Pollan, Partner	\$280/hour
David Méndez, Partner	\$280/hour
Irv Finkel, Tax Lawyer	\$280/hour
Elizabeth Myers, Legal Assistant	\$150/hour
Esther Moreno, Legal Assistant	\$150/hour
Denise Anderson, Legal Assistant	\$150/hour

For matters not involving the issuance of Bonds, these services will be billed monthly.

The City or the Firm may terminate on thirty (30) days' written notice to the other party.

Respectfully submitted,

BICKERSTAFF HEATH DELGADO ACOSTA LLP



Thomas M. Pollan

ACCEPTED this the _____ day of _____, 20____.

CITY OF LEANDER

By: _____

Title: _____

Date: _____

Client Costs Advanced
Bickerstaff Heath Delgado Acosta LLP

The firm incurs expenses on behalf of clients only when required by the legal needs of the clients. Some cases or matters require extensive use of copy facilities, and other cases may not be so paper intensive. Standard services such as secretarial and word processing time, file setup, and file storage are not charged; however, other expenses such as copies, delivery fees, and fax charges are billed to the client needing those services. An explanation of the billing structure is as follows:

Delivery Services:

Outside delivery services are used for pick-up and delivery of documents to the client as well as to courts, agencies, and opposing parties. Outside delivery fees are charged to the client at the rate charged to the firm. Overnight delivery services are also charged at the rate charged to the firm. Firm Office Services Department personnel may provide delivery service in urgent situations and charges for such in-house service will not exceed the charge that would be made by an outside service in a similar situation.

Postage:

Our postal equipment calculates exact U.S. postage for all sizes and weights of posted material. The rate charged for postage is the same as the amount affixed to the material that is mailed. We will not charge clients for postage on routine correspondence; however, the cost of large-volume mail, certified mail, or other additional mail services will be charged to the client.

Copies:

Our standard rate for black and white copies made by firm personnel is \$0.15 per copy. Color copies are charged at a standard rate of \$0.55 per copy. These charges cover paper, equipment costs, and other supplies. If savings can be realized within the required time frame by sending copy jobs to subcontractors, the firm uses only qualified legal services copiers and the cost charged to the client is the same as the amount billed to the firm.

Computerized Research:

If a case requires the use of computerized legal research, trained and skilled legal researchers are used to minimize on-line data charges. The per-minute fees for on-line connect time are charged to the client at the rate charged to the firm, plus applicable taxes and surcharges imposed by governmental entities.

Fax:

Fax copies will be charged at the rate of \$.25 per page.

Travel:

Attorney and paralegal time spent traveling on behalf of a client is billed to the client. Hotel, meal, local transportation, and similar expenses are charged based on receipts and travel expense forms submitted by the attorney. Documentation is available to the client if requested.

Other Expenses:

Expenses incurred to outside providers in connection with the client's legal services should be paid by the client directly to the outside provider unless specifically arranged in advance. If the firm agrees to pay outside providers, the cost charged to the client is the same as the amount billed to the firm. Examples of such charges include: court reporter fees, filing fees, newspaper charges for publication notices, expert witness fees, consultants and other similar expenses. Such expenses will be incurred only in conjunction with client-approved activities.

Part A-6 Engineering Contract



BRUSHY CREEK REGIONAL UTILITY AUTHORITY
CONTRACT FOR ENGINEERING SERVICES

FIRM: WALKER PARTNERS (Engineer)
ADDRESS: 804 Las Cimas Parkway, Suite 150, Austin, TX 78746
PROJECT: TWDB SWIFT Financing for Phase 2 Deep Water Intake Final Design

THE STATE OF TEXAS §
COUNTY OF WILLIAMSON §

THIS CONTRACT FOR ENGINEERING SERVICES ("Contract") is made and entered into on this the 21st day of December 2017 by and between the BRUSHY CREEK REGIONAL UTILITY AUTHORITY, a Texas local government corporation, whose offices are located at 221 East Main Street, Round Rock, Texas 78664-5299, (hereinafter referred to as "BCRUA"), and Engineer, and such Contract is for the purpose of contracting for professional engineering services.

RECITALS:

WHEREAS, V.T.C.A., Government Code §2254.002(2)(A)(vii) under Subchapter A entitled "Professional Services Procurement Act" provides for the procurement by municipalities of services of professional engineers; and

WHEREAS, BCRUA and Engineer desire to contract for such professional engineering services; and

WHEREAS, BCRUA and Engineer wish to document their agreement concerning the requirements and respective obligations of the parties;

NOW, THEREFORE, WITNESSETH:

That for and in consideration of the mutual promises contained herein and other good and valuable considerations, and the covenants and agreements hereinafter contained to be kept and performed by the respective parties hereto, it is agreed as follows:

GM-17-12-18-076

CONTRACT DOCUMENTS

The Contract Documents consist of this Contract and any exhibits attached hereto (which exhibits are hereby incorporated into and made a part of this Contract) and all Supplemental Contracts (as defined herein in Article 13) which are subsequently issued. These form the entire contract, and all are as fully a part of this Contract as if attached to this Contract or repeated herein.

ARTICLE 1 **BCRUA SERVICES**

BCRUA shall perform or provide services as identified in Exhibit A entitled “BCRUA Services.”

ARTICLE 2 **ENGINEERING SERVICES**

Engineer shall perform Engineering Services as identified in Exhibit B entitled “Engineering Services.”

Engineer shall perform the Engineering Services in accordance with the Work Schedule as identified in Exhibit C entitled “Work Schedule.” Such Work Schedule shall contain a complete schedule so that the Engineering Services under this Contract may be accomplished within the specified time and at the specified cost. The Work Schedule shall provide specific work sequences and definite review times by BCRUA and Engineer of all Engineering Services. Should the review times or Engineering Services take longer than shown on the Work Schedule, through no fault of Engineer, Engineer may submit a timely written request for additional time, which shall be subject to the approval of the General Manager.

ARTICLE 3 **CONTRACT TERM**

(1) Term. The Engineer is expected to complete the Engineering Services described herein in accordance with the above described Work Schedule. If Engineer does not perform the Engineering Services in accordance with the Work Schedule, then BCRUA shall have the right to terminate this Contract as set forth below in Article 20. So long as the BCRUA elects not to terminate this Contract, it shall continue from day to day until such time as the Engineering Services are completed. Any Engineering Services performed or costs incurred after the date of termination shall not be eligible for reimbursement. Engineer shall notify BCRUA in writing as soon as possible if he/she/it determines, or reasonably anticipates, that the Engineering Services will not be completed in accordance with the Work Schedule.

(2) Work Schedule. Engineer acknowledges that the Work Schedule is of critical importance, and agrees to undertake all necessary efforts to expedite the performance of Engineering Services required herein so that construction of the project will be commenced and completed as scheduled. In this regard, and subject to adjustments in the Work Schedule as provided in Article 2 herein, Engineer shall proceed with sufficient qualified personnel and consultants necessary to fully and timely accomplish all Engineering Services required under this Contract in a professional manner.

(3) Notice to Proceed. After execution of this Contract, Engineer shall not proceed with Engineering Services until authorized in writing by BCRUA to proceed as provided in Article 7.

ARTICLE 4 **COMPENSATION**

BCRUA shall pay and Engineer agrees to accept the amount shown below as full compensation for the Engineering Services performed and to be performed under this Contract.

The amount payable under this Contract, without modification of the Contract as provided herein, is the sum of Twenty-Six Thousand Eight Hundred and No/100 Dollars (\$26,800) as shown in Exhibit D. The lump sum amount payable shall be revised equitably only by written Supplemental Contract in the event of a change in Engineering Services as authorized by BCRUA.

Engineer shall prepare and submit to BCRUA monthly progress reports in sufficient detail to support the progress of the Engineering Services and to support invoices requesting monthly payment. Any preferred format of BCRUA for such monthly progress reports shall be identified in Exhibit B. Satisfactory progress of Engineering Services shall be an absolute condition of payment.

The fee herein referenced may be adjusted for additional Engineering Services requested and performed only if approved by written Supplemental Contract.

ARTICLE 5 **METHOD OF PAYMENT**

Payments to Engineer shall be made while Engineering Services are in progress. Engineer shall prepare and submit to BCRUA, not more frequently than once per month, a progress report as referenced in Article 4 above. Such progress report shall state the percentage of completion of Engineering Services accomplished during that billing period and to date. Simultaneous with submission of such progress report, Engineer shall prepare and submit one (1) original and one (1) copy of a certified invoice in a form acceptable to BCRUA. This submittal shall also include a progress assessment report in a form acceptable to BCRUA.

Progress payments shall be made in proportion to the percentage of completion of Engineering Services identified in Exhibit D. Progress payments shall be made by BCRUA based upon Engineering Services actually provided and performed. Upon timely receipt and approval of each statement, BCRUA shall make a good faith effort to pay the amount which is due and payable within thirty (30) days. BCRUA reserves the right to withhold payment pending verification of satisfactory Engineering Services performed. Engineer has the responsibility to submit proof to BCRUA, adequate and sufficient in its determination, that tasks were completed.

The certified statements shall show the total amount earned to the date of submission and shall show the amount due and payable as of the date of the current statement. Final payment does not relieve Engineer of the responsibility of correcting any errors and/or omissions resulting from his/her/its negligence.

ARTICLE 6
PROMPT PAYMENT POLICY

In accordance with Chapter 2251, V.T.C.A., Texas Government Code, payment to Engineer will be made within thirty (30) days of the day on which the performance of services was complete, or within thirty (30) days of the day on which BCRUA receives a correct invoice for services, whichever is later. Engineer may charge a late fee (fee shall not be greater than that which is permitted by Texas law) for payments not made in accordance with this prompt payment policy; however, this policy does not apply in the event:

- A. There is a bona fide dispute between BCRUA and Engineer concerning the supplies, materials, or equipment delivered or the services performed that causes the payment to be late; or
- B. The terms of a federal contract, grant, regulation, or statute prevent BCRUA from making a timely payment with federal funds; or
- C. There is a bona fide dispute between Engineer and a subcontractor or between a subcontractor and its supplier concerning supplies, materials, or equipment delivered or the Engineering Services performed which causes the payment to be late; or
- D. The invoice is not mailed to BCRUA in strict accordance with instructions, if any, on the purchase order, or this Contract or other such contractual agreement.

BCRUA shall document to Engineer the issues related to disputed invoices within ten (10) calendar days of receipt of such invoice. Any non-disputed invoices shall be considered correct and payable per the terms of Chapter 2251, V.T.C.A., Texas Government Code.

ARTICLE 7
NOTICE TO PROCEED

The Engineer shall not proceed with any task listed on Exhibit B until the BCRUA has issued a written Notice to Proceed regarding such task. The BCRUA shall not be responsible for work performed or costs incurred by Engineer related to any task for which a Notice to Proceed has not been issued.

ARTICLE 8
PROJECT TEAM

BCRUA's Designated Representative for purposes of this Contract is as follows:

Tom Gallier
General Manager
221 E. Main Street
Round Rock, TX 78664
Cell Number (512) 788-2036
Fax Number (512) 218-7097
Email Address tgallier@bcrua.org

BCRUA's Designated Representative shall be authorized to act on BCRUA's behalf with respect to this Contract. BCRUA or BCRUA's Designated Representative shall render decisions in a timely manner pertaining to documents submitted by Engineer in order to avoid unreasonable delay in the orderly and sequential progress of Engineering Services.

Engineer's Designated Representative for purposes of this Contract is as follows:

Aaron Archer, P.E.
Project Manager
804 Las Cimas Parkway, Suite 150
Austin, TX 78746
Telephone Number (512) 382-0021
Mobile Number (512) 587-0882
Email Address aarcher@walkerpartners.com

ARTICLE 9

PROGRESS EVALUATION

Engineer shall, from time to time during the progress of the Engineering Services, confer with BCRUA at BCRUA's election. Engineer shall prepare and present such information as may be pertinent and necessary, or as may be requested by BCRUA, in order for BCRUA to evaluate features of the Engineering Services. At the request of BCRUA or Engineer, conferences shall be provided at Engineer's office, the offices of BCRUA, or at other locations designated by BCRUA. When requested by BCRUA, such conferences shall also include evaluation of the Engineering Services.

Should BCRUA determine that the progress in Engineering Services does not satisfy the Work Schedule, then BCRUA shall review the Work Schedule with Engineer to determine corrective action required.

Engineer shall promptly advise BCRUA in writing of events which have or may have a significant impact upon the progress of the Engineering Services, including but not limited to the following:

- (1) Problems, delays, adverse conditions which may materially affect the ability to meet the objectives of the Work Schedule, or preclude the attainment of project Engineering Services units by established time periods; and such disclosure shall be accompanied by statement of actions taken or contemplated, and BCRUA assistance needed to resolve the situation, if any; and
- (2) Favorable developments or events which enable meeting the Work Schedule goals sooner than anticipated.

ARTICLE 10
SUSPENSION

Should BCRUA desire to suspend the Engineering Services, but not to terminate this Contract, then such suspension may be effected by BCRUA giving Engineer thirty (30) calendar days' verbal notification followed by written confirmation to that effect. Such thirty-day notice may be waived in writing by agreement and signature of both parties. The Engineering Services may be reinstated and resumed in full force and effect within sixty (60) days of receipt of written notice from BCRUA to resume the Engineering Services. Such sixty-day notice may be waived in writing by agreement and signature of both parties. If this Contract is suspended for more than thirty (30) days, Engineer shall have the option of terminating this Contract.

If BCRUA suspends the Engineering Services, the contract period as determined in Article 3, and the Work Schedule, shall be extended for a time period equal to the suspension period.

BCRUA assumes no liability for Engineering Services performed or costs incurred prior to the date authorized by BCRUA for Engineer to begin Engineering Services, and/or during periods when Engineering Services is suspended, and/or subsequent to the contract completion date.

ARTICLE 11
ADDITIONAL ENGINEERING SERVICES

If Engineer forms a reasonable opinion that any work he/she/it has been directed to perform is beyond the scope of this Contract and as such constitutes extra work, he/she/it shall promptly notify BCRUA in writing. In the event BCRUA finds that such work does constitute extra work and exceeds the maximum amount payable, BCRUA shall so advise Engineer and a written Supplemental Contract will be executed between the parties as provided in Article 13. Engineer shall not perform any proposed additional work nor incur any additional costs prior to the execution, by both parties, of a written Supplemental Contract. BCRUA shall not be responsible for actions by Engineer nor for any costs incurred by Engineer relating to additional work not directly associated with the performance of the Engineering Services authorized in this Contract or any amendments thereto.

ARTICLE 12
CHANGES IN ENGINEERING SERVICES

If BCRUA deems it necessary to request changes to previously satisfactorily completed Engineering Services or parts thereof which involve changes to the original Engineering Services or character of Engineering Services under this Contract, then Engineer shall make such revisions as requested and as directed by BCRUA. Such revisions shall be considered as additional Engineering Services and paid for as specified under Article 11.

Engineer shall make revisions to Engineering Services authorized hereunder as are necessary to correct errors appearing therein, when required to do so by BCRUA. No additional compensation shall be due for such Engineering Services.

ARTICLE 13
SUPPLEMENTAL CONTRACTS

The terms of this Contract may be modified by written Supplemental Contract if BCRUA determines that there has been a significant change in (1) the scope, complexity or character of the Engineering Services, or (2) the duration of the Engineering Services. Any such Supplemental Contract must be duly authorized by the BCRUA. Engineer shall not proceed until the Supplemental Contract has been executed. Additional compensation, if appropriate, shall be identified as provided in Article 4.

It is understood and agreed by and between both parties that Engineer shall make no claim for extra work done or materials furnished until the BCRUA authorizes full execution of the written Supplemental Contract and authorization to proceed. BCRUA reserves the right to withhold payment pending verification of satisfactory Engineering Services performed.

ARTICLE 14
OWNERSHIP OF DOCUMENTS

All data, basic sketches, charts, calculations, plans, specifications, and other documents created or collected under the terms of this Contract are the exclusive property of BCRUA and shall be furnished to BCRUA upon request. All documents prepared by Engineer and all documents furnished to Engineer by BCRUA shall be delivered to BCRUA upon completion or termination of this Contract. Engineer, at its own expense, may retain copies of such documents or any other data which it has furnished BCRUA under this Contract.

ARTICLE 15
PERSONNEL, EQUIPMENT AND MATERIAL

Engineer shall furnish and maintain, at its own expense, quarters for the performance of all Engineering Services, and adequate and sufficient personnel and equipment to perform the Engineering Services as required. All employees of Engineer shall have such knowledge and experience as will enable them to perform the duties assigned to them. Any employee of Engineer who, in the opinion of BCRUA, is incompetent or whose conduct becomes detrimental to the Engineering Services shall immediately be removed from association with the project when so instructed by BCRUA. Engineer certifies that it presently has adequate qualified personnel in its employment for performance of the Engineering Services required under this Contract, or will obtain such personnel from sources other than BCRUA. Engineer may not change the Project Manager without prior written consent of BCRUA.

ARTICLE 16
SUBCONTRACTING

Engineer shall not assign, subcontract or transfer any portion of the Engineering Services under this Contract without prior written approval from BCRUA. All subcontracts shall include the provisions required in this Contract and shall be approved as to form, in writing, by BCRUA prior to Engineering Services being performed under the subcontract. No subcontract shall relieve Engineer of any responsibilities under this Contract.

ARTICLE 17
EVALUATION OF ENGINEERING SERVICES

BCRUA, or any authorized representatives of it, shall have the right at all reasonable times to review or otherwise evaluate the Engineering Services performed or being performed hereunder and the premises on which it is being performed. If any review or evaluation is made on the premises of Engineer or a subcontractor, then Engineer shall provide and require its subcontractors to provide all reasonable facilities and assistance for the safety and convenience of BCRUA or other representatives in the performance of their duties.

ARTICLE 18
SUBMISSION OF REPORTS

All applicable study reports shall be submitted in preliminary form for approval by BCRUA before any final report is issued. BCRUA's comments on Engineer's preliminary reports shall be addressed in any final report.

ARTICLE 19
VIOLATION OF CONTRACT TERMS/BREACH OF CONTRACT

Violation of contract terms or breach of contract by Engineer shall be grounds for termination of this Contract, and any increased costs arising from Engineer's default, breach of contract, or violation of contract terms shall be paid by Engineer.

ARTICLE 20
TERMINATION

This Contract may be terminated as set forth below.

- (1) By mutual agreement and consent, in writing, of both parties.
- (2) By BCRUA, by notice in writing to Engineer, as a consequence of failure by Engineer to perform the Engineering Services set forth herein in a satisfactory manner.
- (3) By either party, upon the failure of the other party to fulfill its obligations as set forth herein.
- (4) By BCRUA, for reasons of its own and not subject to the mutual consent of Engineer, upon not less than thirty (30) days' written notice to Engineer.
- (5) By satisfactory completion of all Engineering Services and obligations described herein.

Should BCRUA terminate this Contract as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to Engineer. In determining the value of the Engineering Services performed by Engineer prior to termination, BCRUA shall be the sole judge. Compensation for Engineering Services at termination will be based on a percentage of the Engineering

Services completed at that time. Should BCRUA terminate this Contract under Subsection (4) immediately above, then the amount charged during the thirty-day notice period shall not exceed the amount charged during the preceding thirty (30) days.

If Engineer defaults in the performance of this Contract or if BCRUA terminates this Contract for fault on the part of Engineer, then BCRUA shall give consideration to the actual costs incurred by Engineer in performing the Engineering Services to the date of default, the amount of Engineering Services required which was satisfactorily completed to date of default, the value of the Engineering Services which are usable to BCRUA, the cost to BCRUA of employing another firm to complete the Engineering Services required and the time required to do so, and other factors which affect the value to BCRUA of the Engineering Services performed at the time of default.

The termination of this Contract and payment of an amount in settlement as prescribed above shall extinguish all rights, duties, and obligations of BCRUA and Engineer under this Contract, except the obligations set forth herein in Article 21 entitled "Compliance with Laws." If the termination of this Contract is due to the failure of Engineer to fulfill his/her/its contractual obligations, then BCRUA may take over the project and prosecute the Engineering Services to completion. In such case, Engineer shall be liable to BCRUA for any additional and reasonable costs incurred by BCRUA.

Engineer shall be responsible for the settlement of all contractual and administrative issues arising out of any procurements made by Engineer in support of the Engineering Services under this Contract.

ARTICLE 21 **COMPLIANCE WITH LAWS**

(1) Compliance. Engineer shall comply with all applicable federal, state and local laws, statutes, codes, ordinances, rules and regulations, and the orders and decrees of any court, or administrative bodies or tribunals in any manner affecting the performance of this Contract, including without limitation, minimum/maximum salary and wage statutes and regulations, and licensing laws and regulations. Engineer shall furnish BCRUA with satisfactory proof of his/her/its compliance.

Engineer shall further obtain all permits and licenses required in the performance of the Engineering Services contracted for herein.

(2) Taxes. Engineer will pay all taxes, if any, required by law arising by virtue of the Engineering Services performed hereunder. BCRUA is qualified for exemption pursuant to the provisions of Section 151.309 of the Texas Limited Sales, Excise, and Use Tax Act.

ARTICLE 22 **INDEMNIFICATION**

Engineer shall save and hold harmless BCRUA and its officers and employees from all claims and liabilities due to activities of his/her/itself and his/her/its agents or employees, performed under this Contract, which are caused by or which result from the negligent error, omission, or negligent act of Engineer or of any person employed by Engineer or under Engineer's direction or control.

Engineer shall also save and hold BCRUA harmless from any and all expenses, including but not limited to reasonable attorneys fees which may be incurred by BCRUA in litigation or otherwise defending claims or liabilities which may be imposed on BCRUA as a result of such negligent activities by Engineer, its agents, or employees.

ARTICLE 23
ENGINEER'S RESPONSIBILITIES

Engineer shall be responsible for the accuracy of his/her/its Engineering Services and shall promptly make necessary revisions or corrections to its work product resulting from errors, omissions, or negligent acts, and same shall be done without compensation. BCRUA shall determine Engineer's responsibilities for all questions arising from design errors and/or omissions. Engineer shall not be relieved of responsibility for subsequent correction of any such errors or omissions in its work product, or for clarification of any ambiguities until after the construction phase of the project has been completed.

ARTICLE 24
ENGINEER'S SEAL

The responsible engineer shall sign, seal and date all appropriate engineering submissions to BCRUA in accordance with the Texas Engineering Practice Act and the rules of the State Board of Registration for Professional Engineers.

ARTICLE 25
NON-COLLUSION, FINANCIAL INTEREST PROHIBITED

(1) **Non-collusion.** Engineer warrants that he/she/it has not employed or retained any company or persons, other than a bona fide employee working solely for Engineer, to solicit or secure this Contract, and that he/she/it has not paid or agreed to pay any company or engineer any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, BCRUA reserves and shall have the right to annul this Contract without liability or, in its discretion and at its sole election, to deduct from the contract price or compensation, or to otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

(2) **Financial Interest Prohibited.** Engineer covenants and represents that Engineer, his/her/its officers, employees, agents, consultants and subcontractors will have no financial interest, direct or indirect, in the purchase or sale of any product, materials or equipment that will be recommended or required for the construction of the project.

ARTICLE 26
INSURANCE

(1) **Insurance.** Engineer, at Engineer's sole cost, shall purchase and maintain during the entire term while this Contract is in effect professional liability insurance coverage in the minimum amount of One Million Dollars per claim from a company authorized to do insurance business in Texas and

otherwise acceptable to BCRUA. Engineer shall also notify BCRUA, within twenty-four (24) hours of receipt, of any notices of expiration, cancellation, non-renewal, or material change in coverage it receives from its insurer.

(2) Subconsultant Insurance. Without limiting any of the other obligations or liabilities of Engineer, Engineer shall require each subconsultant performing work under this Contract to maintain during the term of this Contract, at the subconsultant's own expense, the same stipulated minimum insurance required in Article 26, Section (1) above, including the required provisions and additional policy conditions as shown below in Article 26, Section (3).

Engineer shall obtain and monitor the certificates of insurance from each subconsultant in order to assure compliance with the insurance requirements. Engineer must retain the certificates of insurance for the duration of this Contract, and shall have the responsibility of enforcing these insurance requirements among its subconsultants. BCRUA shall be entitled, upon request and without expense, to receive copies of these certificates of insurance.

(3) Insurance Policy Endorsements. Each insurance policy shall include the following conditions by endorsement to the policy:

- (a) Each policy shall require that thirty (30) days prior to the expiration, cancellation, non-renewal or reduction in limits by endorsement a notice thereof shall be given to BCRUA by certified mail to:

BCRUA General Manager
221 East Main Street
Round Rock, TX 78664

- (b) The policy clause "Other Insurance" shall not apply to any insurance coverage currently held by BCRUA, to any such future coverage, or to BCRUA's Self-Insured Retentions of whatever nature.

(4) Cost of Insurance. The cost of all insurance required herein to be secured and maintained by Engineer shall be borne solely by Engineer, with certificates of insurance evidencing such minimum coverage in force to be filed with BCRUA. Such Certificates of Insurance are evidenced as Exhibit E herein entitled "Certificates of Insurance."

ARTICLE 27
COPYRIGHTS

BCRUA shall have the royalty-free, nonexclusive and irrevocable right to reproduce, publish or otherwise use, and to authorize others to use, any reports developed by Engineer for governmental purposes.

ARTICLE 28
SUCCESSORS AND ASSIGNS

This Contract shall be binding upon and inure to the benefit of the parties hereto, their successors, lawful assigns, and legal representatives. Engineer may not assign, sublet or transfer any interest in this Contract, in whole or in part, by operation of law or otherwise, without obtaining the prior written consent of BCRUA.

ARTICLE 29
SEVERABILITY

In the event any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision thereof and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

ARTICLE 30
PRIOR AGREEMENTS SUPERSEDED

This Contract constitutes the sole agreement of the parties hereto, and supersedes any prior understandings or written or oral contracts between the parties respecting the subject matter defined herein. This Contract may only be amended or supplemented by mutual agreement of the parties hereto in writing.

ARTICLE 31
ENGINEER'S ACCOUNTING RECORDS

Records pertaining to the project, and records of accounts between BCRUA and Engineer, shall be kept on a generally recognized accounting basis and shall be available to BCRUA or its authorized representatives at mutually convenient times. The BCRUA reserves the right to review all records it deems relevant which are related to this Contract.

ARTICLE 32
NOTICES

All notices to either party by the other required under this Contract shall be personally delivered or mailed to such party at the following respective addresses:

BCRUA:

Brushy Creek Regional Utility Authority
Attention: BCRUA General Manager
221 East Main Street
Round Rock, TX 78664

and to:

Stephan L. Sheets
BCRUA Attorney
309 East Main Street
Round Rock, TX 78664

Engineer:

Aaron Archer, P.E.
Project Manager
804 Las Cimas Parkway, Suite 150
Austin, TX 78746

ARTICLE 33
GENERAL PROVISIONS

(1) **Time is of the Essence.** Engineer understands and agrees that time is of the essence and that any failure of Engineer to complete the Engineering Services for each phase of this Contract within the agreed Work Schedule may constitute a material breach of this Contract. Engineer shall be fully responsible for his/her/its delays or for failures to use his/her/its reasonable efforts in accordance with the terms of this Contract and the Engineer's standard of performance as defined herein. Where damage is caused to BCRUA due to Engineer's negligent failure to perform BCRUA may accordingly withhold, to the extent of such damage, Engineer's payments hereunder without waiver of any of BCRUA's additional legal rights or remedies.

(2) **Force Majeure.** Neither BCRUA nor Engineer shall be deemed in violation of this Contract if prevented from performing any of their obligations hereunder by reasons for which they are not responsible or circumstances beyond their control. However, notice of such impediment or delay in performance must be timely given, and all reasonable efforts undertaken to mitigate its effects.

(3) **Enforcement and Venue.** This Contract shall be enforceable in Round Rock, Williamson County, Texas, and if legal action is necessary by either party with respect to the enforcement of any or all of the terms or conditions herein, exclusive venue for same shall lie in Williamson County, Texas. This Contract shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.

(4) **Standard of Performance.** The standard of care for all professional engineering, consulting and related services performed or furnished by Engineer and its employees under this Contract will be the care and skill ordinarily used by members of Engineer's profession practicing under the same or similar circumstances at the same time and in the same locality. Excepting Articles 25 and 34 herein, Engineer makes no warranties, express or implied, under this Contract or otherwise, in connection with the Engineering Services.

(5) **Opinion of Probable Cost.** Any opinions of probable project cost or probable construction cost provided by Engineer are made on the basis of information available to Engineer and on the basis

of Engineer's experience and qualifications and represents its judgment as an experienced and qualified professional engineer. However, since Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s') methods of determining prices, or over competitive bidding or market conditions, Engineer does not guarantee that proposals, bids or actual project or construction cost will not vary from opinions of probable cost Engineer prepares.

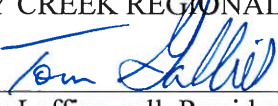
(6) Opinions and Determinations. Where the terms of this Contract provide for action to be based upon opinion, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

ARTICLE 34
SIGNATORY WARRANTY

The undersigned signatory for Engineer hereby represents and warrants that the signatory is an officer of the organization for which he/she has executed this Contract and that he/she has full and complete authority to enter into this Contract on behalf of the firm. The above-stated representations and warranties are made for the purpose of inducing BCRUA to enter into this Contract.

IN WITNESS WHEREOF, the BCRUA of Round Rock has caused this Contract to be signed in its corporate name by its duly authorized BCRUA Manager or Mayor, as has Engineer, signing by and through its duly authorized representative(s), thereby binding the parties hereto, their successors, assigns and representatives for the faithful and full performance of the terms and provisions hereof.

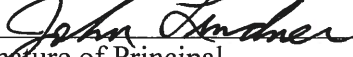
BRUSHY CREEK REGIONAL UTILITY AUTHORITY

By: 
~~Frank Leffingwell, President~~
Tom Gallier, General Manager

ATTEST:

By: 
Stephen Thomas, BCRUA Secretary

WALKER PARTNERS

By: 
Signature of Principal
Printed Name: JOHN LINDNER

APPROVED AS TO FORM:


Stephan L. Sheets, BCRUA Attorney

LIST OF EXHIBITS ATTACHED

- | | |
|---------------|---------------------------|
| (1) Exhibit A | BCRUA Services |
| (2) Exhibit B | Engineering Services |
| (3) Exhibit C | Work Schedule |
| (4) Exhibit D | Fee Schedule |
| (5) Exhibit E | Certificates of Insurance |

EXHIBIT A

BCRUA Services

Attached Behind This Page

EXHIBIT A
OWNER SERVICES

In addition to the other responsibilities of OWNER as set forth in this Agreement, the OWNER shall, at its expense:

- A. Review and comment on all deliverables. OWNER will provide a single set of consolidated OWNER review comments on all deliverables.
- B. Coordinate with cooperating jurisdictional, funding, and environmental permitting agencies as needed and issue applications and payments for required reviews, approvals, and permits.
- C. Participate in project meetings as described in the scope of services.
- D. OWNER is responsible for posting meetings and other technical materials on the OWNER website.
- E. Provide, as required for the Project:
 - 1) Accounting, bond and financial advisory, independent cost estimating, and insurance counseling services.
 - 2) Legal services with regard to issues pertaining to the Project as OWNER requires or deems appropriate, or ENGINEER reasonably requests, including but not limited to the review of Documents supplied by ENGINEER.
- F. Authorize ENGINEER to provide Additional Services as set forth in this Agreement as required.
- G. Advise ENGINEER of the identity and scope of services of any independent consultants employed by OWNER to perform or furnish services in regard to the Project..
- H. Give prompt written notice to ENGINEER whenever OWNER observes or otherwise becomes aware of the presence at the Site of any Constituent of Concern, or of any other development that affects the scope or time of performance of ENGINEER'S services, or any defect or nonconformance in ENGINEER'S services, the Work, or in the performance of any Contractor.
- I. Provide ENGINEER with the findings and reports generated by the entities providing services to OWNER pursuant to this exhibit.

EXHIBIT B
ENGINEERING SERVICES

GENERAL

The Project generally consists of providing assistance to obtain financing for final design of the Phase 2 Deep Water Intake Project through the Texas Water Development Board (TWDB). The primary tasks of this agreement include:

- 1.0 *Project Management, Coordination and Meetings*
- 2.0 *TWDB State Water Implementation Fund for Texas (SWIFT)*
- 3.0 *Additional Services*

ASSUMPTIONS

ENGINEER'S assumptions apply to all tasks set forth in this Exhibit.

1. *The ultimate system capacity is 144.7 MGD allocated among the OWNER WTP (105.8 MGD), the City of Cedar Park WTP (26.9 MGD), and the City of Leander (Sandy Creek) WTP (12.0 MGD).*
2. *ENGINEER shall not perform cost estimating for Phase 2. All Phase 2 costs and cost allocations shall be determined from information prepared during the Preliminary Engineering Phase and provided by OWNER.*
3. *The funding plan assumes that no bond proceeds from Phase 1A will be applied.*

BASIC SCOPE OF SERVICES

Task 1.0 - Project Management, Coordination, and Meetings

- 1.1 **Project Administration.** Provide administration and management of the project.
 - 1.1.1 Project Management Plan (PMP). Develop, document and monitor the following plans and procedures to coordinate administration of the contract: team communication, quality management, document control, and cost and schedule control.
 - 1.1.2 Manage and coordinate staff resources and project planning. Assign qualified and experienced personnel in a timely manner to project activities and coordinate the efforts of such personnel to comply with budget, schedule, scope, and quality.
 - 1.1.3 Prepare and submit monthly invoices and project progress reports. As a minimum, monthly progress reports shall include a summary description of tasks completed as of the report date, financial status of the project, status of schedule for project, and identification of technical or other issues which may have an impact to the overall project budget and/or schedule.
 - 1.1.4 Facilitate document control and document sharing for electronic filing of documents.

1.2 **Project Meetings.** Attend up to four meetings with the OWNER and/or TWDB.

Task 1.0 Deliverables

- *Monthly invoices and project progress reports*
- *Meeting agendas and minutes (as required)*

Task 2.0 - TWDB Funding Application Support

- 2.1 **Phase 2 Funding Plan.** Provide assistance in obtaining financing for the project. Develop a funding plan guidance document for OWNER and member cities to fund final design of Phase 2. Coordinate development of the funding plan with the TWDB, OWNER, and designated financial advisors of each member city.
- 2.1.1 Estimate the design phase costs of Phase 2 by escalating the cost estimates presented in the 2016 Preliminary Engineering Report (PER).
- 2.1.2 Allocate costs to each member city for each cost component based on the corresponding reserved system capacity for the development of individual city funding plans. It is assumed that low interest and deferred loan options may be utilized at the discretion of each member city under a single-year commitment.
- 2.2 **Funding Application Support.** Support the preparation of the abridged and full financial assistance applications. Support is limited to the review of information prepared by the OWNER financial advisor and provision of engineering details necessary for completion of the. OWNER shall provide application attachments for Parts A through D as required. Assemble and deliver the complete application to OWNER. Support OWNER with resolving TWDB comments and prepare the final application.

Task 2.0 Deliverables

- *Funding Plan Guidance Document (Microsoft Excel spreadsheet)*
- *Abridged and Full Financial Applications (with support by OWNER and OWNER'S financial advisors)*

Task 3.0 - Additional Services

The following Additional Services are not included in the Scope of Services and will not be performed unless specifically authorized by the OWNER:

- 3.1 Preparation and submittal of general, legal, and fiscal submittals to TWDB on behalf of OWNER and/or member cities including but not limited to Infrastructure Financing Report Surveys, Water Conservation and Drought Contingency Plans, Financing Agreements, Private Placement Memoranda, and Master Agreements for TWDB Funding.
- 3.2 Coordination with other regulatory including but not limited to Texas Parks & Wildlife Department (TPWD), U.S. Fish & Wildlife Service (USFWS), Texas Historical Commission (THC), and U.S. Environmental Protection Agency (USEPA).
- 3.3 Services required as a result of OWNER'S providing incomplete or incorrect Project information to ENGINEER.

- 3.4 Services resulting from significant changes in the scope, extent, or character of the portions of the Project designed or specified by ENGINEER or its design requirements including, but not limited to, changes in size, complexity, OWNER'S schedule, character of construction, or method of financing; and revising previously accepted studies, reports, Drawings, Specifications, or Contract Documents when such revisions are required by changes in Laws and Regulations enacted subsequent to the Effective Date of this Agreement or are due to other causes beyond ENGINEER'S control.
- 3.5 Furnishing services of Consultants for other than Basic Services.
- 3.6 Providing assistance in responding to the presence of any Constituent of Concern at the Site, in compliance with current Laws and Regulations.
- 3.7 Preparing to serve or serving as a consultant or witness for OWNER in any litigation, arbitration, or other dispute resolution process related to the Project.
- 3.8 Providing more extensive services required to enable ENGINEER to issue notices or certifications requested by OWNER.
- 3.9 Other services performed or furnished by ENGINEER not otherwise provided for in this Agreement.

EXHIBIT C
WORK SCHEDULE

The Basic Scope of Services as set forth in Exhibit B will be performed as follows. ENGINEER'S receipt of an executed copy of this agreement will serve as authorization to proceed.

<u>Task</u>	<u>Duration</u>
1.1 Project Management, Coordination, Meetings	Through project completion
2.1 Funding Plan	2 month
2.2 Funding Application Support	10 months

EXHIBIT D
COMPENSATION

Total compensation for Basis Services set forth in Exhibit B is estimated to be \$26,800. OWNER shall pay ENGINEER for Basic Services set forth in Exhibit B on the basis of Lump Sum as described in Paragraph 1.0. ENGINEER'S labor and fee summary is attached as Appendix 1.

- 1.0 OWNER shall pay ENGINEER for Basic set forth in Exhibit B as follows:
- A. A Lump Sum amount of \$26,800.
 - B. The portion of the Lump Sum amount billed for ENGINEER'S services will be based upon ENGINEER'S estimate of the percentage of the total services actually completed during the billing period for each Task described in Paragraph 1.0(A).
 - C. ENGINEER shall not exceed the total Lump Sum amount unless approved in writing by the OWNER.
 - D. The Lump Sum includes compensation for ENGINEER'S services and services of ENGINEER'S Consultants, if any. Appropriate amounts have been incorporated in the Lump Sum to account for labor costs, overhead, profit, expenses, and Consultant charges.

Brushy Creek Regional Utility Authority
 Funding Plan Support
 Fee and Labor Summary
 Appendix 1

TASK DESCRIPTION	Labor Classifications and Hours				Total Hours	Expenses	Total Fee
	Project Principal	Project Manager	Senior QA/QC Reviewer	Admin Support			
1.0 Project Management, Coordination, and Meetings							
1.1 Project Administration	1	4		4	9	\$22	\$1,657
1.2 Project Meetings	1	16	1	4	22	\$242	\$5,257
TASK SUBTOTAL	2	20	1	8	31	\$264	\$7,000
2.0 TWDB Funding Application Support							
2.1 Funding Plan	1	8	2		11	\$11	\$2,886
2.2 Funding Application Support		60	2	8	70	\$55	\$16,815
TASK SUBTOTAL	1	68	4	8	81	\$66	\$19,800
		Total Hours					
	3	88	5	16	112		
	\$825	\$22,880	\$1,300	\$1,280		\$330	\$26,800

EXHIBIT E
CERTIFICATE OF INSURANCE

12/18/2017

DESCRIPTIONS (Continued from Page 1)

Workers' Compensation policies attached.

30 Day Notice of Cancellation endorsement for Professional Liability policy available upon request.

General Liability, Auto Liability & Umbrella Liability Primary & Non-Contributory endorsement attached.

Part A-6 Financial Advisor Contract - Cedar Park

ENGAGEMENT LETTER FOR MUNICIPAL ADVISORY SERVICES

Specialized Public Finance, Inc. ("SPFI" or "Municipal Advisor") has been engaged to serve as the Municipal Advisor to the Brushy Creek Regional Utility Authority, Inc. ("Issuer"). This document is our written engagement and sets forth the duties and responsibilities of the Municipal Advisor in connection with the issuance of City of Round Rock or City of Cedar Park Contract Revenue Bonds or similar instruments by the Issuer. Any City of Leander Contract Revenue Bonds or similar instruments issued by Issuer are specifically excluded from this engagement.

Section 1: Municipal Advisor Role. The Municipal Advisor is engaged as a recognized independent expert whose primary responsibility is to give objective advice on the structure and issuance of municipal securities. In our capacity as Municipal Advisor to the Issuer, we will provide the following services: (1) Evaluate alternatives and options related to the Issuer's objective of reducing financing costs related to previously issued bonds; (2) Prepare preliminary financing schedules for review and consideration by the Issuer; (3) Provide advice on the structure and suitability of municipal securities relative to the financial resources of the Issuer for new projects; (4) Work with Bond Counsel and the Issuer to prepare the offering documents necessary for the sale of municipal securities; and (5) Provide assistance in coordinating with underwriters, bond rating agencies, the Texas Water Development Board, and other professionals, as needed, related to the proper structuring and final issuance of municipal securities.

Section 2: Disclosure of Conflicts of Interest. Rules established by the Municipal Securities Rulemaking Board and the Securities and Exchange Commission require the registered Municipal Advisor to provide a written description of any material conflicts of interest, including any plans to mitigate any such conflicts of interest. Federal law imposes an explicit fiduciary duty on the Municipal Advisor to act in the best interest of the Issuer. This means several important things: (1) SPFI has a duty to exercise due care in performing municipal advisory activities; (2) SPFI has a duty of loyalty, requiring advice to be rendered in the best interest of the Issuer, without regard to the financial interests of SPFI; (3) SPFI must have the knowledge and expertise needed to provide the Issuer with informed advice; (4) SPFI has a duty to understand the Issuer's specific financial circumstances so that any advice may be deemed suitable to the Issuer's situation; and (5) SPFI has a duty to discuss material risks and benefits with the Issuer so as to best serve the Issuer's needs.

Specific conflicts of interest will be disclosed in detail in a separate letter provided by SPFI before the date of execution of this engagement.

Section 3: Term of Engagement. The term of this engagement shall extend from the date of execution of this Engagement Letter for a period of (3) years from such date. Unless SPFI or Issuer shall notify the other party in writing at least (30) days in advance of the applicable anniversary date that this engagement will not be renewed, this engagement will be automatically renewed on the third anniversary of the date hereof for successive (1) year periods.

Section 4: Fees and Expenses. The Issuer agrees to pay to SPFI for the services described in Section 1), above, the amount of 0.225% of the par amount of municipal securities issued and delivered relating to Phase 1 Improvements and 0.175% of the par amount of municipal securities issued and delivered for other projects. The foregoing charges shall be multiplied by 1.25 times for the issuance of refunding bonds, reflecting the additional services required. Additionally, the Issuer agrees to reimburse SPFI for any transaction-related costs advanced by SPFI in the normal course of issuance of the municipal securities covered by this engagement, including but not limited to paying agent fees, rating agency fees (including any ratings-related travel expenses, at the specific instruction of the Issuer), CUSIP registration fees, escrow agent fees, verification agent fees, and any fees related to the bidding of escrow securities to the extent they are beneficial to the transaction or required due to the inability to subscribe to State and Local Government Securities or SLGS.

This engagement shall take effect upon action by a duly authorized representative of the Issuer to approve this engagement.

Representative of the Issuer:

Jon Lux, Board President

Date:

7-20-16

Representative of the Municipal Advisor:

Carlyle E. Marshall

Date:

7-20-16

**DISCLOSURE STATEMENT
OF
SPECIALIZED PUBLIC FINANCE, INC.**

This Disclosure Statement is provided by **SPECIALIZED PUBLIC FINANCE, INC.** ("Specialized Public Finance, Inc." or "the Advisor") to **Brushy Creek Regional Utility Authority, Inc.** (the "Client") in connection with our existing Financial Advisory Services Agreement or similar instrument (the "Agreement"). This Disclosure Statement provides information regarding conflicts of interest and legal or disciplinary events of Specialized Public Finance, Inc. required to be disclosed to Client pursuant to Municipal Securities Rulemaking Board ("MSRB") Rule G-42(b) and (c)(ii), which took effect on June 23, 2016.

PART A – Disclosures of Conflicts of Interest

Newly adopted MSRB Rule G-42 requires that Specialized Public Finance, Inc. provide disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable. If no such material conflicts of interest are known to exist based on the exercise of reasonable diligence, Specialized Public Finance, Inc. is required to provide a written statement to that effect.

Material Conflicts of Interest – Specialized Public Finance, Inc. makes the disclosures set forth below with respect to material conflicts of interest in connection with the Agreement, together with explanations of how the Advisor addresses or intends to manage or mitigate each conflict.

General Mitigations – With respect to all of the conflicts disclosed below, Specialized Public Finance, Inc. mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all advisory activities for Client. This duty of loyalty obligates Specialized Public Finance, Inc. to deal honestly and with the utmost good faith with Client and to act in Client's best interests without regard to Specialized Public Finance, Inc.'s financial or other interests. Furthermore, Specialized Public Finance, Inc.'s supervisory structure provides strong safeguards against individual representatives of Specialized Public Finance, Inc. potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

Compensation-Based Conflicts. The fees due under the Agreement will be based on the size of the financing and the payment of such fees shall be contingent upon closing of the financing transaction. While this form of compensation is customary in the municipal securities market, this may present a conflict because it could create an incentive for the Advisor to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.

Specialized Public Finance, Inc. Also Advising Wholesale Utility Customers of Client. In addition to serving as Advisor to Client, Specialized Public Finance, Inc. serves as Advisor to certain wholesale utility customers of Client. Client and the wholesale utility customers may have conflicting interests with regard to fees, terms of the issuance, and other matters. Such conflict is mitigated by the fact that no wholesale utility customer transactions are originated by Specialized Public Finance, Inc. and all work done on behalf of the Client is undertaken at the specific request of the Client. Additionally, as it relates to the primary goals of any such financing transaction, achieving the lowest possible debt service and bond issuance costs are common to both the Client and the wholesale utility customers.

Specialized Public Finance, Inc., as an independent municipal advisory firm, is not affiliated with any broker-dealer. As such, Specialized Public Finance, Inc. has NONE of the following potential conflicts of interest unique to municipal advisors affiliated with a broker-dealer.

**THE FOLLOWING CONFLICTS OF INTEREST DO NOT APPLY TO
SPECIALIZED PUBLIC FINANCE, INC.**

Affiliate Conflict. The Affiliate's business with Client could create an incentive for the municipal advisor to recommend to Client a course of action designed to increase the level of Client's business activities with the Affiliate or to recommend against a course of action that would reduce or eliminate Client's business activities with the Affiliate.

Solicitor Payments to Be Retained. Such payments could create an incentive for the Solicitor to make a biased recommendation to Client in conflict with the fiduciary duty of the municipal advisor.

Payments From Third Parties for Recommendations. Such payments could create an incentive for the municipal advisor to make a biased recommendation of the Recommended Third-Party to Client.

Fee-Splitting Arrangements. Such fee-splitting arrangements could result in divided loyalties of the municipal advisor and the Third-Party besides Client.

Underwriting Relationships. Broker dealer municipal advisors serve a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, the broker-dealer municipal advisor could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of the broker-dealer municipal advisor to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest.

Broker-Dealer and Investment Advisory Business. Such securities-related activities, which may include but are not limited to the buying and selling of new issue and outstanding securities and investment advice in connection with such securities, including securities of Client, may be undertaken on behalf of, or as counterparty to, Client, personnel of Client, and current or potential investors in the securities of Client. These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of Client, such as when their buying or selling of Client's securities may have an adverse effect on the market for Client's securities, and the interests of such other clients could create the incentive for the broker-dealer and investment advisor affiliated municipal advisor to make recommendations to Client that could result in more advantageous pricing for the other clients.

Secondary Market Transactions in Client's Securities. The broker-dealer municipal advisor, in connection with its sales and trading activities, may take a principal position in securities, including securities of Client, and therefore could have interests in conflict with those of Client with respect to the value of Client's securities while held in inventory and the levels of mark-up or mark-down that may be available in connection with purchases and sales thereof. In particular, the broker-dealer municipal advisor or its affiliates may submit orders for and acquire Client's securities issued in an Issue under the Agreement from members of the underwriting syndicate, either for its own account or for the accounts of its customers. This activity may result in a conflict of interest with Client in that it could create the incentive for the broker-dealer municipal advisor to make recommendations to Client that could result in more advantageous pricing of Client's bond in the marketplace.

PART B – Disclosures of Information Regarding Legal Events and Disciplinary History

Newly adopted MSRB Rule G-42 requires that Specialized Public Finance, Inc. provide certain disclosures of legal or disciplinary events material to its client's evaluation of the Advisor or the integrity of the Advisor's management or advisory personnel.

Accordingly, Specialized Public Finance, Inc. sets out below required disclosures and related information in connection with such disclosures.

There are NO legal or disciplinary events of disclosure relating to Specialized Public Finance, Inc. or the integrity of Specialized Public Finance, Inc.'s management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC.

How to Access Form MA and Form MA-I Filings. Specialized Public Finance, Inc.'s most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at <http://www.sec.gov>. The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by Specialized Public Finance, Inc. in its capacity as a state-registered investment adviser. Specialized Public Finance, Inc.'s most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov>. For purposes of accessing Form ADV, Specialized Public Finance, Inc.'s CRD number is 148951. The SEC municipal advisor registration number for Specialized Public Finance, Inc. is 866-00363-00.

PART C – Future Supplemental Disclosures

As required by newly adopted MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of Specialized Public Finance, Inc. Specialized Public Finance, Inc. will provide Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.

Dated: June 14, 2016

Specialized Public Finance, Inc.

Disclosure language adapted from Securities Industry and Financial Markets Association ("SIFMA") suggested municipal advisory conflicts of interest disclosure dated June 1, 2016.

FINANCIAL ADVISORY AGREEMENT

This Financial Advisory Agreement (the "Agreement") is made and entered into by and between the City of Leander, Texas (the "Issuer") and First Southwest Company ("FirstSouthwest") effective as of the date executed by the Issuer as set forth on the signature page hereof.

WITNESSETH:

WHEREAS, the Issuer will have under consideration from time to time the authorization and issuance of indebtedness in amounts and forms which cannot presently be determined and, in connection with the authorization, sale, issuance and delivery of such indebtedness, Issuer desires to retain an independent financial advisor; and

WHEREAS, the Issuer desires to obtain the professional services of FirstSouthwest to advise the Issuer regarding the issuance and sale of certain evidences of indebtedness or debt obligations that may be authorized and issued or otherwise created or assumed by the Issuer or by an entity created or authorized by the Issuer (hereinafter referred to collectively as the "Debt Instruments") from time to time during the period in which this Agreement shall be effective; and

WHEREAS, FirstSouthwest is willing to provide its professional services and its facilities as financial advisor in connection with all programs of financing as may be considered and authorized by Issuer during the period in which this Agreement shall be effective.

NOW, THEREFORE, the Issuer and FirstSouthwest, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

**SECTION I
DESCRIPTION OF SERVICES**

Upon the request of an authorized representative of the Issuer, FirstSouthwest agrees to perform the financial advisory services stated in the following provisions of this Section I; and for having rendered such services, the Issuer agrees to pay to FirstSouthwest the compensation as provided in Section IV hereof.

- A. Financial Planning. At the direction of Issuer, FirstSouthwest shall:
 - 1. Survey and Analysis. Conduct a survey of the financial resources of the Issuer to

determine the extent of its capacity to authorize, issue and service any Debt Instruments contemplated. This survey will include an analysis of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues to be available from any proposed rate increases and additional revenues, as projected by consulting engineers engaged by the Issuer, resulting from improvements to be financed by the Debt Instruments under consideration.

2. Future Financings. Consider and analyze future financing needs as projected by the Issuer's staff and consulting engineers or other experts, if any, engaged by the Issuer.

3. Recommendations for Debt Instruments. On the basis of the information developed by the survey described above, and other information and experience available, submit to the Issuer recommendations regarding the Debt Instruments under consideration, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options of prior payment, security provisions, and such other provisions as may be appropriate in order to make the issue attractive to investors while achieving the objectives of the Issuer. All recommendations will be consistent with the goal of designing the Debt Instruments to be sold on terms which are advantageous to the Issuer, including the lowest interest cost consistent with all other considerations.

4. Market Information. Advise the Issuer of FirstSouthwest's interpretation of current bond market conditions, other related forthcoming bond issues and general information, with economic data, which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a favorable time.

5. Elections. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, FirstSouthwest will assist in coordinating the assembly of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the election, including assistance in the transmission of such data to a firm of municipal bond attorneys ("Bond Counsel") retained by the Issuer.

B. Debt Management and Financial Implementation. At the direction of Issuer, FirstSouthwest shall:

1. Method of Sale. Evaluate the particular financing being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make a recommendation as to an appropriate method of sale, and:

a. If the Debt Instruments are to be sold by an advertised competitive sale, FirstSouthwest will:

(1) Supervise the sale of the Debt Instruments;

(2) Disseminate information to prospective bidders, organize such informational meetings as may be necessary, and facilitate prospective bidders' efforts in making timely submission of proper bids;

(3) Assist the staff of the Issuer in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids; and

(4) Advise the Issuer regarding the best bid and provide advice regarding acceptance or rejection of the bids.

b. If the Debt Instruments are to be sold by negotiated sale, FirstSouthwest will:

(1) Recommend for Issuer's final approval and acceptance one or more investment banking firms as managers of an underwriting syndicate for the purpose of negotiating the purchase of the Debt Instruments.

(2) Cooperate with and assist any selected managing underwriter and their counsel in connection with their efforts to prepare any Official Statement or Offering Memorandum. FirstSouthwest will cooperate with and assist the underwriters in the preparation of a bond purchase contract, an underwriters agreement and other related documents. The costs incurred in such efforts, including the printing of the documents, will be paid in accordance with the terms of the Issuer's agreement with the underwriters, but shall not be or become an obligation of FirstSouthwest, except to the extent specifically provided otherwise in this Agreement or assumed in writing by FirstSouthwest.

(3) Assist the staff of the Issuer in the safekeeping of any good faith checks, to the extent there are any such, and provide a cost comparison, for both expenses and interest which are suggested by the underwriters, to the then current market.

(4) Advise the Issuer as to the fairness of the price offered by the underwriters.

2. Offering Documents. Coordinate the preparation of the notice of sale and bidding instructions, official statement, official bid form and such other documents as may be required and submit all such documents to the Issuer for examination, approval and certification. After such examination, approval and certification, FirstSouthwest shall provide the Issuer with a supply of all such documents sufficient to its needs and distribute by mail or, where appropriate, by electronic delivery, sets of the same to prospective purchasers of the Debt Instruments. Also, FirstSouthwest shall provide copies of the final Official Statement to the purchaser of the Debt Instruments in accordance with the Notice of Sale and Bidding Instructions.

3. Credit Ratings. Make recommendations to the Issuer as to the advisability of obtaining a credit rating, or ratings, for the Debt Instruments and, when directed by the Issuer, coordinate the preparation of such information as may be appropriate for submission to the rating agency, or agencies. In those cases where the advisability of personal presentation of information to the rating agency, or agencies, may be indicated, FirstSouthwest will arrange for such personal presentations, utilizing such composition of representatives from the Issuer as may be finally approved or directed by the Issuer.

4. Trustee, Paying Agent, Registrar. Upon request, counsel with the Issuer in the selection of a Trustee and/or Paying Agent/Registrar for the Debt Instruments, and assist in the negotiation of agreements pertinent to these services and the fees incident thereto.

5. Financial Publications. When appropriate, advise financial publications of the forthcoming sale of the Debt Instruments and provide them with all pertinent information.

6. Consultants. After consulting with and receiving directions from the Issuer, arrange for such reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the Debt Instruments.

7. Auditors. In the event formal verification by an independent auditor of any calculations

incident to the Debt Instruments is required, make arrangements for such services.

8. Issuer Meetings. Attend meetings of the governing body of the Issuer, its staff, representatives or committees as requested at all times when FirstSouthwest may be of assistance or service and the subject of financing is to be discussed.

9. Printing. To the extent authorized by the Issuer, coordinate all work incident to printing of the offering documents and the Debt Instruments.

10. Bond Counsel. Maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the Debt Instruments.

11. Changes in Laws. Provide to the Issuer copies of proposed or enacted changes in federal and state laws, rules and regulations having, or expected to have, a significant effect on the municipal bond market of which FirstSouthwest becomes aware in the ordinary course of its business, it being understood that FirstSouthwest does not and may not act as an attorney for, or provide legal advice or services to, the Issuer.

12. Delivery of Debt Instruments. As soon as a bid for the Debt Instruments is accepted by the Issuer, coordinate the efforts of all concerned to the end that the Debt Instruments may be delivered and paid for as expeditiously as possible and assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Debt Instruments.

13. Debt Service Schedule; Authorizing Resolution. After the closing of the sale and delivery of the Debt Instruments, deliver to the Issuer a schedule of annual debt service requirements for the Debt Instruments and, in coordination with Bond Counsel, assure that the paying agent/registrars and/or trustee has been provided with a copy of the authorizing ordinance, order or resolution.

C. Development Services. At the direction of Issuer, FirstSouthwest agrees to perform the following consulting services for any proposed Development:

1. Familiarize itself with the Development;
2. Conduct financial analysis and modeling of costs and benefits, including the effect and anticipated timing of approvals and funding of any Program based on FirstSouthwest's experience with municipalities in Texas regarding economic incentive programs;

3. Prepare a written analysis including recommendations for one or more Programs;
4. If the City approves a Program, prepare one or more Program proposals for the City's review and approval to be presented by FirstSouthwest to the developer, with the City's support and cooperation as reasonably requested by FirstSouthwest; and
5. Pursue the approval of each component of the Program, including attendance at meetings with governmental officials and developer representatives and negotiation of terms of a Program reasonably acceptable to the City.
6. Provide the City with general financial advice regarding the structure, timing and general amounts of funding for the components of the Program as FirstSouthwest and the City negotiate with the developer, governmental agencies, community groups and other interested parties to obtain the Program.

FirstSouthwest will provide additional services to those outlined herein upon mutual agreement of the parties as to both the services to be performed and the payment of additional compensation.

SECTION II OTHER AVAILABLE SERVICES

In addition to the services set forth and described in Section I herein above, FirstSouthwest agrees to make available to Issuer the following services, when so requested by the Issuer and subject to the agreement by Issuer and FirstSouthwest regarding the compensation, if any, to be paid for such services, it being understood and agreed that the services set forth in this Section II shall require further agreement as to the compensation to be received by FirstSouthwest for such services:

1. Investment of Funds. From time to time, as an incident to the other services provided hereunder as financial advisor, FirstSouthwest may purchase such investments as may be directed and authorized by Issuer to be purchased, it being understood that FirstSouthwest will be compensated in the normal and customary manner for each such transaction. In any instance wherein FirstSouthwest may become entitled to receive fees or other compensation in any form from a third party with respect to these investment activities on behalf of Issuer, we will disclose to Issuer the nature and, to the extent such is known, the amount of any such compensation so that Issuer may consider the information in making its investment decision. It is understood and agreed that FirstSouthwest is a duly licensed broker/dealer and is affiliated with First Southwest Asset Management, Inc. ("FirstSouthwest Asset Management"), a duly registered

investment advisor. Issuer may, from time to time, utilize the broker/dealer services of FirstSouthwest and/or the investment advisory services of FirstSouthwest Asset Management with respect to matters which do not involve or affect the financial advisory services referenced in this Agreement. The terms and conditions of the engagement of FirstSouthwest and/or FirstSouthwest Asset Management to provide such services shall be determined by mutual agreement at the time such services are requested.

2. Exercising Calls and Refunding. Provide advice and assistance with regard to exercising any call and/or refunding of any outstanding Debt Instruments.
3. Capital Improvements Programs. Provide advice and assistance in the development of any capital improvements programs of the Issuer.
4. Long-Range Planning. Provide advice and assistance in the development of other long-range financing plans of the Issuer.
5. Post-Sale Services. Subsequent to the sale and delivery of Debt Instruments, review the transaction and transaction documentation with legal counsel for the Issuer, Bond Counsel, auditors and other experts and consultants retained by the Issuer and assist in developing appropriate responses to legal processes, audit procedures, inquiries, internal reviews and similar matters.

SECTION III TERMINATION

This Agreement may be terminated with or without cause by the Issuer or FirstSouthwest upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. In the event of such termination, it is understood and agreed that only the amounts due FirstSouthwest for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

SECTION IV COMPENSATION AND EXPENSE REIMBURSEMENT

The fees due to FirstSouthwest for the services set forth and described in Section I of this Agreement with respect to each issuance of Debt Instruments during the term of this Agreement shall be calculated in accordance with the schedule set forth on Appendix A attached hereto, and incorporated herein as if set forth in full. Unless specifically provided otherwise on Appendix A or in a separate written agreement between Issuer and FirstSouthwest, such fees, together with any other fees as may have

been mutually agreed upon and all expenses, for which FirstSouthwest is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Debt Instruments to the purchaser.


**SECTION V
MISCELLANEOUS**

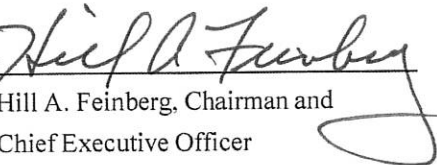
1. Choice of Law and Venue. This Agreement shall be construed and given effect in accordance with the laws of the State of Texas. The exclusive venue for litigation arising from or related to this Agreement shall be in a court of competent jurisdiction in Denton County, Texas.

2. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and FirstSouthwest, their respective successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.

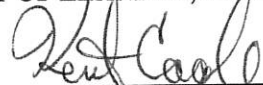
3. Entire Agreement. This instrument contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed by all parties hereto.

FIRST SOUTHWEST COMPANY

By: 
Chris W. Allen
Senior Vice President

By: 
Hill A. Feinberg, Chairman and
Chief Executive Officer

CITY OF LEANDER, TEXAS

By: 
Title: CITY MANAGER
Date: JULY 3, 2014

APPENDIX A

Traditional Municipal Finance Debt Instruments

The fees due FirstSouthwest will not exceed those contained in the fee schedule as listed below.

Base Fee – Any Issue		\$9,000.00
Plus \$10.00 per \$1,000	for the first	\$ 2,500,000 of bonds issued
Plus \$5.00 per \$1,000	for the first	\$ 2,500,000 of bonds issued
Plus \$1.00 per \$1,000	thereafter	

The above charges shall be multiplied by 1.25 times for the completion of an application to a federal or state government agency or for the issuance of revenue bonds or refunding bonds, reflecting the additional services required.

In the event the Issuer obtains financing directly from a bank or other source and the financing requires minimal, if any, financial advice or other services from FSC, then FSC and the Issuer shall agree in writing to a reduced fee commensurate with the services provided.

The charges for ancillary services, including computer structuring and official statement printing, shall be levied only for those services which are reasonably necessary in completing the transaction and which are reasonable in amount, unless such charges were incurred at the specific direction of the Issuer.

The payment of charges for financial advisory services described in Section I of the foregoing Agreement shall be contingent upon the delivery of bonds and shall be due at the time that bonds are delivered. The payment of charges for services described in Section II of the foregoing Agreement shall be due and payable in accordance with the mutual agreement therefor between FirstSouthwest and Issuer.

The Issuer shall be responsible for the following expenses, if and when applicable, whether they are charged to the Issuer directly as expenses or charged to the Issuer by FirstSouthwest as reimbursable expenses:

- Bond counsel
- Bond printing
- Bond ratings
- Computer structuring
- Credit enhancement
- CPA fees for refunding
- Official statement preparation and printing
- Paying agent/registrar/trustee
- Travel expenses
- Underwriter and underwriters counsel
- Miscellaneous, including copy, delivery, and phone charges

The payment of reimbursable expenses that FirstSouthwest has assumed on behalf of the Issuer shall NOT be contingent upon the delivery of bonds and shall be due at the time that services are rendered and payable upon receipt of an invoice therefor submitted by FirstSouthwest.

Development Services and Development Debt Instruments

Upon request, FirstSouthwest will assist the City in structuring and securing for any development of real property within the City (the "Development") one or more economic incentive program(s) as described in a development agreement for the Development ("Development Agreement") entered into between the City and a property owner, developer, and/or development district (a "Program").

Compensation for Services Rendered:

Recognizing the expertise that FirstSouthwest possesses with municipalities in Texas regarding economic incentive programs, the fee for assisting the City with reviewing, analyzing and structuring land developments and land development agreements shall be:

- (i) a fee of 2.0% of the par of any bonds or debt issued by the City or by an entity under the City's control for the benefit of the development (this Development related financial advisory fee will apply to any General Obligation Bonds, Certificates of Obligation, Tax Notes, Waterworks and Sewer System Revenue Bonds, or Special Revenue Bonds that are issued, including any refunding bonds, as long as such Debt Instruments are related to a Program as defined above; provided, however, this fee will not apply to any "Traditional Municipal Finance Debt Instruments" for which FirstSouthwest receives fees as described on the first page of this Appendix).

Notwithstanding any provision in this Agreement or in this Appendix A, the City's obligations with respect to the fee of 2.0% of the par of any bonds or debt issued by the City or by an entity under the City's control for the benefit of the development as described in the immediately preceding paragraph (ii) shall terminate if no such bond or debt is issued by the City or by an entity under the City's control for the benefit of the development within three years after the effective date of the Development Agreement related to a Program. Said termination shall occur immediately upon the third anniversary date of the effective date of such Development Agreement unless the City and FirstSouthwest enter into a duly authorized written agreement extending such obligation.

It is expected that the City will be reimbursed for the above-referenced fees by the developer as an expense of negotiating the economic incentive agreement(s).

FirstSouthwest shall be entitled to reimbursement for reasonable expenses in connection with providing the above-referenced Development consulting services to the City. Expenses shall be reimbursed within thirty (30) days after receipt of a detailed invoice therefor submitted by FirstSouthwest. Expenses related to Development Services are not contingent upon a Program being agreed to or a transaction being completed.

Part B-17 Resolution for Financial Assistance - Cedar Park

RESOLUTION NO. R099.18.04.26.H4

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CEDAR PARK, TEXAS, AUTHORIZING A REQUEST FOR FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD FOR THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY PHASE 2 DEEP WATER INTAKE PROJECT; AUTHORIZING THE FILING OF AN APPLICATION FOR ASSISTANCE; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the cities of Cedar Park, Leander, and Round Rock are participating cities in the Brushy Creek Regional Utility Authority, Inc. ("BCRUA"),

WHEREAS, on behalf of the participating cities, the BCRUA is requesting financial assistance from the Texas Water Development Board ("TWDB") to design the Phase 2 Deep Water Intake Project, and

WHEREAS, the Brushy Creek Regional Utility Authority Board approved a resolution seeking financial assistance from the TWDB, subject to approval by the participating Cities, on April 18, 2018.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CEDAR PARK, TEXAS:

SECTION 1. The BCRUA is hereby authorized to file an application with the Texas Water Development Board seeking financial assistance in amount not to exceed \$15,745,000 to provide for the cost of planning, final design and land rights, including funding for certain electrical upgrades, for the Phase 2 Deep Water Intake Project. The City of Cedar Park's portion of the amount sought for financial assistance shall not exceed \$6,970,000.

SECTION 2. Brenda Eivens, City Manager, is hereby designated the authorized representative of the City of Cedar Park for purposes of furnishing such information and executing such documents as may be required in connection with the preparation and filing of such application for financial assistance and the rules of the Texas Water Development Board.

SECTION 3. The following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the City of Cedar Park and the BCRUA before any hearing held by the Texas Water Development Board on such application, to wit:

Financial Advisor: Specialized Public Finance Inc.
248 Addie Roy Road, Suite B-103
Austin, TX 78746

Engineer: Walker Partners
804 Las Cimas Pkwy., Suite 150
Austin, Texas 78746

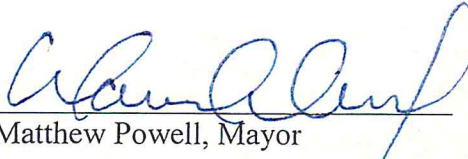
Bond Counsel McCall, Parkhurst, & Hornton L.L.P.
600 Congress Ave, Suite 1800
Austin, Texas 78701

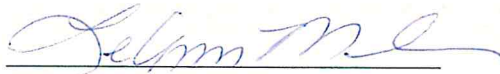
SECTION 4. That it is hereby officially found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

PASSED AND APPROVED this the 26th day of April 2018.

CITY OF CEDAR PARK, TEXAS

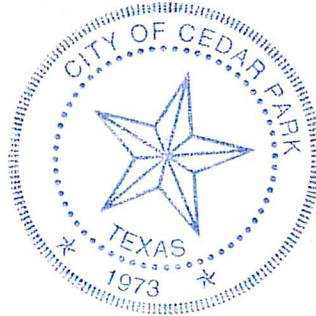
ATTEST:


Matthew Powell, Mayor


LeAnn M. Quinn, TRMC
City Secretary

APPROVED AS TO FORM
AND CONTENT:


J.P. LeCompte, City Attorney



RESOLUTION NO. R099.18.04.26.H4

Part B-17 Resolution for Financial Assistance - BCRUA

RESOLUTION NO. R-18-04-18-6A

WHEREAS, the Brushy Creek Regional Utility Authority, Inc. (“BCRUA”), was created by Cedar Park, Leander, and Round Rock to develop a regional water system for the three cities; and

WHEREAS, on behalf of the cities, the BCRUA is requesting financial assistance from the Texas Water Development Board for Phase 1D and Phase 2 of the regional water system, and

WHEREAS, the Board of Directors wishes to complete and submit said application for financial assistance, **Now Therefore**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, THAT:

Sec. 1. The application is hereby approved and the General Manager of the BCRUA is hereby authorized to file said application with the Texas Water Development Board seeking financial assistance in amount not to exceed \$15,745,000 to provide for the cost of planning, design, and land rights funding for Phase 1D, and Phase 2, including certain electrical upgrades to service Phase 2 Project.

Sec. 2. Tom Gallier, General Manager of the BCRUA, be and is hereby designated the authorized representative of the BCRUA for purposes of furnishing such information and executing such documents as may be required in connection with the preparation and filing of such application for financial assistance and the rules of the Texas Water Development Board.

Sec. 3. The following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the City of Round Rock and the BCRUA before any hearing held by the Texas Water Development Board on such application, to wit:

Financial Advisor: Garry Kimball
Specialized Public Finance, Inc.
7000 N. Mopac Expy #410
Austin, Texas 78731

Engineer: Walker Partners
6850 Austin Center Blvd., Suite 150
Austin, Texas 78731

Bond Counsel: McCall, Parkhurst & Horton L.L.P
600 Congress Avenue, Suite 1800
Austin, Texas 78701

The Board of Directors hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 18th day of April, 2018.



FRANK LEFFINGWELL, President
Brushy Creek Regional Utility Authority

ATTEST:


STEPHEN THOMAS, Secretary

Part B-17 Resolution for Financial Assistance - Leander

A RESOLUTION OF THE CITY OF LEANDER, TEXAS

RESOLUTION NO. 18-010-00

Application Filing and Authorized Representative Resolution

A Resolution by the City Council of the City of Leander requesting financial assistance from the Texas Water Development Board; authorizing the filing of an application for assistance; and making certain findings in connection therewith.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEANDER:

SECTION 1: That an application is hereby approved and authorized to be filed with the Texas Water Development Board seeking financial assistance in an amount not to exceed \$8,770,000 to provide for the costs of planning, design and land rights funding for Phase 1D and Phase 2.

SECTION 2: That the Finance Director of the City and the General Manager of BCRUA be and are hereby designated the authorized representatives of the City of Leander for purposes of furnishing such information and executing such documents as may be required in connection with the preparation and filing of such application for financial assistance and the rules of the Texas Water Development Board.

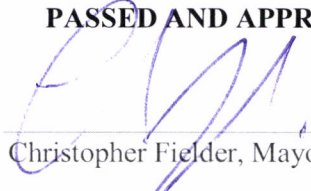
SECTION 3: That the following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the City of Leander before any hearing held by the Texas Water Development Board on such application, to wit:

Financial Advisor: Chris W. Allen -FirstSouthwest, a Division of Hilltop Securities, Inc.
300 West 6th Street, Suite 1940, Austin, TX 78701

Engineer: Aaron Archer – Walker Partners
804 Las Cimas Parkway, Suite 150, Austin, TX 78746

Bond Counsel: David Mendez – Bickerstaff Heath Delgado Acosta LLP
3711 S. MoPac Expwy, Bldg One, Suite 300, Austin, TX 78746

PASSED AND APPROVED, this the 19th day of April, 2018.

By: 
Christopher Fielder, Mayor

ATTEST: 
Dara Crabtree, City Secretary

(Seal)



Part B-18 Application Affidavit - Cedar Park

TWDB-0201
Rev 11/16

Application Affidavit

THE STATE OF TEXAS §
COUNTY OF Williamson §
APPLICANT City of Cedar Park §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Brenda Eivens as the Authorized Representative of the City of Cedar Park, who being by me duly sworn, upon oath says that:

1. The decision by the City of Cedar Park (authority, city, county, corporation, district) to request financial assistance from the Texas Water Development Board ("TWDB") was made in a public meeting held in accordance with the Open Meetings Act (Government Code, §551.001, et seq.) and after providing all such notice as required by such Act as is applicable to the City of Cedar Park (authority, city, county, corporation, district).

2. The information submitted in the application is true and correct according to my best knowledge and belief.

3. The City of Cedar Park (authority, city, county, corporation, district) has no pending, threatened, or outstanding judgments, orders, fines, penalties, taxes, assessment or other enforcement or compliance issue of any kind or nature by the Environmental Protection Agency, Texas Commission on Environmental Quality, Texas Comptroller, Texas Secretary of State, or any other federal, state or local government, except for the following (if no such outstanding compliance issues, write in "none").

None.

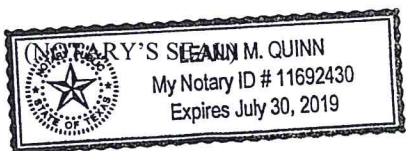
4. The City of Cedar Park (authority, city, county, corporation, district) warrants compliance with the representations made in the application in the event that the TWDB provides the financial assistance; and

5. the City of Cedar Park (authority, city, county, corporation, district) will comply with all applicable federal laws, rules, and regulations as well as the laws of this state and the rules and regulations of the TWDB.

Brenda Eivens
Official Representative

Title: City Manager

SWORN TO AND SUBSCRIBED BEFORE ME, by Brenda Eivens,
on this 27th day of April, 2018.



[Signature]
Notary Public, State of Texas

Part B-18 Application Affidavit - BCRUA

TWDB-0201
Rev 11/16

Application Affidavit

THE STATE OF TEXAS §
COUNTY OF Williamson §
APPLICANT Brushy Creek Regional Utility Authority, Inc. §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Tom Gallier as the Authorized Representative of the Brushy Creek Regional Utility Authority, Inc., who being by me duly sworn, upon oath says that:

1. The decision by the Brushy Creek Regional Utility Authority, Inc. (authority, city, county, corporation, district) to request financial assistance from the Texas Water Development Board ("TWDB") was made in a public meeting held in accordance with the Open Meetings Act (Government Code, §551.001, et seq.) and after providing all such notice as required by such Act as is applicable to the Brushy Creek Regional Utility Authority, Inc. (authority, city, county, corporation, district).

2. The information submitted in the application is true and correct according to my best knowledge and belief.

3. The Brushy Creek Regional Utility Authority, Inc. (authority, city, county, corporation, district) has no pending, threatened, or outstanding judgments, orders, fines, penalties, taxes, assessment or other enforcement or compliance issue of any kind or nature by the Environmental Protection Agency, Texas Commission on Environmental Quality, Texas Comptroller, Texas Secretary of State, or any other federal, state or local government, except for the following (if no such outstanding compliance issues, write in "none").

None

4. The Brushy Creek Regional Utility Authority, Inc. (authority, city, county, corporation, district) warrants compliance with the representations made in the application in the event that the TWDB provides the financial assistance; and

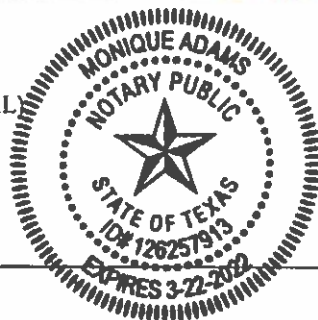
5. the Brushy Creek Regional Utility Authority, Inc. (authority, city, county, corporation, district) will comply with all applicable federal laws, rules, and regulations as well as the laws of this state and the rules and regulations of the TWDB.

Tom Gallier
Official Representative

Title: General Manager

SWORN TO AND SUBSCRIBED BEFORE ME, by Tom Gallier
on this 2nd day of May, 2018

(NOTARY'S SEAL)



Monique Adams
Notary Public, State of Texas

Part B-18 Application Affidavit - Leander

TWDB-0201
Rev 11/16

Application Affidavit

THE STATE OF TEXAS §
COUNTY OF TRAVIS/WILLIAMSON §
APPLICANT CITY OF LEANDER §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Robert Powers as the Authorized Representative of the City of Leander (the "City"), who being by me duly sworn, upon oath says that:

1. The decision by the City Council of the City (authority, city, county, corporation, district) to request financial assistance from the Texas Water Development Board ("TWDB") was made in a public meeting held in accordance with the Open Meetings Act (Government Code, §551.001, et seq.) and after providing all such notice as required by such Act as is applicable to the City (authority, city, county, corporation, district) .

2. The information submitted in the application is true and correct according to my best knowledge and belief.

3. The City (authority, city, county, corporation, district) has no pending, threatened, or outstanding judgments, orders, fines, penalties, taxes, assessment or other enforcement or compliance issue of any kind or nature by the Environmental Protection Agency, Texas Commission on Environmental Quality, Texas Comptroller, Texas Secretary of State, or any other federal, state or local government, except for the following (if no such outstanding compliance issues, write in "none").

none

4. The City (authority, city, county, corporation, district) warrants compliance with the representations made in the application in the event that the TWDB provides the financial assistance; and

5. the City (authority, city, county, corporation, district) will comply with all applicable federal laws, rules, and regulations as well as the laws of this state and the rules and regulations of the TWDB.

Robert G. Brown
Official Representative

Title: Finance Director

SWORN TO AND SUBSCRIBED BEFORE ME, by Robert G. Powers,
on this 23 day of April, 2018.

(NOTARY'S SEAL)



Dara Crabtree
Notary Public, State of Texas

Part B-19 Certificate of Secretary - Cedar Park

TWDB-0201B
Rev 11/16

Application Resolution - Certificate of Secretary

THE STATE OF TEXAS §
COUNTY OF Williamson §
APPLICANT City of Cedar Park §

I, the undersigned, Secretary of the City of Cedar Park Texas,
DO HEREBY CERTIFY as follows:

1. That on the 26th day of April, 20 18, a regular/special meeting of the
Cedar Park City Council was held; the duly constituted members of the
Cedar Park City Council being as follows:

Matthew Powell, Stephen Thomas, Corbin Van Arsdale, Anne Duffy, Cobby Caputo, Heather Jeffs, and Kristyne Bollier

all of whom were present at the meeting, except the following:

Stephen Thomas, Corbin Van Arsdale
Among other business considered at the meeting, the attached resolution entitled:

"A RESOLUTION by the City Council of the City of Cedar Park requesting
financial participation from the Texas Water Development Board; authorizing the filing of an application
for financial participation; and making certain findings in connection therewith."

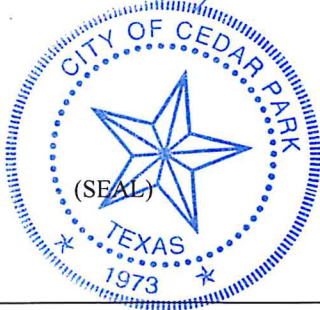
was introduced and submitted to the Cedar Park City Council for passage and adoption. After
presentation and consideration of the resolution, and upon a motion made by Heather Jeffs and
seconded by Kristyne Bollier, the resolution was passed and adopted by the
Cedar Park City Council by the following vote:

5 voted "For" _____ voted "Against" _____ abstained

all as shown in the official minutes of the Cedar Park City Council for this meeting.

2. That the attached resolution is a true and correct copy of the original on file in the official records
of the City of Cedar Park; the qualified and acting members of the Cedar Park City Council on
the date of this meeting are those persons shown above and, according to the records of my office, advance notice of
the time, place, and purpose of meeting was given to each member of the Cedar Park City Council; and that the
meeting, and the deliberations of the public business described above, was open to the public and written notice of
the meeting, including the subject of the resolution described above, was posted and given in advance of the meeting
in compliance with the provisions of Chapter 551 of the Texas Government Code.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of
the City of Cedar Park, this the 27th day of April, 20 18.



Heather Jeffs
Secretary

Application Resolution - Certificate of Secretary

THE STATE OF TEXAS §
COUNTY OF Williamson §
APPLICANT Brushy Creek Regional Utility Authority, Inc. §

I, the undersigned, Secretary of the Brushy Creek Regional Utility Authority, Inc. Texas, DO HEREBY CERTIFY as follows:

1. That on the 18th day of April, 2018, a regular/special meeting of the Brushy Creek Regional Utility Authority, Inc. was held; the duly constituted members of the Brushy Creek Regional Utility Authority, Inc. being as follows:

Frank Leffingwell, Ron Abruzzese, Stephen Thomas, Corbin Van Arsdale, Rene Flores, and Andrea Navarrette

all of whom were present at the meeting, except the following:

Corbin Van Arsdale and Andrea Navarrette

Among other business considered at the meeting, the attached resolution entitled:

"A RESOLUTION by the Board Members of the Brushy Creek Regional Utility Authority, Inc. requesting financial participation from the Texas Water Development Board; authorizing the filing of an application for financial participation; and making certain findings in connection therewith."

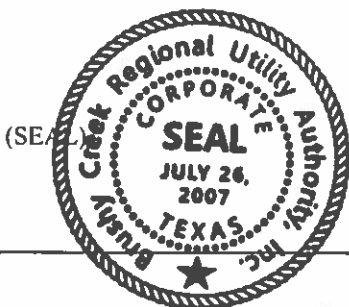
was introduced and submitted to the Brushy Creek Regional Utility Authority, Inc. for passage and adoption. After presentation and consideration of the resolution, and upon a motion made by Stephen Thomas and seconded by Ron Abruzzese, the resolution was passed and adopted by the Brushy Creek Regional Utility Authority, Inc. by the following vote:

4 voted "For" voted "Against" abstained

all as shown in the official minutes of the Brushy Creek Regional Utility Authority, Inc. for this meeting.

2. That the attached resolution is a true and correct copy of the original on file in the official records of the Brushy Creek Regional Utility Authority, Inc.; the qualified and acting members of the Brushy Creek Regional Utility Authority, Inc. on the date of this meeting are those persons shown above and, according to the records of my office, advance notice of the time, place, and purpose of meeting was given to each member of the Brushy Creek Regional Utility Authority, Inc.; and that the meeting, and the deliberations of the public business described above, was open to the public and written notice of the meeting, including the subject of the resolution described above, was posted and given in advance of the meeting in compliance with the provisions of Chapter 551 of the Texas Government Code.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the Brushy Creek Regional Utility Authority, Inc. this the 18th day of April, 2018.



Monique Adams
Secretary

Part B-19 Certificate of Secretary - Leander

TWDB-0201B
Rev 11/16

Application Resolution - Certificate of Secretary

THE STATE OF TEXAS §
COUNTY OF WILLIAMSON §
APPLICANT City of Leander §

I, the undersigned, Secretary of the City of Leander Texas,
DO HEREBY CERTIFY as follows:

1. That on the 19th day of April, 2018, a regular/special meeting of the
Leander City Council was held; the duly constituted members of the
Leander City Council being as follows:

Christopher Fielder, Jeff Seiler, Andrea Navarrette, Michelle Stephenson, Shanan Shepherd, Ron Abruzzese, Troy Hill

all of whom were present at the meeting, except the following:

no one present

Among other business considered at the meeting, the attached resolution entitled:

"A RESOLUTION by the Leander City Council of the Leander City Council requesting
financial participation from the Texas Water Development Board; authorizing the filing of an application
for financial participation; and making certain findings in connection therewith."

was introduced and submitted to the Leander City Council for passage and adoption. After
presentation and consideration of the resolution, and upon a motion made by Councilmember Ron Abruzzese and
seconded by Councilmember Michelle Stephenson, the resolution was passed and adopted by the
City Council by the following vote:

7 voted "For" 0 voted "Against" 0 abstained

all as shown in the official minutes of the April 19, 2018 for this meeting.

2. That the attached resolution is a true and correct copy of the original on file in the official records
of the City of Leander; the qualified and acting members of the Leander City Council on
the date of this meeting are those persons shown above and, according to the records of my office, advance notice of
the time, place, and purpose of meeting was given to each member of the Leander City Council; and that the
meeting, and the deliberations of the public business described above, was open to the public and written notice of
the meeting, including the subject of the resolution described above, was posted and given in advance of the meeting
in compliance with the provisions of Chapter 551 of the Texas Government Code.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of
the City of Leander, this the 27 day of April, 2018.



Dana Crabtree
Secretary

Part B-21 Bond Resolution - Cedar Park

RESOLUTION NO. R-18-_____

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. AUTHORIZING THE ISSUANCE OF "BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. CITY OF CEDAR PARK, TEXAS CONTRACT REVENUE BONDS, (BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT), SERIES 2018"; ESTABLISHING THE PROCEDURES FOR SELLING AND DELIVERING THE BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SUCH BONDS

ADOPTED _____, 2018

RESOLUTION NO. R-18-_____

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. AUTHORIZING THE ISSUANCE OF "BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. CITY OF CEDAR PARK, TEXAS CONTRACT REVENUE BONDS, (BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT), SERIES 2018"; ESTABLISHING THE PROCEDURES FOR SELLING AND DELIVERING THE BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SUCH BONDS

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RESOLUTION NO. R-18-_____

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. AUTHORIZING THE ISSUANCE OF "BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. CITY OF CEDAR PARK, TEXAS CONTRACT REVENUE BONDS, (BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT), SERIES 2018"; ESTABLISHING THE PROCEDURES FOR SELLING AND DELIVERING THE BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SUCH BONDS

WHEREAS, the Brushy Creek Regional Utility Authority, Inc. (the "BCRUA") is a non-profit corporation of the State of Texas (the "State"), created by the Cities of Cedar Park, Leander and Round Rock, Texas (collectively, the "Cities" or singularly, a "City") and existing under the laws of the State, including Subchapter D of Chapter 431, as amended, Texas Transportation Code (the "Authority Act"); and

WHEREAS, pursuant to the Authority Act, the BCRUA, is empowered to acquire and construct water facilities including water conservation, storage, transportation, treatment and distribution facilities and to deliver this water to the Cities; and

WHEREAS, the Authority Act also authorizes the BCRUA acting through its Board of Directors (the "Board") to issue revenue bonds to finance such water projects, payable solely from the revenues derived from payments to be made to the BCRUA by each respective City for which a series of bonds are issued for the purpose of defraying such City's share of the cost of financing, acquiring, and constructing the BCRUA Project (as hereinafter defined); and

WHEREAS, the BCRUA expects to issue separate series of such revenue bonds for the City of Cedar Park, Texas ("Cedar Park"), the City of Leander, Texas ("Leander") and the City of Round Rock, Texas ("Round Rock") to finance their share of the BCRUA Project, with each such series payable from and secured solely by payments made by each respective City under the Contract (as hereinafter defined); and

WHEREAS, pursuant to the Authority Act, the BCRUA and the Cities have entered into a "Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project," dated as of September 2, 2008, as amended by a "First Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project" dated as of January 22, 2009, by a "Second Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project" dated as of October 20, 2010, by a "Third Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project" dated as of February 22, 2012, and by a "Fourth Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project" dated as of April 25, 2018 (collectively, the "Contract") pursuant to which the BCRUA has agreed to design, finance, construct, own, acquire, maintain and operate the BCRUA Project in a manner that will allow the

BCRUA to deliver potable water to the Cities on a regional basis and under which each of the Cities agree to pay their share of the BCRUA Project and to make payments to or on behalf of the BCRUA in amounts sufficient to meet all of the BCRUA's obligations under the Contract including relating to a City's respective series of bonds issued to finance and refinance a City's share of the BCRUA Project and to own, operate and maintain the BCRUA Project; and

WHEREAS, Cedar Park has requested that the BCRUA issue a separate series of revenue bonds in an aggregate principal amount not to exceed \$6,970,000 pursuant to the Contract to finance Cedar Park's share of the BCRUA Project (the "Bonds"); and

WHEREAS, Leander has also requested the BCRUA issue a separate series of contract revenue bonds pursuant to the Contract to finance its respective share of the BCRUA Project Costs and each series of contract revenue bonds is expected to be issued and delivered simultaneously; and

WHEREAS, the Cities and the BCRUA have approved the Contract; and

WHEREAS, this Resolution constitutes a Bond Resolution as that term is defined in the Contract; and

WHEREAS, the principal of the Bonds and the interest thereon are and shall be solely payable from and secured by a lien on and pledge of the portion of the Annual Payments designated as "Bond Payments" to be made by Cedar Park pursuant to the Contract in amounts sufficient to pay and redeem, and provide for the payment of the principal of, premium, if any, and interest on the Bonds, when due, and the fees and expenses of the Paying Agent/Registrar for the Bonds, all as required by this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. THAT:

Section 1. DEFINITIONS. In addition to the definitions set forth in the preamble of this Resolution, the terms used in this Resolution (except as may be otherwise indicated in the FORM OF BOND) and not otherwise defined shall have the meanings given in Exhibit "A" to this Resolution attached hereto and made a part hereof.

Section 2. AMOUNT, PURPOSE AND DESIGNATION OF THE BONDS. (a) *Amount and Designation.* The BCRUA's bonds issued pursuant to this Resolution shall each be entitled "BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. CITY OF CEDAR PARK, TEXAS CONTRACT REVENUE BONDS (BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT), SERIES 2018" and are hereby authorized to be issued and delivered in an aggregate maximum principal amount not to exceed \$6,970,000. The authority of the BCRUA Representative to execute and deliver an Award Certificate for the Bonds shall expire at 5:00 p.m., C.D.T., on December 31, 2018. Bonds priced on or before December 31, 2018 may close after such date.

(b) **Purpose.** The Bonds are to be issued for the following purposes to pay: (i) CEDAR PARK'S SHARE OF THE COSTS OF DESIGNING, CONSTRUCTING, ACQUIRING, IMPROVING AND/OR EXPANDING THE BCRUA PROJECT INCLUDING BUT NOT LIMITED TO DESIGNING THE PHASE 2 DEEP WATER INTAKE AND PHASE 1D WATER TREATMENT EXPANSION, ACQUIRING RIGHTS-OF-WAY AND OTHER INTERESTS IN LAND OR OTHER FACILITIES NECESSARY FOR WITHDRAWAL, TRANSMISSION AND TREATMENT OF RAW WATER AND DESIGN AND CONSTRUCTION OF CERTAIN ELECTRICAL IMPROVEMENTS TO PROVIDE POWER FOR THE PHASE 2 PROJECT AS DESCRIBED IN THE PRELIMINARY DESIGN REPORT AND (ii) THE COSTS OF ISSUANCE OF THE BONDS.

Section 3. DATE, DENOMINATIONS, NUMBERS, MATURITIES AND TERMS OF BONDS. (a) **Terms of the Bonds.** The Bonds shall initially be issued, sold, and delivered hereunder as fully registered bonds, without interest coupons, numbered consecutively from R-1 upward (except the initial Bond delivered to the Attorney General of the State which shall be numbered T-1), payable to the respective initial Registered Owners thereof in an Authorized Denomination, maturing not later than August 1, 2038, serially or otherwise on the dates, in the years and in the principal amounts, respectively, dated, all as set forth in the Award Certificate executed by the BCRUA Representative in substantially the form attached hereto as Exhibit "B".

(b) **Award Certificate.** As authorized by the Authority Act, the BCRUA Representative is hereby authorized, appointed, and designated to act on behalf of the Board in selling and delivering the Bonds and carrying out the other procedures specified in this Resolution, including determining and fixing the date the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the aggregate principal amount of the Bonds, the rate or rates of interest to be borne by each maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Board, as well as any mandatory sinking fund redemption provisions for the Bonds and all other matters relating to the issuance, sale, and delivery of the Bonds, all of which shall be specified in a certificate of the BCRUA Representative (the "Award Certificate") the form of which is attached hereto as Exhibit "B"; provided that (i) the price to be paid for the Bonds shall not be less than 98% of the aggregate original principal amount thereof plus accrued interest, if any, thereon from its date to its delivery and (ii) the Bonds shall not bear interest at a net effective interest rate in excess of the maximum rate allowed by law. In establishing the aggregate principal amount of the Bonds, the BCRUA Representative shall establish an amount not to exceed the amount authorized in Section 2, which shall be sufficient to provide for the purposes for which the Bonds are authorized and to pay the costs of issuing the Bonds.

It is further provided, however, that, notwithstanding the foregoing provisions, the Bonds shall not be delivered unless prior to delivery of the Bonds the Award Certificate has been executed and delivered as required by this Resolution. No such Award Certificate shall be executed and

delivered under this Resolution, unless and until the City Council of the City of Cedar Park approves this Resolution.

In satisfaction of Section 1201.022(a)(3), Texas Government Code, the Board hereby determines that the delegation of the authority to the BCRUA Representative to approve the final terms and conditions of the Bonds as set forth in this Resolution is, and the decisions made by the BCRUA Representative pursuant to such delegated authority and incorporated in the Award Certificate will be, in the BCRUA's best interest and shall have the same force and effect as if such determination were made by the Board, and the BCRUA Representative is hereby authorized to make and include in the Award Certificate an appropriate finding to that effect. The Award Certificate is hereby incorporated by reference into and made a part of this Resolution.

(c) ***Sale of the Bonds.*** To achieve advantageous borrowing costs for the BCRUA, the Bonds shall be sold to the Texas Water Development Board (the "Purchaser") at the price as set forth in the Award Certificate. The Private Placement Memorandum prepared in connection with the sale of the Bonds to the Purchaser in substantially the form attached to this Resolution is approved.

(d) ***In General.*** The Bonds (i) may and shall be redeemed prior to the respective scheduled maturity dates, (ii) may be assigned and transferred, (iii) may be exchanged for other Bonds, (iv) shall have the characteristics, (v) shall be signed and sealed, and the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BOND set forth in Exhibit "C" to this Resolution and as determined by the BCRUA Representative as provided herein, with such changes and additions as are required to be consistent with the terms and provisions shown in the Award Certificate.

Section 4. INTEREST. The Bonds shall bear interest, calculated on the basis of a 360-day year composed of twelve 30-day months, from their date of delivery as set forth in the Award Certificate, until maturity or redemption, at the rate or rates set forth in the Award Certificate. Interest shall be payable to the Registered Owner of any such Bond in the manner provided and on the dates stated in the FORM OF BOND set forth in Exhibit "C" to this Resolution and the Award Certificate.

Section 5. REGISTRATION, TRANSFER, AND EXCHANGE; AUTHENTICATION; BOOK-ENTRY-ONLY SYSTEM. (a) ***Paying Agent/Registrar.*** The BCRUA Representative in the Award Certificate shall select an eligible institution to serve as paying agent/registrar for the Bonds (the "Paying Agent/Registrar"). The BCRUA Representative is authorized to enter into and carry out a Paying Agent/Registrar Agreement with the Paying Agent/Registrar with respect to the Bonds in substantially the form and substance presented to the Board set forth in Exhibit "D" in connection with the approval of this Resolution with such changes as are acceptable to the BCRUA Representative.

(b) ***Registration Books.*** The Board shall keep or cause to be kept at the designated corporate trust office of the Paying Agent/Registrar (the "Designated Trust Office") the Registration Books and the Board hereby appoints the Paying Agent/Registrar as its registrar and

transfer agent to keep such books or records and make such registrations of transfers, exchanges, and replacements under such reasonable regulations as the Board and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, exchanges, and replacements as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Board shall have the right to inspect the Registration Books at the Designated Trust Office of the Paying Agent/Registrar during regular business hours, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. A copy of the Registration Books shall be maintained in the State.

(c) ***Ownership of Bonds.*** The entity or person in whose name any Bond shall be registered in the Registration Books at any time shall be deemed and treated as the absolute owner thereof for all purposes of this Resolution, whether or not such Bond shall be overdue, and, to the extent permitted by law, the Board and the Paying Agent/Registrar shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such Registered Owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(d) ***Payment of Bonds and Interest.*** The Paying Agent/Registrar shall further act as the paying agent for paying the principal of, premium, if any, and interest on the Bonds, all as provided in this Resolution. The Paying Agent/ Registrar shall keep proper records of all payments made by the Board and the Paying Agent/Registrar with respect to the Bonds.

(e) ***Authentication.*** The Bonds initially issued and delivered pursuant to this Resolution shall be authenticated by the Paying Agent/Registrar by execution of the Paying Agent/Registrar's Authentication Certificate unless they have been approved by the Attorney General of the State and registered by the Comptroller of Public Accounts of the State, and on each substitute Bond issued in exchange for any Bond or Bonds issued under this Resolution the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE (the "Authentication Certificate"). The Authentication Certificate shall be in the form set forth in the FORM OF BOND in Exhibit "C" attached hereto.

(f) ***Transfer, Exchange, or Replacement.*** Each Bond issued and delivered pursuant to this Resolution, to the extent of the unpaid or unredeemed principal amount thereof, may, upon surrender of such Bond at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the Registered Owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, may, at the option of the Registered Owner or such assignee or assignees, as appropriate, be exchanged for fully registered Bonds, without interest coupons, in the appropriate form prescribed in the FORM OF BOND set forth in Exhibit "C" to this

Resolution, in any Authorized Denomination (subject to the requirement hereinafter stated that each substitute Bond shall be of the same Series and have a single stated maturity date), as requested in writing by such Registered Owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal amount of any Bond or Bonds so surrendered, and payable to the appropriate Registered Owner, assignee, or assignees, as the case may be. If a portion of any Bond shall be redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same series designation and maturity date, bearing interest at the same rate, and payable in the same manner, in Authorized Denominations at the request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon surrender thereof for cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same series designation and maturity date and bear interest at the same rate and payable in the same manner as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided herein, and each fully registered Bond delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Resolution shall constitute one of the Bonds for all purposes of this Resolution, and may again be exchanged or replaced. On each substitute Bond issued in exchange for or replacement of any Bond or Bonds issued under this Resolution there shall be printed an Authentication Certificate, in the form set forth in Exhibit "C" to this Resolution. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Authentication Certificate, and, except as provided in (e) above, no such Bond shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for transfer, exchange, or replacement. No additional orders or resolutions need be passed or adopted by the Board or any other body or person so as to accomplish the foregoing transfer, exchange, or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be in typed or printed form as determined by the BCRUA Representative. Pursuant to Subtitle D, Texas Government Code and particularly Section 1201.063, thereof, the duty of transfer, exchange, or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which were originally issued pursuant to this Resolution. The Board shall pay the Paying Agent/Registrar's standard or customary fees and charges, if any, for transferring, and exchanging any Bond or any portion thereof, but the one requesting any such transfer and exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, exchange, or replacement of Bonds or any portion thereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following interest payment date, or (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. To the extent possible, any new Bond issued in an exchange, replacement, or transfer of a Bond will be delivered to the Registered Owner or assignee of the Registered Owner not more than three

business days after the receipt of the Bonds to be canceled and the written request as described above.

(g) ***Substitute Paying Agent/Registrar.*** The Board covenants with the Registered Owners of the Bonds that at all times while the Bonds are outstanding the Board will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity. The Board reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than ninety (90) days written notice to the Paying Agent/Registrar, to be effective not later than sixty (60) days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Board covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Board. Upon any change in the Paying Agent/Registrar, the Board promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(h) ***Book-Entry-Only System.*** The Bonds issued in exchange for the Bonds initially issued and delivered to the Purchaser shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of DTC, and except as provided in subsection (i) hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Board and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest on the Bonds. Without limiting the immediately preceding sentence, the Board and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner, as shown on the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Registered Owner, as shown in the Registration Books of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary but to the extent permitted by law, the Board and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest, with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of

registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Registered Owners, as shown in the Registration Books as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Board's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the Board to make payments of principal, premium, if any, and interest pursuant to this Resolution. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Resolution with respect to interest checks being mailed to the Registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(i) ***Successor Securities Depository; Transfers Outside Book-Entry-Only System.*** In the event that the Board or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Board to DTC (as described in Section 35 of this Resolution) or DTC determines to discontinue providing its services with respect to the Bonds, the Board shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

(j) ***Payments to Cede & Co.*** Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the BCRUA to DTC.

(k) ***Notice of Redemption.*** In addition to the method of providing a notice of redemption set forth in the FORM OF BOND, the Paying Agent/Registrar shall give notice of redemption of Bonds by mail, first-class postage prepaid at least thirty (30) days prior to a redemption date to each registered securities depository and to any national information service that disseminates redemption notices. In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Paying Agent/Registrar shall send a second notice of redemption to the persons specified in the immediately preceding sentence at least thirty (30) days but not more than ninety (90) days prior to the actual redemption date. Any notice sent to the registered securities depositories or such national information services shall be sent so that they are received at least two

(2) days prior to the general mailing or publication date of such notice. The Paying Agent/Registrar shall also send a notice of prepayment or redemption to the Registered Owner of any Bond who has not sent the Bonds in for redemption sixty (60) days after the redemption date. Each notice of redemption, whether required in the FORM OF BOND or in this Section, shall contain a description of the Bonds to be redeemed including the complete name of the Bonds, the Series, the date of issue, the interest rate or rates, the maturity date, the CUSIP number, a reference to the certificate numbers and the amounts called of each certificate, the publication and mailing date for the notice, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Bonds may be redeemed, including a contact person and telephone number. All redemption payments made by the Paying Agent/Registrar to the registered owners of the Bonds shall include a CUSIP number relating to each amount paid to such Registered Owner.

(1) **Conditional Notice of Redemption.** With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Resolution have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the BCRUA, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the BCRUA shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Section 6. FORM OF BOND. The form of the Bond, including the form of the Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State, with respect to the Bonds initially issued and delivered pursuant to this Resolution, shall be, respectively, substantially as set forth in Exhibit "C", with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution and any Award Certificate including specifically information relating to payment dates, the Bond date and redemption provisions.

Section 7. PLEDGE OF BOND PAYMENTS. (a) **Pledge.** The BCRUA hereby covenants and agrees that the Bond Payments are hereby irrevocably pledged to the payment and security of the Bonds Similarly Secured including the establishment and maintenance of the special funds or accounts created and established on the books and records of the BCRUA for the payment and security thereof, all as hereinafter provided; and it is hereby resolved that the Bonds Similarly Secured, and the interest thereon, shall constitute a lien on and pledge of the Bond Payments and be valid and binding without any physical delivery thereof or further act by the BCRUA, and the lien created hereby on the Bond Payments for the payment and security of the Bonds Similarly Secured shall be prior in right and claim as to any other indebtedness, liability, or obligation of the BCRUA or the BCRUA Project payable pursuant to the terms of the Contract. The BCRUA shall deposit the Bond Payments, as collected and received, into a separate fund and

account on the books and records of the BCRUA known as the "Cedar Park Debt Service Fund," which has previously been created and is hereby confirmed, to be utilized pursuant to the Contract and Sections 9 and 12 hereof to pay the Bonds; provided, however, that the Board of the BCRUA may utilize any revenues, including those generated by the Contract, in excess of the Debt Service Requirements on the Bonds Similarly Secured for any lawful purpose in accordance with this Resolution and the Contract.

(b) **Perfection of Pledge.** Chapter 1208, as amended, Texas Government Code, applies to the issuance of the Bonds Similarly Secured and the lien on and pledge of Bond Payments granted by the BCRUA under subsection (a) of this Section, and such pledge is therefore valid, effective, and perfected. If State law is amended at any time while the Bonds Similarly Secured are outstanding and unpaid such that the pledge of the Bond Payments granted by the BCRUA is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Registered Owners of the Bonds Similarly Secured the perfection of the security interest in this pledge, the Board agrees to take such measures as it determines are reasonable and necessary under State law to comply with the applicable provisions of Chapter 9, as amended, Texas Business & Commerce Code and enable a filing to perfect the security interest in this pledge to occur.

Section 8. RATES AND CHARGES. For the benefit of the Registered Owners of the Bonds Similarly Secured and in addition to all provisions and covenants in the laws of the State and in this Resolution, the Contract between the BCRUA and Cedar Park expressly stipulates and agrees, while any of the Bonds Similarly Secured are Outstanding, Cedar Park will fix and collect such rates and charges for services to be supplied by the Cedar Park System as will produce gross revenues at all times during the term of the Contract in an amount equal to pay all of the expenses of operation and maintenance of the Cedar Park System including Annual Payments and Bond Payments under the Contract and all other amounts required by the laws and the provisions of the ordinances or resolutions authorizing the Cedar Park Utility Bonds or other obligations now or hereafter outstanding payable, in whole or in part, from the net revenues of the Cedar Park System, including the amounts required to pay all principal of and interest on such Cedar Park Utility Bonds and other obligations. The BCRUA hereby expressly stipulates that it will maintain rates and charges through the Bond Payments to meet the debt service requirements on the Bond Similarly Secured and agrees that it will take all appropriate action to enforce such terms of the Contract while any of the Bonds Similarly Secured are Outstanding.

The Registered Owners shall never have the right to demand payment for the Bonds out of any funds raised or to be raised from taxation by Cedar Park or the BCRUA.

Section 9. DISTRIBUTION OF BOND PAYMENTS. After the Bond Payments have been received by the BCRUA such payments shall be further deposited into the Debt Service Fund as required by this Resolution.

Section 10. DEBT SERVICE FUND; CONSTRUCTION FUND; ESCROW FUND. (a) **Debt Service Fund.** For purposes of providing funds to pay the principal of and interest on the Bonds Similarly Secured as the same become due and payable, the BCRUA agrees

to maintain, at the Depository, a separate and special fund or account to be created and known as the "Brushy Creek Regional Utility Authority, Inc. City of Cedar Park, Texas Contract Revenue Bonds (Brushy Creek Regional Water Treatment and Distribution Project), Debt Service Fund" (the "Debt Service Fund"). The BCRUA covenants that there shall be deposited into the Debt Service Fund prior to each principal and interest payment date solely from the available Bond Payments made by Cedar Park pursuant to Section 9 of this Resolution an amount equal to one hundred per cent (100%) of the amount required to fully pay the interest on and the principal of the Bonds Similarly Secured then falling due and payable, such deposits to pay maturing principal and accrued interest on the Bonds Similarly Secured to be made in substantially equal monthly installments on or before the first day of each month. If the Bond Payments in any month are insufficient to make the required payments into the Debt Service Fund, then the amount of any deficiency in such payment shall be added to the amount otherwise required to be paid into the Debt Service Fund in the next month.

The required monthly deposits to the Debt Service Fund for the payment of principal of and interest on the Bonds Similarly Secured shall continue to be made as hereinabove provided until such time as (i) the total amount on deposit in the Debt Service Fund is equal to the amount required to fully pay and discharge all Outstanding Bonds Similarly Secured (principal and interest) or, (ii) the Bonds Similarly Secured are no longer Outstanding.

Any surplus proceeds from the sale of the Bonds, including investment income therefrom, not expended for authorized purposes shall be deposited into the Debt Service Fund, and such amounts (i.e., accrued and investment interest) so deposited into the Debt Service Fund shall reduce the sum otherwise required to be deposited in the Debt Service Fund from Bond Payments.

(b) **Construction Fund.** The BCRUA hereby creates and establishes and shall maintain on the books and records of the BCRUA a separate fund or account to be entitled the "Brushy Creek Regional Utility Authority, Inc. City of Cedar Park, Texas Contract Revenue Bonds (Brushy Creek Regional Water Treatment and Distribution Project), Series 2018, Construction Fund" for use by the BCRUA for payment of Cedar Park's share of the BCRUA Project. The BCRUA shall deposit the net proceeds from the sale of the Bonds released from escrow as provided in Section 10(c) below into the Construction Fund as provided in this Resolution. Funds in the Construction Fund shall be used for payment of Cedar Park's share of BCRUA Project Costs. Upon payment of all such costs, any moneys remaining on deposit in the Construction Fund shall be transferred to the Debt Service Fund.

(c) **Escrow Fund.** The Escrow Agreement between the BCRUA and the escrow agent named therein (the "Escrow Agent") substantially in the form and content presented at this meeting and shown on Exhibit "E" attached hereto, specifying the duties and responsibilities of the BCRUA and the Escrow Agent, is hereby approved and the BCRUA Representative is hereby authorized and directed to execute the Escrow Agreement on behalf of the BCRUA. The BCRUA Representative in the Award Certificate shall select an eligible institution to serve as Escrow Agent.

On the closing date, the BCRUA shall cause the proceeds from the sale of the Bonds to be deposited into the Escrow Fund or, if agreed to by the Purchaser, all or a portion of the proceeds of the Bonds may be deposited into the Construction Fund.

Moneys disbursed from the Escrow Fund established pursuant to the Escrow Agreement shall be applied only for the costs of issuance of the Bonds or the BCRUA Project Costs.

The security for, and the investment of, funds on deposit in the Escrow Fund shall be governed by the provisions of the Escrow Agreement.

Section 11. DEFICIENCIES - EXCESS BOND PAYMENTS. (a) *Deficiencies.* If on any occasion there shall not be sufficient Bond Payments to make the required deposits into the Debt Service Fund, then such deficiency shall be cured as soon as possible from the next available unallocated Bond Payments and such payments shall be in addition to the amounts required to be paid into these funds or accounts during such month or months.

(b) *Excess Bond Payments.* Subject to making the required deposits to the Debt Service Fund when and as required by this Resolution, any resolution authorizing the issuance of any currently Outstanding Bonds Similarly Secured or any resolution authorizing the issuance of Additional Bonds, any excess Bond Payments may be used by the BCRUA for any lawful purpose including, but not limited to, the redemption of any Bonds Similarly Secured.

Section 12. PAYMENT OF BONDS. While any of the Bonds Similarly Secured are Outstanding, the General Manager or other authorized BCRUA official, shall cause to be transferred to the Paying Agent/Registrar therefor, from funds on deposit in the Debt Service Fund, if necessary, amounts sufficient to fully pay and discharge promptly each installment of interest on and principal of the Bonds Similarly Secured as such installment accrues or matures; such transfer of funds must be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the Business Day next preceding the date a debt service payment is due on the Bonds Similarly Secured.

Section 13. INVESTMENTS. Funds held in any fund or account created, established, or maintained pursuant to this Resolution shall be invested as permitted by the provisions of the BCRUA investment policy and the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code and secured (to the extent not insured by the Federal Deposit Insurance Corporation) to the fullest extent required by the Public Funds Collateral Act, as amended, Chapter 2257, Texas Government Code. All interest and income derived from deposits and investments in any fund shall immediately be credited to, and any losses debited from, the fund from which such funds were derived. All such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds.

Section 14. ISSUANCE OF ADDITIONAL BONDS. In addition to the right to issue bonds of inferior lien as authorized by the laws of this State, the BCRUA reserves the right hereafter to issue Additional Bonds. The Additional Bonds, when issued, shall be payable from and secured by a lien on and pledge of the Bond Payments in the same manner and to the same

extent as the Bonds and the other Bonds Similarly Secured, and shall in all respects be of equal dignity. The Additional Bonds may be issued in one or more series provided, however, that no Additional Bonds, shall be issued unless and until the following conditions have been met:

(i) Except for a refunding to cure a default, the BCRUA is not then in default as to any covenant, condition or obligation prescribed in the resolutions authorizing the issuance of the Bonds Similarly Secured or the Contract (including any amendment or supplement thereto) and the funds under the resolution authorizing the same contains the amounts then required to be therein;

(ii) A consulting engineer certifies to the BCRUA the need for an estimated amount of additional financing required for completion, expansion, enlargement or improvement of the BCRUA Project as now or hereafter defined in the Contract; provided, however this certification shall not be necessary for the issuance of any refunding bonds;

(iii) Cedar Park, shall have approved the resolution(s) authorizing the issuance of the Additional Bonds as to form and content and acknowledged that the payment of principal of and interest on such Additional Bonds is payable, in whole or in part, from the Bond Payments to be made to the BCRUA under and pursuant to the Contract;

(iv) The resolution authorizing the issuance of the Additional Bonds provides for deposits to be made to the Debt Service Fund in amounts sufficient to pay the principal of and interest on such Additional Bonds as the same become due;

(v) Based upon an opinion of legal counsel to the BCRUA that there are legal, valid and bindings contracts then in effect pursuant to which Cedar Park and others, if any, which are parties to such contracts are obligated to make payments to the BCRUA during each fiscal year (including periods when services of the BCRUA Project may not be available to such contracting parties and others) in such amounts as shall be necessary to provide to the BCRUA sufficient funds to pay when due all principal and interest on all Bonds, Additional Bonds and other Bonds Similarly Secured to be Outstanding after the issuance of the proposed Additional Bonds; and

(vi) So long as any Bonds that will be Outstanding after the issuance of the proposed Additional Bonds are owned by the Purchaser, the BCRUA shall have demonstrated to the satisfaction of the Executive Administrator of the Purchaser that Bond Payments will be sufficient for the repayment of all of the Bonds, Additional Bonds and other Bonds Similarly Secured to be Outstanding after the issuance of the proposed Additional Bonds.

The Bonds Similarly Secured may be refunded (pursuant to any law then available) upon such terms and conditions as the Board of the BCRUA may deem to be in the best interest of the BCRUA; provided, however, such refunding bonds do not have to comply with paragraph (ii) of this Section 14.

Section 15. SPECIAL PROJECT BONDS. The BCRUA further reserves the right to issue bonds in one or more installments for the purchase, construction, improvement, extension, replacement, enlargement or repair of utility facilities necessary under a contract or contracts with

persons, corporations, municipal corporations, political subdivisions, or entities including Cedar Park, such bonds to be payable from and secured by the proceeds of such contract or contracts (other than the Contract). The BCRUA further reserves the right to refund such bonds and secure the payment of the debt service requirements on the refunding bonds in the same manner or as otherwise permitted by the laws of the State.

Section 16. MAINTENANCE OF BCRUA PROJECT - INSURANCE. The BCRUA covenants, agrees, and affirms its covenants that while the Bonds Similarly Secured remain outstanding it will maintain and operate the BCRUA Project with all possible efficiency and maintain casualty and other insurance on the properties of the BCRUA Project and its operations of a kind and in such amounts customarily carried by municipal corporations in the State engaged in a similar type of business (which must be in an amount sufficient to protect the interests of the Registered Owners of the Bonds Similarly Secured in the BCRUA Project); and that it will faithfully and punctually perform all duties with reference to the BCRUA Project required by the laws of the State. All money received from losses under such insurance policies, other than public liability policies, shall be retained for the benefit of the Registered Owners of the Bonds Similarly Secured until and unless the proceeds are paid out in making good the loss or damage in respect of which such proceeds are received, either by replacing the property destroyed or repairing the property damaged, and adequate provision for making good such loss or damage must be made within ninety (90) days after the date of loss. The payment of premiums for all insurance policies required under the provisions hereof shall be considered Maintenance and Operating Expenses of the BCRUA Project. Nothing in this Resolution shall be construed as requiring the BCRUA to expend any funds which are derived from sources other than the operation of the BCRUA Project but nothing herein shall be construed as preventing the BCRUA from doing so.

Section 17. RECORDS AND ACCOUNTS - ANNUAL AUDIT. The BCRUA covenants, agrees, and affirms its covenants that so long as any of the Bonds Similarly Secured remain Outstanding, it will keep and maintain separate and complete records and accounts pertaining to the operations of the BCRUA Project in which complete and correct entries shall be made of all transactions relating thereto as provided by applicable law. The Registered Owners of any Bonds Similarly Secured or any duly authorized agent or agents of such Registered Owners shall have the right to inspect the BCRUA Project and all properties comprising the same. The BCRUA further agrees that following (and in no event later than six (6) months after) the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of Certified Public Accountants. The BCRUA will provide such the annual audit performed by an independent firm of Certified Public Accountants as set forth in Section 30 of this Resolution. Expenses incurred in making the annual audit of the operations of the BCRUA Project are to be regarded as Maintenance and Operating Expenses of the BCRUA Project.

Section 18. SALE OR ENCUMBRANCE OF BCRUA PROJECT. While any Bonds remain Outstanding, the BCRUA will not sell, dispose of or further encumber the BCRUA Project or any substantial part thereof; provided, however, that this provision shall not prevent the BCRUA from (i) pledging the Bond Payments to Additional Bonds or Special Project Bonds as set forth in Sections 14 and 15 of this Resolution or (ii) disposing of any part of the BCRUA Project

which is being replaced or is deemed by the BCRUA to be obsolete, worn out, surplus or no longer needed for the proper operation of the BCRUA Project. Any agreement pursuant to which the BCRUA contracts with a person, corporation, municipal corporation or political subdivision to operate the BCRUA Project or to lease and/or operate all or part of the BCRUA Project shall not be considered as an encumbrance of the BCRUA Project; provided, however, no such agreement shall impair the pledge and lien on the Bond Payments.

Section 19. COMPETITION. To the extent it legally may, the BCRUA will not grant any franchise or permit for the acquisition, construction or operation of any competing facilities which might be used as a substitute for the BCRUA Project and will prohibit the operation of any such competing facilities.

Section 20. SPECIAL COVENANTS. The BCRUA further covenants and agrees that: (a) **Title.** The BCRUA lawfully owns or will own and is or will be lawfully possessed of the lands or easements upon which its BCRUA Project is and will be located, and has or will purchase good and indefeasible estate in such lands in fee simple, or has or will lawfully obtain any necessary easements to operate the BCRUA Project, and it warrants that it has or will obtain and will defend, the title to all the aforesaid lands and easements for the benefit of the Registered Owners of the Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Bond Payments to the payment of the Bonds Similarly Secured, in the manner prescribed herein, and that it has lawfully exercised such rights.

(b) **Liens.** The BCRUA will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or its BCRUA Project, and it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge upon its BCRUA Project, provided, however, that no such tax, assessment, or charge, and that no such claims which might be or other lien or charge, shall be required to be paid while the validity of the same shall be contested in good faith by the BCRUA.

(c) **Performance.** The BCRUA will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in the resolutions authorizing the issuance of Bonds Similarly Secured, and in each and every Bond Similarly Secured and pay from the Bond Payments the principal of and interest on every Bond Similarly Secured on the dates and in the places and manner prescribed in such resolutions and Bonds Similarly Secured; and that it will, at the times and in the manner prescribed, or cause to be deposited from the Bond Payments the amounts required to be deposited into the Debt Service Fund; and the Registered Owners of the Bonds Similarly Secured may require the BCRUA, its officials, agents, and employees to carry out, respect, or enforce the covenants and obligations of this Resolution or any resolution authorizing the issuance of Bonds Similarly Secured, as the case may be, including, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the BCRUA, its officials, agents, and employees.

(d) **Legal Authority.** The BCRUA is duly authorized under the laws of the State to issue the Bonds Similarly Secured; that all action on its part for the authorization and issuance of the

Bonds Similarly Secured has been duly and effectively taken, and the Bonds Similarly Secured in the hands of the Registered Owners thereof are and will be valid and enforceable special obligations of the BCRUA in accordance with their terms payable solely from the Bond Payments.

(e) **Budget.** The BCRUA will prepare, adopt, and place into effect an annual budget (the "Annual Budget") for Maintenance and Operation Expenses of the BCRUA Project for each Fiscal Year, including in each Annual Budget such items as are customarily and reasonably contained in a utility system budget under generally accepted accounting procedures.

(f) **Permits.** The BCRUA will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to the BCRUA Project and which have been obtained from any governmental agency; and the BCRUA has or will obtain and keep in full force and effect all franchises, permits, authorizations, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of the BCRUA Project.

Section 21. LIMITED OBLIGATIONS OF THE BCRUA. The Bonds Similarly Secured are limited, special obligations of the BCRUA payable from and equally and ratably secured solely by a lien on and pledge of the Bond Payments, and the Registered Owners thereof shall never have the right to demand payment of the principal or interest on the Bonds Similarly Secured from any funds raised or to be raised through taxation by Cedar Park or the BCRUA.

Section 22. DEFAULT AND REMEDIES. (a) **Events of Default.** Each of the following occurrences or events for the purpose of this Resolution is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the BCRUA, the failure to perform which materially, adversely affects the rights of the Registered Owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Resolution, and, if such default is capable of cure, the continuation thereof for a period of sixty (60) days after notice of such default is given by any Registered Owner to the BCRUA; or

(iii) a default by Cedar Park under the Contract.

(b) **Remedies for Event of Default.**

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the BCRUA, or any official, officer or employee of the BCRUA in their official capacity, for the purpose of protecting and enforcing the rights of the Registered Owners under this Resolution, by mandamus or other

suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies. The Registered Owners are third party beneficiaries to the Contract with the ability to enforce the provisions of the Contract for such period that a default exists under the Contract.

(ii) Upon the happening of any Event of Default, then and in every case the Purchaser, acting as a Registered Owner of the Bonds, may exercise all remedies available to it in law or equity, and any provision of this Resolution or the Bonds that restricts or limits the Purchaser's full exercise of such remedies shall be of no force and effect.

(iii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Bonds then Outstanding.

(iv) As long as an Insurer is not in payment default on the related Insurance Policy for the Bonds, the Insurer shall be deemed to be the sole Registered Owner of such Bonds insured by it for purposes of enforcing remedies in the Event of Default under this Resolution.

(c) ***Remedies Not Exclusive.***

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Resolution, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Resolution.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Resolution, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Resolution do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the BCRUA or the Board.

(iv) None of the members of the Board of Directors, nor any other official or officer, agent, or employee of the BCRUA, shall be charged personally by the Registered Owners with any liability, or be held personally liable to the Registered Owners under any term or provision of this Resolution, or because of any Event of Default or alleged Event of Default under this Resolution.

Section 23. AMENDMENT OF RESOLUTION. (a) *Amendments Without Consent.* This Resolution and the rights and obligations of the Board and of the Registered Owners of the Bonds may be modified or amended at any time without notice to or the consent of any Registered Owner of the Bonds or any Bond Similarly Secured, solely for any one or more of the following purposes:

(i) To add to the covenants and agreements of the Board contained in this Resolution, other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Board in this Resolution;

(ii) To cure any ambiguity or inconsistency, or to cure or correct any defective provisions contained in this Resolution, upon receipt by the Board of an opinion of counsel, that the same is needed for such purpose, and will more clearly express the intent of this Resolution;

(iii) To supplement the security for the Bonds, replace or provide additional Credit Agreement, or change the form of the Bonds or make such other changes in the provisions hereof as the Board may deem necessary or desirable and which shall not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Bonds;

(iv) To make any changes or amendments requested by any bond rating agency then rating or requested to rate the Bonds, as a condition to the issuance or maintenance of a rating, which changes or amendments do not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Bonds;

(v) To make such changes, modifications or amendments as are permitted by Section 30(c) of this Resolution;

(vi) To make such other changes in the provisions hereof as the Board may deem necessary or desirable and which shall not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Bonds; or

(vii) To assign the Contract to a trustee.

(b) *Amendments With Consent.* Subject to the other provisions of this Resolution, the Registered Owners of Outstanding Bonds aggregating 51% in Outstanding principal amount shall have the right from time to time to approve any amendment, other than amendments described in Subsection (a) of this Section, to this Resolution which may be deemed necessary or desirable by the Board; provided, however, that nothing herein contained shall permit or be construed to permit, without the approval of the owners of all of the Outstanding Bonds, the amendment of the terms and conditions in this Resolution or in the Bonds so as to:

(1) Make any change in the maturity of the Outstanding Bonds;

- (2) Reduce the rate of interest borne by the Outstanding Bonds;
- (3) Reduce the amount of the principal payable on the Outstanding Bonds;
- (4) Modify the terms of payment of principal of or interest on the Outstanding Bonds, or impose any conditions with respect to such payment;
- (5) Affect the rights of the owners of less than all Bonds then Outstanding; or
- (6) Change the minimum percentage of the Outstanding principal amount of Bonds necessary for consent to such amendment.

(c) **Notice.** (i) If at any time the Board shall desire to amend this Resolution other than pursuant to subsection (a) above, the Board shall cause notice of the proposed amendment to be published in a financial newspaper or journal of general circulation in The City of New York, New York or the State including in the Texas Bond Reporter once during each calendar week for at least two (2) successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Paying Agent/Registrar for inspection by all owners of Bonds. Such publication is not required, however, if the Board gives or causes to be given such notice in writing to each Registered Owner of Bonds.

(ii) In the event S&P and/or Moody's maintains a rating on the Bonds, copies of any modification or amendment to this Resolution shall be sent to S&P and/or Moody's, as applicable, at least ten (10) days prior to the effective date thereof.

(d) **Receipt of Consents.** Whenever at any time not less than thirty (30) days, and within one (1) year, from the date of the first publication of said notice or other service of written notice of the proposed amendment the Board shall receive an instrument or instruments executed by all of the owners or the owners of at least 51% in Outstanding principal amount of Bonds, as appropriate, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file as aforesaid, the Board may adopt the amendatory resolution in substantially the same form.

(e) **Effect of Amendments.** Upon the adoption by the Board of any resolution to amend this Resolution pursuant to the provisions of this Section, this Resolution shall be deemed to be amended in accordance with the amendatory resolution, and the respective rights, duties, and obligations of the Board and all the owners of then Outstanding Bonds and all future Bonds shall thereafter be determined, exercised, and enforced under the resolution and this Resolution, as amended.

(f) **Consent Irrevocable.** Any consent given by any owner of Bonds pursuant to the provisions of this Section shall be irrevocable for a period of six (6) months from the date of the first publication or other service of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the same Bonds during such period. Such consent may be

revoked at any time after six (6) months from the date of the first publication of such notice by the owner who gave such consent, or by a successor in title, by filing notice thereof with the Registrar and the Board, but such revocation shall not be effective if the owners of 51% in Outstanding principal amount of Bonds, prior to the attempted revocation, consented to and approved the amendment.

(g) **Ownership.** For the purpose of this Section, the ownership and other matters relating to all Bonds registered as to ownership shall be determined from the Registration Books kept by the Paying Agent/Registrar therefor. The Paying Agent/Registrar may conclusively assume that such ownership continues until written notice to the contrary is served upon the Paying Agent/Registrar.

(h) **Insurer Consent.** Notwithstanding the foregoing provisions of this Section, so long as any Insurer is not in payment default under its policy, no amendment or supplement to this Resolution may become effective except upon obtaining the prior written consent of any such Insurer.

Section 24. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE BONDS. (a) **Covenants.** The Board covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "IRS Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Board covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed or refinanced therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the IRS Code or, if more than 10 percent of the proceeds of the Bonds or the projects financed or refinanced therewith are so used, such amounts, whether or not received by the Board, with respect to such private business use, do not, under the terms of this Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the IRS Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed or refinanced therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the IRS Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the IRS Code;

(4) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the IRS Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the IRS Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the IRS Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with:

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the Bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed ten (10) percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Tax-Exempt Bonds do not otherwise contravene the requirements of section 148 of the IRS Code (relating to arbitrage); and

(8) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the IRS Code and to pay to the United States of America, not later than sixty (60) days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the IRS Code;

(10) to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, an information statement concerning the Bonds, all under and in

accordance with section 149(e) of the Code and the applicable Regulations promulgated thereunder; and

(b) ***Rebate Fund.*** In order to facilitate compliance with the above covenant (9), a "Rebate Fund" is hereby established by the Board for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the IRS Code.

(c) ***Proceeds.*** The Board understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the Board that the covenants contained herein are intended to assure compliance with the IRS Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the IRS Code, as applicable to the Bonds, the BCRUA will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the IRS Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the BCRUA agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the IRS Code. In furtherance of such intention, the BCRUA hereby authorizes and directs the BCRUA Representative to execute any documents, certificates or reports required by the IRS Code and to make such elections, on behalf of the BCRUA, which may be permitted by the IRS Code as are consistent with the purpose for the issuance of the Bonds. This Resolution is intended to satisfy the official intent requirements set forth in Section 1.150-2 of the Treasury Regulations.

(d) ***Allocation Of, and Limitation On, Expenditures for the Project.*** The BCRUA covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 2 of this Resolution (the "Project") on its books and records in accordance with the requirements of the IRS Code. The Board recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Board recognizes that in order for proceeds to be expended under the IRS Code, the sale proceeds or investment earnings must be expended no more than sixty (60) days after the earlier of (1) the fifth (5th) anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired. The Board agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes of this subsection, the Board shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply

will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) **Disposition of Project.** The BCRUA covenants that the property constituting the BCRUA Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the Board of cash or other compensation, unless the Board obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of this subsection, the portion of the property comprising personal property and disposed of in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this subsection, the Board shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 25. RESOLUTION TO CONSTITUTE A CONTRACT; EQUAL SECURITY. In consideration of the acceptance of the Bonds, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Board and the Registered Owners from time to time of the Bonds and the pledge made in this Resolution by the Board and the covenants and agreements set forth in this Resolution to be performed by the Board shall be for the equal and proportionate benefit, security, and protection of all Registered Owners, without preference, priority, or distinction as to security or otherwise of any of the Bonds authorized hereunder over any of the others by reason of time of issuance, sale, or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Resolution.

Section 26. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements, or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements, or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Bonds issued hereunder.

Section 27. PAYMENT AND PERFORMANCE ON BUSINESS DAYS. Except as provided to the contrary in the FORM OF BOND, whenever under the terms of this Resolution or the Bonds, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Bonds, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Bonds, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on the date of performance or payment.

Section 28. LIMITATION OF BENEFITS WITH RESPECT TO THE RESOLUTION. With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Resolution or the Bonds is intended or should be construed to confer upon or give to any person other than the Board, the

Registered Owners, and the Paying Agent/Registrar, any legal or equitable right, remedy, or claim under or by reason of or in respect to this Resolution or any covenant, condition, stipulation, promise, agreement, or provision herein contained. This Resolution and all of the covenants, conditions, stipulations, promises, agreements, and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the Board, the Registered Owners, and the Paying Agent/Registrar as herein and therein provided.

Section 29. CUSTODY, APPROVAL, BOND COUNSEL'S OPINION, CUSIP NUMBERS, PREAMBLE AND INSURANCE. The BCRUA Representative is hereby authorized to have control of the Bonds issued hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and approval by the Attorney General of the State. The BCRUA Representative is hereby authorized, to the extent deemed necessary or advisable thereby, in the discretion thereof, to request that the Attorney General approve the Bonds as permitted by Chapter 1202, Texas Government Code, in which case the BCRUA Representative also is authorized to request the Comptroller of Public Accounts register the Bonds, and to cause an appropriate legend reflecting such approval and registration to appear on the Bonds and the substitute Bonds. The BCRUA Representative is hereby authorized to execute the engagement letter submitted herewith for McCall, Parkhurst & Horton L.L.P. to serve as the Board's Bond Counsel for the issuance of the Bonds. The approving legal opinion of the Board's Bond Counsel and the assigned CUSIP numbers may, at the option of the Board, be printed on the Bonds and on any Bonds issued and delivered in exchange or replacement of any Bond, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Bonds. The preamble to this Resolution is hereby adopted and made a part of this Resolution for all purposes. If insurance is obtained on any of the Bonds, the Bonds shall bear, as appropriate and applicable, a legend concerning insurance as provided by the municipal bond insurance company issuing any such insurance.

Section 30. COMPLIANCE WITH RULE 15c2-12. (a) *Annual Reports.* The Board shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the Board ending in or after 2018, financial statements of the Board if audited financial statements are then available, and (2) if not available by such time, audited financial statements of the Board, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with generally accepted auditing standards by a certified public account or licensed public accountant or such other accounting principles as the Board may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the Board commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the Board shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

If the Board changes its fiscal year, it will file notice of the change (and of the date of the new fiscal year end) with the MSRB prior to the next date by which the Board otherwise would be required to provide financial information and operating data pursuant to this Section.

(b) *Event Notices*. The Board shall file notice of any of the following events with respect to the Bonds with the MSRB in a timely manner and not more than 10 business days after the occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the Board;
- (13) The consummation of a merger, consolidation, or acquisition involving the Board or the sale of all or substantially all of the assets of the Board, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For these purposes, any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Board in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Board, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Board in possession but subject to the supervision and orders of a court or governmental

authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Board.

The Board shall file notice with the MSRB, in a timely manner, of any failure by the Board to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection.

(c) *Limitations, Disclaimers, and Amendments.* The Board shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Board remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Board in any event will give notice of any deposit that causes the Bonds to be no longer Outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Board undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Board's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Board makes no representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE BOARD BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE BOARD, WHETHER NEGLIGENT OR WITH OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Board in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Board under federal and state securities laws.

The provisions of this Section may be amended by the Board from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Board, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account

any amendments or interpretations of the Rule to the date of such amendment as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate principal amount of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Board (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The Board may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the Board also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds, giving effect to (i) such provisions as so amended and (ii) any amendments or interpretations of the Rule. If the Board so amends the provisions of this Section, the Board shall include with any amended financial information or operating data next provided in accordance with this subsection (a) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(d) Format, Identifying Information, and Incorporation by Reference. All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

Financial information and operating data to be provided pursuant to subsection (a) of this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the SEC.

Section 31. APPLICATION OF BOND PROCEEDS. Proceeds from the sale of the Bonds shall, promptly upon receipt thereof, be applied by the BCRUA Representative as follows an amount sufficient to accomplish the purposes of Section 2 shall be deposited in the Escrow Fund or Construction Fund as authorized by the Texas Water Development Board.

Any sale proceeds of the Bonds remaining after making all deposits and payments provided for above shall be deposited to the Debt Service Fund as provided in Section 10 and applied to the payment of interest on the Bonds.

Section 32. DEFEASANCE PROVISIONS. (a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Resolution, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption or the establishment of irrevocable provisions for the giving of such notice) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or an eligible trust company or

commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the BCRUA with the Paying Agent/Registrar or an eligible trust company or commercial bank for the payment of its services until all Defeased Bonds shall have become due and payable or (3) any combination of (1) and (2). At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Bond Payments as provided in this Resolution, and such principal and interest shall be payable solely from such money or Defeasance Securities, and thereafter the BCRUA will have no further responsibility with respect to amounts available to such Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Bond, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by law) to receive payment when due on the Defeasance Bond.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Bond as aforesaid when proper notice of redemption of such Bonds shall have been given or upon the establishment of irrevocable provisions for the giving of such notice, in accordance with this Resolution. Any money so deposited with the Paying Agent/Registrar or an eligible trust company or commercial bank as provided in this Section may at the discretion of the BCRUA also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the BCRUA.

(c) Notwithstanding any provision of any other Section of this Resolution which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the BCRUA shall make proper arrangements to provide and pay for such services as required by this Resolution.

(d) Notwithstanding anything elsewhere in this Resolution, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Bond affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Bond to be paid at its maturity, the BCRUA retains the

right under State law to later call that Defeased Bond for redemption in accordance with the provisions of this Resolution, the BCRUA may call such Defeased Bond for redemption upon complying with the provisions of State law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Bond as though it was being defeased at the time of the exercise of the option to redeem the Defeased Bond and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Bond.

Section 33. COMPLIANCE WITH THE TEXAS WATER DEVELOPMENT BOARD'S RULES AND REGULATIONS. The provisions of this Section shall apply so long as the Bonds, or any of them, are owned by the Texas Water Development Board (the "TWDB"). The BCRUA will comply with all of the requirements contained in the resolution or resolutions adopted by the TWDB with respect to the issuance of the Bonds. In addition, in compliance with the TWDB's State Water Implementation Fund for Texas Loan Program Rules, the BCRUA agrees and covenants:

(a) Any loan proceeds from the Bonds that are determined to be surplus proceeds remaining after completion of one or more of the projects described in Section 2 hereof shall be used for the following purposes as approved by the Executive Administrator: (1) deposit into the Debt Service Fund or other debt service account for the payment of interest or principal on the Bonds owned by the TWDB; or (2) eligible costs for a project as authorized by the Executive Administrator.

(b) The BCRUA shall indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment, recycling and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the BCRUA, its contractors, consultants, agents, officials and employees as a result of activities relating to the project, to the extent permitted by law.

(c) BCRUA shall report to the TWDB the amounts of project funds, if any, that were used to compensate historically underutilized businesses that worked on the project, in accordance with 31 TAC § 363.1312.

(d) The TWDB will purchase the Bonds, acting through the TWDB's designated trustee, and the Bonds shall be registered in the name of Cede & Co. and closed in book-entry form in accordance with 31 TAC Section 363.42(c)(1).

(e) Neither the BCRUA nor a related party thereto will acquire any of the TWDB's source series bonds in an amount related to the amount of the Bonds to be acquired from the BCRUA by the TWDB.

(f) Payments of principal and interest on the Bonds will be made to the TWDB via wire transfer at no cost to the TWDB.

(g) The BCRUA will provide the TWDB with copies of "as built plans" pertaining to the projects financed, in whole or in part, with any funds of the TWDB.

(h) Within 60 days of completion of the construction of the projects financed, in whole or in part, by the loan evidenced by the Bonds, BCRUA will provide a final accounting to the TWDB of the total costs of the projects; any surplus shall be used in a manner as approved by the Executive Administrator.

(i) So long as any Bonds are held by the TWDB, BCRUA will provide to the TWDB's Executive Administrator, within 180 days of the end of BCRUA fiscal year, a copy of each of its annual audited financial statements, to be submitted without charge.

(j) The BCRUA will maintain the records and accounts described in Section 17 hereof in accordance with generally accepted accounting principles necessary to demonstrate compliance with the TWDB's financial assistance related legal and contractual provisions, in accordance with 31 TAC § 363.42(a)(2)(G).

(k) Upon request by the Executive Administrator, the BCRUA shall submit annual audits of Cedar Park for the Executive Administrator's review.

Section 34. FURTHER PROCEDURES. The President of the Board, the BCRUA Representative, and all other officers, employees, and agents of the Board, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Board all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Bonds, the sale and delivery of the Bonds and fixing all details in connection therewith. The BCRUA Representative is authorized to sign this Resolution.

Section 35. DTC LETTER OF REPRESENTATION. The Board approves execution by the BCRUA Representative and delivery to DTC of a "Blanket Letter of Representations" with respect to the utilization by the Board of DTC's book-entry-only system and the Board intends to utilize such book-entry-only system in connection with the Bonds.

Section 36. BOND INSURANCE. (a) In connection with the sale of the Bonds, the Board may obtain municipal bond insurance policies from one or more municipal bond insurers (the "Insurer") to guarantee the full and complete payment required to be made by or on behalf of the Board on some or all of the Bonds as determined by the BCRUA Representative. The BCRUA Representative is hereby authorized to sign a commitment letter with the Insurer and to pay the premium for the bond insurance policies at the time of the delivery of the Bonds out of the proceeds of sale of the Bonds or from other available funds and to execute such other documents and certificates as necessary in connection with the bond insurance policies as he or she may deem appropriate. Printing on Bonds covered by the bond insurance policies a statement describing such insurance, in form and substance satisfactory to the Insurer and the BCRUA Representative, is hereby approved and authorized. The Award Certificate may contain provisions related to the

bond insurance policies, including payment provisions thereunder, and the rights of the Insurer or Insurers, and any such provisions shall be read and interpreted as an integral part of this Resolution.

(b) As long as an Insurer is not in default on the related Insurance Policy for the Bonds, the Insurer of a Series shall be deemed to be the sole Registered Owner of such Bonds insured by it for all purposes of this Resolution.

Section 37. REPEAL OF CONFLICTING RESOLUTIONS. All resolutions and all parts of any resolutions which are in conflict or inconsistent with this Resolution are hereby repealed and shall be of no further force or effect to the extent of such conflict or inconsistency.

Section 38. PUBLIC NOTICE. It is hereby found and determined that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting at which this Resolution was adopted; that this Resolution would be introduced and considered for adoption at said meeting; and that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

Section 39. NO PERSONAL LIABILITY. No covenant or agreement contained in the Bonds, this Resolution or any corollary instrument shall be deemed to be the covenant or agreement of any member of the Board or any officer, agent, employee or representative of the Board in his individual capacity, and neither the directors, officers, agents, employees or representatives of the Board nor any person executing the Bonds shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Bonds.

Section 40. CREDIT AGREEMENTS. To the extent permitted by law, the BCRUA reserves the right to enter into Credit Agreements in connection with the Bonds, upon the written opinion of the BCRUA Representative that such Credit Agreements are in the best interest of the BCRUA given the market conditions at the time. The Credit Agreements will constitute a Credit Agreement as defined in this Resolution. Credit Agreements and the obligations thereunder may, pursuant to their terms, constitute (i) debt secured by a pledge of the Bond Payments on parity with the Bonds Similarly Secured (ii) debt secured by an inferior lien secured by a pledge of the Bond Payments subordinate to the Bonds Similarly Secured or (iii) partially parity and partially inferior lien.

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PASSED AND ADOPTED on the ____ day of _____, 2018.

**BRUSHY CREEK REGIONAL
UTILITY AUTHORITY, INC.**

BCRUA Representative

- EXHIBIT A – Definitions
- EXHIBIT B – Form of Award Certificate
- EXHIBIT C - Form of Bond
- EXHIBIT D - Paying Agent/Registrar Agreement
- EXHIBIT E - Escrow Agreement

EXHIBIT A

DEFINITIONS

As used in this Resolution, the following terms and expressions shall have the meanings set forth below, unless the text in this Resolution specifically indicates otherwise.

The term *Additional Bonds* shall mean the obligations issued in accordance with the terms and conditions prescribed in Section 14 hereof.

The term *Annual Payments* shall have the meaning given in the Contract.

The term *Authorized Denominations* shall mean with respect to the Bonds the denomination of \$5,000 or any integral multiple thereof.

The term *Average Annual Debt Service Requirements* shall mean that average amount which, at the time of computation, will be required to pay the Debt Service Requirements on all outstanding Bonds Similarly Secured when due (either at Stated Maturity or mandatory redemption) and derived by dividing the total of such Debt Service Requirement by the number of Fiscal Years then remaining before Stated Maturity of such Bonds Similarly Secured. For purposes of this definition, a fractional period of a Fiscal Year shall be treated as an entire Fiscal Year. Capitalized interest payments provided from Bond proceeds shall be excluded in making the aforementioned computation.

The term *Award Certificate* shall mean the Certificate executed by the BCRUA Representative in connection with the Bonds that establishes the terms of the Bonds issued pursuant to Section 3 of this Resolution.

The term *BCRUA* shall mean Brushy Creek Regional Utility Authority, Inc. and any other public agency succeeding to the powers, rights, privileges and functions of the BCRUA and, when appropriate, the Board of Directors of the BCRUA.

The term *BCRUA Project* shall mean, collectively, the Land Interests and the improvements described in the recitals to the Contract and further described in the Preliminary Design Report, and as shown on Exhibit "D" to the Contract. Without limitation the BCRUA Project includes the facilities, lines, intake structures, storage tanks, booster pumps and other appurtenances in the BCRUA Project as described in the Preliminary Design Report and owned by the BCRUA sufficient to treat the raw water and deliver the treated water to which the Cities, respectively, are entitled under the Contract.

The term *BCRUA Project Costs* means and includes, without limitation, the following costs incurred for the BCRUA Project by or on behalf of the BCRUA or the Cities: (i) the cost of acquisition of the Land Interests, including appraisals, closing costs and title insurance policies; (ii) the cost of acquisition, construction, repair, replacement, improvement or decommissioning of the Facilities, and any structure, item of equipment, or other item, used for, or in connection with, the

BCRUA Project; (iii) the cost of site preparation of the Land Interests, including demolition or removal of structures and improvements as necessary or incident to accomplishing the BCRUA Project; (iv) the cost of engineering, legal, architectural or other related services; (v) the preparation cost of plans, specifications, studies, surveys, cost estimates, and other expenses necessary or incident to planning, providing, or financing the BCRUA Project; (vi) the cost of machinery, equipment, furnishings, and facilities necessary or incident to placing the BCRUA Project in operation; (vii) finance charges and interest before, during, and after construction as permitted by the laws of the State; (viii) costs incurred in connection with financing the BCRUA Project, including, without limitation: (1) financing, legal, accounting, financial advisory, rating agency, and auditing fees, expenses and disbursements; (2) the cost of printing, engraving, and reproduction services; and (3) the cost of a trustee<s or paying agent<s initial or acceptance fee and subsequent fees; (ix) all costs, fees and expenses of litigation of all kinds; (x) the cost of property casualty and public liability insurance; (xi) the fees and costs of the Purchaser as the anticipated purchasers of the Bonds; (xii) reimbursement of the costs previously incurred by the Cities with respect to the BCRUA Project; and (xiii) other costs generally recognized as part of BCRUA Project construction costs.

The term *BCRUA Representative* shall mean the General Manager of the BCRUA or in his or her absence the President of the Board of BCRUA or such other person authorized by the Board to act as a BCRUA Representative.

The term *Bond Payments* shall mean the payments defined as "Bond Payments" within the Contract that the BCRUA expects to receive from the City of Cedar Park, Texas pursuant to the terms of the Contract.

The term *Bonds* shall mean and include collectively the Bonds issued and delivered pursuant to this Resolution and the Award Certificate for the Bonds and all substitute Bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term *Bond* shall mean any of the Bonds.

The term *Bonds Similarly Secured* shall mean the Outstanding Series 2009 Bonds, the Outstanding Series 2016 Bonds, the Outstanding Series 2017 Bonds, the Bonds issued pursuant to this Resolution and any Additional Bonds hereafter issued by the BCRUA or bonds issued to refund any of the foregoing if issued in a manner that provides that the refunding bonds are payable from and equally and ratably secured by a lien on and pledge of the Bond Payments.

The term *Business Day* shall mean any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in The City of New York, New York or in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

The term *Certified Public Accountant* shall mean an independent certified public accountant or firm of independent certified public accountants.

The term *Closing Date* shall mean the date of physical delivery of the Bonds issued pursuant to this Resolution for the payment in full by the Purchaser.

The term *Contract* shall mean the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project, dated as of September 2, 2008, as amended by a "First Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project" dated as of January 22, 2009, by a "Second Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project" dated as of October 20, 2010, by a "Third Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project" dated as of February 12, 2012, and by a "Fourth Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project" dated as of April 25, 2018, and together with any additional amendments and supplements thereto (which by the term of such instrument is designated as a supplement or amendment to such Contract).

The term *Credit Agreement* shall mean an insurance policy, a surety bond (including any supporting insurance agreement), a letter or line of credit or other type of enhancement issued in support of any Bonds Similarly Secured by a Credit Agreement Provider at the request of the BCRUA.

The term *Credit Agreement Provider* shall mean (i) with respect to any Credit Agreement consisting of a policy of municipal bond insurance or a surety bond, an issuer of policies of insurance insuring the timely payment of scheduled debt service on governmental obligations such as the Bonds Similarly Secured, provided that a Rating Agency having an outstanding rating on the Bonds Similarly Secured would rate the Bonds Similarly Secured upon delivery of the Bonds Similarly Secured fully insured by a standard policy issued by the issuer in its highest generic rating category for such obligations; and (ii) with respect to any Credit Agreement consisting of a letter or line of credit, any financial institution, provided that a Rating Agency having an outstanding rating on the Bonds Similarly Secured would rate the Bonds Similarly Secured in one of its two highest generic rating categories for such obligations if the letter or line of credit proposed to be issued by such financial institution secured the timely payment of the entire principal amount of the Bonds Similarly Secured and the interest thereon.

The term *Debt Service Fund* shall mean the special fund or account created and established by the provisions of Section 10(a) of this Resolution.

The term *Debt Service Requirements* shall mean as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the BCRUA as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest calculated by (a) either (i) an interest rate equal to the average rate borne by such Bonds (or by comparable debt in the event that such Bonds have not been outstanding during the preceding 24 months) for any 24

month period ending within 30 days prior to the date of calculation, (ii) if the Bonds bear interest at tax-exempt rates, an interest rate equal to the 24 month average of the Index (as most recently published in The Bond Buyer), unless such index is no longer published in The Bond Buyer, in which case the index to be used in its place shall be that index which the BCRUA Representative determines most closely replicates such index as set forth in a certificate of a BCRUA Representative, (iii) if the Bonds bear interest at taxable rates, an interest rate equal to the rate of the 30 day London Interbank Offered Rate, (iv) that interest rate which, in the judgment of the BCRUA Representative, based, to the extent possible, upon an accepted market index which corresponds with the provisions of the subject Bonds, is the average rate anticipated to be in effect with respect to such Bonds or (v) that interest rate which, in the judgment of the BCRUA Representative, based upon the interest rate methodology in the applicable Credit Agreement if calculating payments under a Credit Agreement, is the average rate anticipated to be in effect; and (b) that the debt service of such bonds is amortized such that annual debt service is substantially level over the remaining stated life of such bonds, and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

The term *Defeasance Securities* shall mean (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the Board adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provides for the funding of an escrow to effect the defeasance of Bonds are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the Board adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provides for the funding of an escrow to effect the defeasance of Bonds, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent, and (iv) any other then authorized securities or obligations under applicable State law in existence at the time of such defeasance that may be used to defease obligations such as the Bonds. The foregoing notwithstanding, the BCRUA Representative may elect in the Award Certificate to modify this definition of "Defeasance Securities" by eliminating any securities or obligations set forth in the preceding sentence upon determining that it is in the best interests of the BCRUA to do so.

The term *Depository* shall mean an official depository bank of the BCRUA.

The term *Designated Trust Office* shall have the meaning ascribed to said term in Section 5(b) of this Resolution.

The term *DTC* shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

The term *DTC Participant* shall mean securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold

securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

The term *Federal Securities* shall mean direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America.

The term *Fiscal Year* shall mean the twelve month accounting period used by the BCRUA in connection with the operation of the BCRUA Project, currently ending on September 30th of each year, which may be any twelve consecutive month period established by the BCRUA, but in no event may the Fiscal Year be changed more than one time in any three calendar year period.

The term *Fitch* shall mean Fitch Investors Service, L.P., its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Fitch shall be deemed to refer to any other nationally recognized securities rating agency designated by the BCRUA.

The term *Interest Payment Date* shall mean the date semiannual interest is payable on the Bonds, while any of the Bonds remain Outstanding as established in the Award Certificate.

The term *IRS Code* shall mean the Internal Revenue Code of 1986, as amended.

The term *Land Interests* shall mean the fee simple interests and/or the easements, right-of-way and other interests in real property necessary for the acquisition, construction and operation of the BCRUA Project.

The term *Maintenance and Operation Expenses* shall mean the expenses necessary to provide for the administration, efficient operation and adequate maintenance of the BCRUA=s System, including the cost of purchasing water, paying necessary wages, salaries, and benefits, the acquisition of property and materials necessary to maintain the System in good condition and to operate it efficiently, together with such other costs and expenses as may now or hereafter be defined by law as proper maintenance and operation expenses of the System, including Operation and Maintenance Expenses (as defined in the Contract).

The term *Maturity* shall mean the date on which the principal of a Bond becomes due and payable as therein and herein provided, whether at Stated Maturity, by redemption or otherwise.

The term *Moody's* shall mean Moody's Investors Service, Inc., its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Moody's shall be deemed to refer to any other nationally recognized securities rating agency designated by the BCRUA.

The term *MSRB* shall mean the Municipal Securities Rulemaking Board.

The term *Outstanding* shall mean when used in this Resolution with respect to Bonds Similarly Secured means, as of the date of determination, all Bonds Similarly Secured of any series issued and delivered pursuant to this Resolution or the resolution authorizing such Bonds Similarly Secured, as the case may be, except:

- (1) those Bonds Similarly Secured canceled by the applicable Paying Agent/Registrar or delivered to the applicable Paying Agent/Registrar for cancellation;
- (2) those Bonds Similarly Secured for which payment has been duly provided by the BCRUA in accordance with the provisions of Section 32 of this Resolution (or similar provisions of a resolution authorizing other Bonds Similarly Secured) by the irrevocable deposit with the Paying Agent/Registrar, or an authorized escrow agent, of money or Defeasance Securities, or both, in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to maturity or redemption, as the case may be, provided that, if such Bonds Similarly Secured are to be redeemed, notice of redemption thereof shall have been duly given pursuant to this Resolution or irrevocably provided to be given to the satisfaction of the applicable Paying Agent/Registrar, or waived; and
- (3) those Bonds Similarly Secured that have been mutilated, destroyed, lost, or stolen and replacement Bonds Similarly Secured have been registered and delivered in lieu thereof as provided in Section 5(f) of this Resolution (or similar provisions of a resolution authorizing other Bonds Similarly Secured).

The terms *Paying Agent/Registrar*, *Paying Agent* or *Registrar* shall mean the agent selected by the BCRUA Representative to perform such function in the Award Certificate or any successor agent under the Paying Agent/Registrar Agreement

The term *Preliminary Design Report* shall mean, collectively, the following described documents:

- (i) *Treatment Plant PDR*, "Brushy Creek Regional Water Treatment Plant; Preliminary Design Report" prepared by Camp Dresser & McKee, Inc., dated July, 2008;
- (ii) *Raw Water PDR*, ABrushy Creek Regional Water Supply Project B Phase 1 Raw Water Facilities B Floating Intake and Raw Water Pipeline; Preliminary Design Report@ prepared by Carter & Burgess, Inc., dated October 2007;
- (iii) *Treated Transmission Main, Segment 1 PDR*, ABrushy Creek Regional Utility Authority 78 inch Water Transmission Main Preliminary Engineering Report" prepared by Lockwood, Andrews & Newman, Inc., dated May 24, 2007; and
- (iv) *Treated Transmission Main, Segment 2C PDR*, APreliminary Engineering Report B Treated Water Transmission Line Segment 2C@ prepared by K. Friese & Associates, Inc., dated September 2007.

The term *Purchaser* shall mean the Texas Water Development Board.

The term *Rating Agencies* shall mean S&P, Moody's and/or Fitch according to which of such rating agencies then rates the Bonds Similarly Secured of the applicable series; and provided that if no such rating agency then rates any series of Bonds Similarly Secured of such series, the term "*Rating Agency*" shall refer to any national rating agency (if any) which provides such rating.

The term *Record Date* shall mean, with respect to the Bonds, the Business Day of each month as set forth in the Award Certificate.

The term *Registration Books* shall mean the books or records relating to the registration, payment and transfer or exchange of the Bonds maintained by the Paying Agent/Registrar pursuant to Section 5 of this Resolution.

The term *Registered Owner* shall mean the entity or person in whose names any of the Bonds are registered in the Registration Books.

The term *Resolution* shall mean this resolution adopted by the Board on _____, 2018.

The term *Cedar Park* means the City of Cedar Park, Texas, a home-rule municipality.

The term *Cedar Park System* shall mean the combined water and wastewater system of Cedar Park together with all future extensions, improvements, enlargements, and additions thereto, including, to the extent permitted by law, storm sewer and drainage and/or reclaimed water systems which are integrated with the waterworks or wastewater disposal system, and all replacements thereof, provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term Cedar Park System shall not include any waterworks or wastewater facilities which are declared by Cedar Park not to be a part of the Cedar Park System and which are hereafter acquired or constructed by Cedar Park with the proceeds from the issuance of "Special Facilities Bonds," which are not secured by or payable from the net revenues of the Cedar Park System, but which are secured by and are payable solely from special contract revenues, or payments received from Cedar Park or any other legal entity, or any combination thereof, in connection with such facilities; and such revenues or payments shall not be considered as or constitute gross revenues of the Cedar Park System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Facilities Bonds."

The term *Cedar Park Utility Bonds* shall mean the bonds, notes or other obligations issued by Cedar Park secured by a lien on and pledge of the net revenues of the Cedar Park System or any part thereof regardless of lien priority including such bonds, notes or other obligations now or hereafter outstanding.

The term *Rule* shall mean SEC Rule 15c2-12, as amended from time to time.

The term *S&P* shall mean S&P Global Ratings, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities

rating agency, *S&P* shall be deemed to refer to any other nationally recognized securities rating agency designated by the BCRUA.

The term *SEC* shall mean the United States Securities and Exchange Commission.

The term *Series 2009 Bonds* shall mean the "Brushy Creek Regional Utility Authority, Inc. City of Cedar Park, Texas Contract Revenue Bonds, (Brushy Creek Regional Water Treatment and Distribution Project), Series 2009"

The term *Series 2016 Bonds* shall mean the "Brushy Creek Regional Utility Authority, Inc. City of Cedar Park, Texas Contract Revenue Refunding Bonds, (Brushy Creek Regional Water Treatment and Distribution Project), Series 2016"

The term *Series 2017 Bonds* shall mean the "Brushy Creek Regional Utility Authority, Inc. City of Cedar Park, Texas Contract Revenue Bonds, (Brushy Creek Regional Water Treatment and Distribution Project), Series 2017"

The term *Special Project Bonds* shall mean obligations which the BCRUA expressly reserves the right to issue in Section 15 of this Resolution.

The term *State* shall mean the State of Texas.

The term *Stated Maturity* shall mean, when used with respect to the Bonds, the scheduled maturity or mandatory sinking fund redemption date of a series of the Bonds.

EXHIBIT B
AWARD CERTIFICATE

EXHIBIT C

FORM OF BOND

(All blanks and any appropriate or necessary insertions or deletions, to be completed as determined by the BCRUA Representative in the Award Certificate.)

**REGISTERED
NO. _____**

**REGISTERED
AMOUNT
\$ _____**

**UNITED STATES OF AMERICA
STATE OF TEXAS
BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
CITY OF CEDAR PARK, TEXAS CONTRACT REVENUE BONDS
(BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION
PROJECT),
SERIES 2018**

ISSUANCE DATE: STATED MATURITY INTEREST RATE: CUSIP No.:

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ **DOLLARS**

The Brushy Creek Regional Utility Authority, Inc. (the "BCRUA"), a non-profit corporation of the State of Texas, with its principal office in Round Rock, Texas, for value received, hereby promises to pay to the order of the Registered Owner specified above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount specified above (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid principal amount hereof from the Issuance Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____* and _____* of each year commencing _____*.

Principal and premium, if any, of this Bond shall be payable to the Registered Owner hereof (the "Holder") upon presentation and surrender, at a corporate trust office of the Paying

* As provided in the Award Certificate. To the extent that the Award Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Award Certificate shall be used in the executed Bonds.

Agent/Registrar executing the registration certificate appearing hereon or a successor thereof. Interest shall be payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the _____* day of the month next preceding each interest payment date. All payments of principal of and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. In addition, interest may be paid by such other method, acceptable to the Texas Water Development Board, or such other Registered Owner, requested by, and at the risk and expense, of the Registered Owner; provided, however, that if this Bond is owned by the Texas Water Development Board, interest will be paid by wire transfer or other method acceptable to the Texas Water Development Board, and there will be no charge.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____*(the "Bonds") pursuant to a resolution adopted by the governing body of the BCRUA (the "Resolution"), to pay: (i) CEDAR PARK'S SHARE OF THE COSTS OF DESIGNING, CONSTRUCTING, ACQUIRING, IMPROVING AND/OR EXPANDING THE BCRUA PROJECT INCLUDING BUT NOT LIMITED TO DESIGNING THE PHASE 2 DEEP WATER INTAKE AND PHASE 1D WATER TREATMENT EXPANSION, ACQUIRING RIGHTS-OF-WAY AND OTHER INTERESTS IN LAND OR OTHER FACILITIES NECESSARY FOR WITHDRAWAL, TRANSMISSION AND TREATMENT OF RAW WATER AND DESIGN AND CONSTRUCTION OF CERTAIN ELECTRICAL IMPROVEMENTS TO PROVIDE POWER FOR THE PHASE 2 PROJECT AS DESCRIBED IN THE PRELIMINARY DESIGN REPORT AND (ii) THE COSTS OF ISSUANCE OF THE BONDS.

The Bonds stated to mature on and after _____* may be redeemed prior to their Stated Maturities, at the option of the BCRUA, on _____*, or on any date thereafter, in whole or in part, and, if in part, the BCRUA shall in inverse order of maturity select and designate the maturity or maturities in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar) at the redemption price of par, together with accrued interest to the date of redemption, and upon thirty (30) days prior written notice being given by United States mail, first-class postage prepaid, to Holders of the Bonds to be redeemed, and subject to the terms and provisions relating thereto contained in the Resolution. If this Bond is subject to redemption prior to Stated Maturity and is in a denomination in excess of \$5,000, portions of the principal sum hereof in installments of \$5,000 or any integral multiple thereof may be redeemed, and, if less than all of the principal sum hereof is to be redeemed, there shall be issued, without charge therefor, to the Holder hereof, upon the surrender of this Bond to the Paying Agent/Registrar at its corporate trust office, a new Bond or Bonds of like Stated Maturity and interest rate in any authorized denominations provided in the Resolution for the then unredeemed balance of the principal sum hereof.

* As provided in the Award Certificate. To the extent that the Award Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Award Certificate shall be used in the executed Bonds.

If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if money for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. If this Bond is called for redemption, in whole or in part, the BCRUA or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Bond within forty-five (45) days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Bonds of this series are special obligations of the BCRUA payable from and equally and ratably secured solely by a lien on and pledge of the Bond Payments received by the BCRUA from the City of Cedar Park, Texas pursuant to the provisions of the Contract. In the Resolution, the BCRUA reserves and retains the right to issue Additional Bonds, without limitation as to principal amount but subject to any terms, conditions, or restrictions set forth in the Resolution or as may be applicable thereto under law or otherwise. The Bonds do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the BCRUA or BCRUA Project, except with respect to the Bond Payments. The Bonds are not obligations of the State of Texas.

The Holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

Reference is hereby made to the Resolution, copies of which are on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description and nature of the Special Payments pledged for the payment of the Bonds; the terms and conditions under which the BCRUA may issue Additional Bonds; the terms and conditions relating to the transfer or exchange of the Bonds; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the BCRUA and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be redeemed or discharged at or prior to the Stated Maturity thereof, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Resolution. Capitalized terms used herein have the same meanings assigned in the Resolution.

This Bond, subject to certain limitations contained in the Resolution, may be transferred on the Registration Books upon presentation and surrender at a corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The BCRUA and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Bond as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner hereof for all other purposes, and neither the BCRUA nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the BCRUA. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" - which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to the issuance of this Bond in order to render the same a legal, valid, and binding special obligation of the BCRUA have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that issuance of the Bonds does not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by a lien on and pledge of the Bond Payments and as otherwise provided in this Resolution. In case any provision in this Bond or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Resolution shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Board of the BCRUA has caused this Bond to be duly executed with the manual or facsimile signature of the President of the Board and countersigned with the manual or facsimile signature of the Secretary of the Board, and has caused the official seal of the BCRUA to be duly impressed, or placed in facsimile, on this Bond.

BRUSHY CREEK REGIONAL
UTILITY AUTHORITY, INC.

President, Board of Directors

ATTESTED:

Secretary, Board of Directors

(SEAL)

C. Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Bond Only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER OF
PUBLIC ACCOUNTS
THE STATE OF TEXAS

'
'
'
'

REGISTER NO. _____

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

D. Form of Certificate of Paying Agent/Registrar to Appear on Definitive Bonds Only.

This Bond has been duly issued under the provisions of the within-mentioned Resolution; the Bond or Bonds of the above-entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

Registered this date: _____

as Paying Agent/Registrar

By: _____
Authorized Signature

E. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto
(Print or typewrite name, address, and zip code of transferee): _____

(Social Security or other identifying number): _____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____ attorney to transfer the within Bond on the books kept for registration
thereof, with full power of substitution in the premises.

DATED: _____

NOTICE: The signature on this assignment must correspond with the name of the registered
owner as it appears on the face of the within Bond in every particular.

Signature guaranteed: _____

F. The Initial Bond of each series shall be in the form set forth in paragraph B of this Section,
except that the form of a single fully registered Initial Bond shall be modified as follows:

i) immediately under the name of the Bond(s) the headings "Interest Rate" and "Stated
Maturity" shall both be completed "as shown below" and "CUSIP No." shall be deleted;

ii) the first two paragraphs shall read as follows:

Registered Owner: _____

Principal Amount: _____

The Brushy Creek Regional Utility Authority, Inc. (the "BCRUA"), a non-profit corporation of the
State of Texas, with its principal office located in Round Rock, Texas, for value received, hereby
promises to pay to the order of the Registered Owner named above, or the registered assigns
thereof, the Principal Amount specified above on the _____* day of _____* in each of the
years and in principal installments and bearing interest at per annum rates in accordance with the
following schedule:

Principal

Maturity

Interest

* As provided in the Award Certificate. To the extent that the Award Certificate relating to the Bonds is inconsistent with any provisions in this
Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Award Certificate shall be used in
the executed Bonds.

Amount

(_____ 1)

Rate

(Information to be inserted from Award Certificate).

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the _____*, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to Stated Maturity or prior redemption, at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____* and _____*, commencing _____* (the "Interest Payment Date").

Principal and premium, if any, of this Bond shall be payable to the Registered Owner hereof (the Holder), upon its presentation and surrender, at a corporate trust office of _____, _____, _____ (the "Paying Agent/Registrar"). Interest shall be payable to the Holder of this Bond whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the fifteenth day of the month next preceding each interest payment date. All payments of principal of and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder hereof.

iii) initial Bond shall be numbered "T-1."

G. Insurance Legend. If an insurance policy is obtained by the Purchaser or the BCRUA for any Bonds, the definitive Bonds and the Initial Bond shall bear an appropriate legend as provided by the Insurer.

EXHIBIT D
PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT E
ESCROW AGREEMENT

such maturity and such interest shall be payable on the dates set forth in Exhibit "A" and in the Resolution, and (iii) have the other terms and provisions, all as provided in Exhibit "A" and in the Resolution. Each Series 2018 Bond shall reflect the terms set forth in Exhibit "A" and the provisions in the Form of Bond set forth in the Resolution.

8. The Record Date for the interest payable on the Series 2018 Bonds on any interest payment date means the close of business on the fifteenth day of the month preceding such interest payment date.

9. Pursuant to Section 5(a) of the Resolution, The Bank of New York Mellon Trust Company, National Association, has been selected as the Paying Agent/Registrar for the Series 2018 Bonds. Pursuant to Section 10(c) of the Resolution, The Bank of New York Mellon Trust Company, National Association, has been selected as the Escrow Agent for the Series 2018 Bonds.

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EXECUTED this ____ day of _____, 2018.

**BRUSHY CREEK REGIONAL
UTILITY AUTHORITY, INC.**

BCRUA Representative

EXHIBIT A

TERMS OF THE SERIES 2018 BONDS

\$6,970,000

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
CITY OF CEDAR PARK, TEXAS CONTRACT REVENUE BONDS,
(BRUSHY CREEK REGIONAL WATER TREATMENT
AND DISTRIBUTION PROJECT),
SERIES 2018**

GENERAL DESCRIPTION OF SERIES 2018 BONDS

The Series 2018 Bonds in the aggregate original principal amount of \$6,970,000 will be issued as serial bonds dated November 15, 2018, in the original principal amounts for each maturity, maturing on the dates, bearing interest at the rates as set forth in the following Maturity Schedule.

MATURITY SCHEDULE

Interest accrues from: Issuance Date

Interest payable: February 1 and August 1 until maturity or redemption commencing February 1, 2019

<u>Principal Amount</u>	<u>Maturity (August 1)</u>	<u>Interest Rate</u>	<u>Principal Amount</u>	<u>Maturity (August 1)</u>	<u>Interest Rate</u>
\$320,000	2019		\$345,000	2029	
280,000	2020		355,000	2030	
285,000	2021		365,000	2031	
290,000	2022		375,000	2032	
300,000	2023		385,000	2033	
305,000	2024		390,000	2034	
315,000	2025		400,000	2035	
320,000	2026		410,000	2036	
330,000	2027		425,000	2037	
340,000	2028		435,000	2038	

REDEMPTION PROVISIONS

Optional Redemption. On February 1, 2029, or on any date thereafter, the Series 2018 Bonds of this series maturing on and after August 1, 2029 may be redeemed prior to their scheduled maturities, at the option of the BCRUA, with funds derived from any available and lawful source, at par plus accrued interest to the date fixed for redemption as a whole, or in part, and, if in part, in inverse order of stated maturity and if less than all of a maturity is to be redeemed the Paying Agent/Registrar shall determine by lot the Bonds, or portions thereof within

such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in integral multiples of \$5,000 of principal amount).

Part B-21 Bond Resolution - Leander

RESOLUTION NO. R-__-__-__-__

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. AUTHORIZING THE ISSUANCE OF “BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. CITY OF LEANDER, TEXAS CONTRACT REVENUE BONDS (BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT), SERIES 2018”; ESTABLISHING THE PROCEDURES FOR SELLING AND DELIVERING THE BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SUCH BONDS

ADOPTED _____, 2018

RESOLUTION NO. R-__-__-__-__

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. AUTHORIZING THE ISSUANCE OF “BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. CITY OF LEANDER, TEXAS CONTRACT REVENUE BONDS (BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT), SERIES 2018”; ESTABLISHING THE PROCEDURES FOR SELLING AND DELIVERING THE BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SUCH BONDS

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RESOLUTION NO. R-__-__-__

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. AUTHORIZING THE ISSUANCE OF “BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. CITY OF LEANDER, TEXAS CONTRACT REVENUE BONDS (BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT), SERIES 2018”; ESTABLISHING THE PROCEDURES FOR SELLING AND DELIVERING THE BONDS AND RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE, AND DELIVERY OF SUCH BONDS

WHEREAS, the Brushy Creek Regional Utility Authority, Inc. (the “BCRUA”) is a non-profit corporation of the State of Texas (the “State”), created by the Cities of Cedar Park, Leander and Round Rock, Texas (collectively, the “Cities” or singularly, a “City”) and existing under the laws of the State, including Subchapter D of Chapter 431, as amended, Texas Transportation Code (the “Authority Act”); and

WHEREAS, pursuant to the Authority Act, the BCRUA, is empowered to acquire and construct water facilities including water conservation, storage, transportation, treatment and distribution facilities and to deliver this water to the Cities; and

WHEREAS, the Authority Act also authorizes the BCRUA acting through its Board of Directors (the “Board”) to issue revenue bonds to finance such water projects, payable solely from the revenues derived from payments to be made to the BCRUA by each respective City for which a series of bonds are issued for the purpose of defraying such City’s share of the cost of financing, acquiring, and constructing the BCRUA Project (as hereinafter defined); and

WHEREAS, the BCRUA expects to issue separate series of such revenue bonds for the City of Round Rock, Texas (“Round Rock”), the City of Leander, Texas (“Leander”) and the City of Cedar Park, Texas (“Cedar Park”) to finance their share of the BCRUA Project, with each such series payable from and secured solely by payments made by each respective City under the Contract (as hereinafter defined); and

WHEREAS, pursuant to the Authority Act, the BCRUA and the Cities have entered into a “Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project,” dated as of September 2, 2008 as amended by a “First Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project” dated as of January 22, 2009, by a “Second Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project” dated as of October 20, 2010, by a “Third Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project” dated as of February 22, 2012, and by a “Fourth Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project” dated as of April 25, 2018 (collectively, the “Contract”) pursuant to which the BCRUA has agreed to design, finance, construct, own, acquire, maintain and operate the BCRUA Project in a manner that will allow the

BCRUA to deliver potable water to the Cities on a regional basis and under which each of the Cities agree to pay their share of the BCRUA Project and to make payments to or on behalf of the BCRUA in amounts sufficient to meet all of the BCRUA's obligations under the Contract including relating to a City's respective series of bonds issued to finance and refinance a City's share of the BCRUA Project and to own, operate and maintain the BCRUA Project; and

WHEREAS, Leander has requested that the BCRUA issue a separate series of revenue bonds in an aggregate principal amount not to exceed \$_____ pursuant to the Contract to finance Leander's share of the BCRUA Project (the "Bonds"); and

WHEREAS, Cedar Park have also requested the BCRUA issue a separate series of contract revenue bonds pursuant to the Contract to finance its respective share of the BCRUA Project Costs and each series of contract revenue bonds is expected to be issued and delivered simultaneously; and

WHEREAS, the Cities and the BCRUA have approved the Contract; and

WHEREAS, this Resolution constitutes a Bond Resolution as that term is defined in the Contract; and

WHEREAS, the principal of the Bonds and the interest thereon are and shall be solely payable from and secured by a lien on and pledge of the portion of the Annual Payments designated as "Bond Payments" to be made by Leander pursuant to the Contract in amounts sufficient to pay and redeem, and provide for the payment of the principal of, premium, if any, and interest on the Bonds, when due, and the fees and expenses of the Paying Agent/Registrar for the Bonds, all as required by this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. THAT:

Section 1. DEFINITIONS. In addition to the definitions set forth in the preamble of this Resolution, the terms used in this Resolution (except as may be otherwise indicated in the FORM OF BOND) and not otherwise defined shall have the meanings given in Exhibit "A" to this Resolution attached hereto and made a part hereof.

Section 2. AMOUNT, PURPOSE AND DESIGNATION OF THE BONDS. (a) *Amount and Designation.* The BCRUA's bonds issued pursuant to this Resolution shall each be entitled "BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC. CITY OF LEANDER, TEXAS CONTRACT REVENUE BONDS (BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT), SERIES 2018" and are hereby authorized to be issued and delivered in an aggregate maximum principal amount not to exceed \$_____. The title of the Bonds shall be designated by the year in which such Bonds are awarded pursuant to Section 3 below. The authority of the BCRUA Representative to execute and deliver an Award Certificate for the Bonds shall expire at 5:00 p.m., C.D.T., on December 31, 2018. Bonds priced on or before December 31, 2018 may close after such date.

(b) *Purpose.* The Bonds are to be issued for the following purposes to pay: (i) LEANDER'S SHARE OF THE COSTS OF DESIGNING, CONSTRUCTING, ACQUIRING, IMPROVING AND/OR EXPANDING THE BCRUA PROJECT INCLUDING BUT NOT LIMITED TO DESIGNING THE PHASE 2 DEEP WATER INTAKE AND PHASE ID WATER TREATMENT EXPANSION, ACQUIRING RIGHTS-OF-WAY AND OTHER INTERESTS IN LAND OR OTHER FACILITIES NECESSARY FOR WITHDRAWAL, TRANSMISSION AND TREATMENT OF RAW WATER AS DESCRIBED IN THE PRELIMINARY DESIGN REPORT AND (ii) THE COSTS OF ISSUANCE OF THE BONDS.

Section 3. DATE, DENOMINATIONS, NUMBERS, MATURITIES AND TERMS OF BONDS. (a) *Terms of the Bonds.* The Bonds shall initially be issued, sold, and delivered hereunder as fully registered bonds, without interest coupons, numbered consecutively from R-1 upward (except the initial Bond delivered to the Attorney General of the State which shall be numbered T-1), payable to the respective initial Registered Owners thereof in an Authorized Denomination, maturing not later than August 1, 2038, serially or otherwise on the dates, in the years and in the principal amounts, respectively, dated, all as set forth in the Award Certificate executed by the BCRUA Representative in substantially the form attached hereto as Exhibit "B".

(b) *Award Certificate.* As authorized by the Authority Act, the BCRUA Representative is hereby authorized, appointed, and designated to act on behalf of the Board in selling and delivering the Bonds and carrying out the other procedures specified in this Resolution, including determining and fixing the date the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the aggregate principal amount of the Bonds, the rate or rates of interest to be borne by each maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the Board, as well as any mandatory sinking fund redemption provisions for the Bonds and all other matters relating to the issuance, sale, and delivery of the Bonds, all of which shall be specified in a certificate of the BCRUA Representative (the "Award Certificate") the form of which is attached hereto as Exhibit "B"; provided that (i) the price to be paid for the Bonds shall not be less than 98% of the aggregate original principal amount thereof plus accrued interest, if any, thereon from its date to its delivery and (ii) the Bonds shall not bear interest at a net effective interest rate in excess of the maximum rate allowed by law. In establishing the aggregate principal amount of the Bonds, the BCRUA Representative shall establish an amount not to exceed the amount authorized in Section 2, which shall be sufficient to provide for the purposes for which the Bonds are authorized and to pay the costs of issuing the Bonds.

It is further provided, however, that, notwithstanding the foregoing provisions, the Bonds shall not be delivered unless prior to delivery of the Bonds the Award Certificate has been executed and delivered as required by this Resolution. No such Award Certificate shall be executed and delivered under this Resolution, unless and until the City Council of the City of Leander approves this Resolution.

In satisfaction of Section 1201.022(a)(3), Texas Government Code, the Board hereby determines that the delegation of the authority to the BCRUA Representative to approve the final

terms and conditions of the Bonds as set forth in this Resolution is, and the decisions made by the BCRUA Representative pursuant to such delegated authority and incorporated in the Award Certificate will be, in the BCRUA's best interest and shall have the same force and effect as if such determination were made by the Board, and the BCRUA Representative is hereby authorized to make and include in the Award Certificate an appropriate finding to that effect. The Award Certificate is hereby incorporated by reference into and made a part of this Resolution.

(c) ***Sale of the Bonds.*** To achieve advantageous borrowing costs for the BCRUA, the Bonds shall be sold to the Texas Water Development Board (the "Purchaser") at the price as set forth in the Award Certificate. The Private Placement Memorandum prepared in connection with the sale of the Bonds to the Purchaser in substantially the form attached to this Resolution is approved.

(d) ***In General.*** The Bonds (i) may and shall be redeemed prior to the respective scheduled maturity dates, (ii) may be assigned and transferred, (iii) may be exchanged for other Bonds, (iv) shall have the characteristics, (v) shall be signed and sealed, and the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the FORM OF BOND set forth in Exhibit "C" to this Resolution and as determined by the BCRUA Representative as provided herein, with such changes and additions as are required to be consistent with the terms and provisions shown in the Award Certificate.

Section 4. INTEREST. The Bonds shall bear interest, calculated on the basis of a 360-day year composed of twelve 30-day months, from their date of delivery as set forth in the Award Certificate, until maturity or redemption, at the rate or rates set forth in the Award Certificate. Interest shall be payable to the Registered Owner of any such Bond in the manner provided and on the dates stated in the FORM OF BOND set forth in Exhibit "C" to this Resolution and the Award Certificate.

Section 5. REGISTRATION, TRANSFER, AND EXCHANGE; AUTHENTICATION; BOOK-ENTRY-ONLY SYSTEM. (a) ***Paying Agent/Registrar.*** The BCRUA Representative in the Award Certificate shall select an eligible institution to serve as paying agent/registrar for the Bonds (the "Paying Agent/Registrar"). The BCRUA Representative is authorized to enter into and carry out a Paying Agent/Registrar Agreement with the Paying Agent/Registrar with respect to the Bonds in substantially the form and substance presented to the Board set forth in Exhibit "D" in connection with the approval of this Resolution with such changes as are acceptable to the BCRUA Representative.

(b) ***Registration Books.*** The Board shall keep or cause to be kept at the designated corporate trust office of the Paying Agent/Registrar (the "Designated Trust Office") the Registration Books and the Board hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, exchanges, and replacements under such reasonable regulations as the Board and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, exchanges, and replacements as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each Registered

Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Board shall have the right to inspect the Registration Books at the Designated Trust Office of the Paying Agent/Registrar during regular business hours, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. A copy of the Registration Books shall be maintained in the State.

(c) ***Ownership of Bonds.*** The entity or person in whose name any Bond shall be registered in the Registration Books at any time shall be deemed and treated as the absolute owner thereof for all purposes of this Resolution, whether or not such Bond shall be overdue, and, to the extent permitted by law, the Board and the Paying Agent/Registrar shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such Registered Owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(d) ***Payment of Bonds and Interest.*** The Paying Agent/Registrar shall further act as the paying agent for paying the principal of, premium, if any, and interest on the Bonds, all as provided in this Resolution. The Paying Agent/ Registrar shall keep proper records of all payments made by the Board and the Paying Agent/Registrar with respect to the Bonds.

(e) ***Authentication.*** The Bonds initially issued and delivered pursuant to this Resolution shall be authenticated by the Paying Agent/Registrar by execution of the Paying Agent/Registrar's Authentication Certificate unless they have been approved by the Attorney General of the State and registered by the Comptroller of Public Accounts of the State, and on each substitute Bond issued in exchange for any Bond or Bonds issued under this Resolution the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE (the "Authentication Certificate"). The Authentication Certificate shall be in the form set forth in the FORM OF BOND in Exhibit "C" attached hereto.

(f) ***Transfer, Exchange, or Replacement.*** Each Bond issued and delivered pursuant to this Resolution, to the extent of the unpaid or unredeemed principal amount thereof, may, upon surrender of such Bond at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the Registered Owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, may, at the option of the Registered Owner or such assignee or assignees, as appropriate, be exchanged for fully registered Bonds, without interest coupons, in the appropriate form prescribed in the FORM OF BOND set forth in Exhibit "C" to this Resolution, in any Authorized Denomination (subject to the requirement hereinafter stated that each substitute Bond shall be of the same Series and have a single stated maturity date), as requested in writing by such Registered Owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal amount of any Bond or Bonds so surrendered, and payable to the appropriate Registered Owner, assignee, or assignees, as the case may be. If a portion of any Bond shall be redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same series designation and maturity date, bearing

interest at the same rate, and payable in the same manner, in Authorized Denominations at the request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon surrender thereof for cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same series designation and maturity date and bear interest at the same rate and payable in the same manner as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided herein, and each fully registered Bond delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Resolution shall constitute one of the Bonds for all purposes of this Resolution, and may again be exchanged or replaced. On each substitute Bond issued in exchange for or replacement of any Bond or Bonds issued under this Resolution there shall be printed an Authentication Certificate, in the form set forth in Exhibit "C" to this Resolution. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Authentication Certificate, and, except as provided in (e) above, no such Bond shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for transfer, exchange, or replacement. No additional orders or resolutions need be passed or adopted by the Board or any other body or person so as to accomplish the foregoing transfer, exchange, or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be in typed or printed form as determined by the BCRUA Representative. Pursuant to Subtitle D, Texas Government Code and particularly Section 1201.063, thereof, the duty of transfer, exchange, or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which were originally issued pursuant to this Resolution. The Board shall pay the Paying Agent/Registrar's standard or customary fees and charges, if any, for transferring, and exchanging any Bond or any portion thereof, but the one requesting any such transfer and exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, exchange, or replacement of Bonds or any portion thereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following interest payment date, or (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. To the extent possible, any new Bond issued in an exchange, replacement, or transfer of a Bond will be delivered to the Registered Owner or assignee of the Registered Owner not more than three business days after the receipt of the Bonds to be canceled and the written request as described above.

(g) ***Substitute Paying Agent/Registrar.*** The Board covenants with the Registered Owners of the Bonds that at all times while the Bonds are outstanding the Board will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity. The Board reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than ninety (90) days written notice to the Paying

Agent/Registrar, to be effective not later than sixty (60) days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Board covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Board. Upon any change in the Paying Agent/Registrar, the Board promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(h) ***Book-Entry-Only System.*** The Bonds issued in exchange for the Bonds initially issued and delivered to the Purchaser shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of DTC, and except as provided in subsection (i) hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Board and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest on the Bonds. Without limiting the immediately preceding sentence, the Board and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner, as shown on the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Registered Owner, as shown in the Registration Books of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary but to the extent permitted by law, the Board and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal, premium, if any, and interest, with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Registered Owners, as shown in the Registration Books as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Board's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Bond certificate evidencing the obligation of the Board to make payments of principal, premium, if any, and interest pursuant to this Resolution. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new

nominee in place of Cede & Co., and subject to the provisions in this Resolution with respect to interest checks being mailed to the Registered Owner at the close of business on the Record Date, the word “Cede & Co.” in this Resolution shall refer to such new nominee of DTC.

(i) ***Successor Securities Depository; Transfers Outside Book-Entry-Only System.*** In the event that the Board or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the Board to DTC (as described in Section 35 of this Resolution) or DTC determines to discontinue providing its services with respect to the Bonds, the Board shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

(j) ***Payments to Cede & Co.*** Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the BCRUA to DTC.

(k) ***Notice of Redemption.*** In addition to the method of providing a notice of redemption set forth in the FORM OF BOND, the Paying Agent/Registrar shall give notice of redemption of Bonds by mail, first-class postage prepaid at least thirty (30) days prior to a redemption date to each registered securities depository and to any national information service that disseminates redemption notices. **In addition, in the event of a redemption caused by an advance refunding of the Bonds, the Paying Agent/Registrar shall send a second notice of redemption to the persons specified in the immediately preceding sentence at least thirty (30) days but not more than ninety (90) days prior to the actual redemption date.** Any notice sent to the registered securities depositories or such national information services shall be sent so that they are received at least two (2) days prior to the general mailing or publication date of such notice. The Paying Agent/Registrar shall also send a notice of prepayment or redemption to the Registered Owner of any Bond who has not sent the Bonds in for redemption sixty (60) days after the redemption date. Each notice of redemption, whether required in the FORM OF BOND or in this Section, shall contain a description of the Bonds to be redeemed including the complete name of the Bonds, the Series, the date of issue, the interest rate or rates, the maturity date, the CUSIP number, a reference to the certificate numbers and the amounts called of each certificate, the publication and mailing date for the notice, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and the address at which the Bonds may be redeemed, including a contact person and telephone number. All redemption payments made by the Paying Agent/Registrar to the registered owners

of the Bonds shall include a CUSIP number relating to each amount paid to such Registered Owner.

(1) **Conditional Notice of Redemption.** With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Resolution have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the BCRUA, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the BCRUA shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Section 6. FORM OF BOND. The form of the Bond, including the form of the Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State, with respect to the Bonds initially issued and delivered pursuant to this Resolution, shall be, respectively, substantially as set forth in Exhibit “C”, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution and any Award Certificate including specifically information relating to payment dates, the Bond date and redemption provisions.

Section 7. PLEDGE OF BOND PAYMENTS. (a) **Pledge.** The BCRUA hereby covenants and agrees that the Bond Payments are hereby irrevocably pledged to the payment and security of the Bonds Similarly Secured including the establishment and maintenance of the special funds or accounts created and established on the books and records of the BCRUA for the payment and security thereof, all as hereinafter provided; and it is hereby resolved that the Bonds Similarly Secured, and the interest thereon, shall constitute a lien on and pledge of the Bond Payments and be valid and binding without any physical delivery thereof or further act by the BCRUA, and the lien created hereby on the Bond Payments for the payment and security of the Bonds Similarly Secured shall be prior in right and claim as to any other indebtedness, liability, or obligation of the BCRUA or the BCRUA Project payable pursuant to the terms of the Contract. The BCRUA shall deposit the Bond Payments, as collected and received, into a separate fund and account on the books and records of the BCRUA known as the “Leander Debt Service Fund,” which has previously been created and is hereby confirmed, to be utilized pursuant to the Contract and Sections 9 and 12 hereof to pay the Bonds; provided, however, that the Board of the BCRUA may utilize any revenues, including those generated by the Contract, in excess of the Debt Service Requirements on the Bonds Similarly Secured for any lawful purpose in accordance with this Resolution and the Contract.

(b) **Perfection of Pledge.** Chapter 1208, as amended, Texas Government Code, applies to the issuance of the Bonds Similarly Secured and the lien on and pledge of Bond Payments granted by the BCRUA under subsection (a) of this Section, and such pledge is therefore valid, effective, and perfected. If State law is amended at any time while the Bonds Similarly Secured are

outstanding and unpaid such that the pledge of the Bond Payments granted by the BCRUA is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the Registered Owners of the Bonds Similarly Secured the perfection of the security interest in this pledge, the Board agrees to take such measures as it determines are reasonable and necessary under State law to comply with the applicable provisions of Chapter 9, as amended, Texas Business & Commerce Code and enable a filing to perfect the security interest in this pledge to occur.

Section 8. RATES AND CHARGES. For the benefit of the Registered Owners of the Bonds Similarly Secured and in addition to all provisions and covenants in the laws of the State and in this Resolution, the Contract between the BCRUA and Leander expressly stipulates and agrees, while any of the Bonds Similarly Secured are Outstanding, Leander will fix and collect such rates and charges for services to be supplied by the Leander System as will produce gross revenues at all times during the term of the Contract in an amount equal to pay all of the expenses of operation and maintenance of the Leander System including Annual Payments and Bond Payments under the Contract and all other amounts required by the laws and the provisions of the ordinances or resolutions authorizing the Leander Utility Bonds or other obligations now or hereafter outstanding payable, in whole or in part, from the net revenues of the Leander System, including the amounts required to pay all principal of and interest on such Leander Utility Bonds and other obligations. The BCRUA hereby expressly stipulates that it will maintain rates and charges through the Bond Payments to meet the debt service requirements on the Bonds Similarly Secured and agrees that it will take all appropriate action to enforce such terms of the Contract while any of the Bonds Similarly Secured are Outstanding.

The Registered Owners shall never have the right to demand payment for the Bonds out of any funds raised or to be raised from taxation by Leander or the BCRUA.

Section 9. DISTRIBUTION OF BOND PAYMENTS. After the Bond Payments have been received by the BCRUA such payments shall be further deposited into the Debt Service Fund as required by this Resolution.

Section 10. DEBT SERVICE FUND; CONSTRUCTION FUND; ESCROW FUND. (a) *Debt Service Fund.* For purposes of providing funds to pay the principal of and interest on the Bonds Similarly Secured as the same become due and payable, the BCRUA agrees to maintain, at the Depository, a separate and special fund or account to be created and known as the “Brushy Creek Regional Utility Authority, Inc. City of Leander, Texas Contract Revenue Bonds (Brushy Creek Regional Water Treatment and Distribution Project), Debt Service Fund” (the “Debt Service Fund”). The BCRUA covenants that there shall be deposited into the Debt Service Fund prior to each principal and interest payment date solely from the available Bond Payments made by Leander pursuant to Section 9 of this Resolution an amount equal to one hundred per cent (100%) of the amount required to fully pay the interest on and the principal of the Bonds Similarly Secured then falling due and payable, such deposits to pay maturing principal and accrued interest on the Bonds Similarly Secured to be made in substantially equal monthly installments on or before the first day of each month. If the Bond Payments in any month are insufficient to make the required payments into the Debt Service Fund, then the amount of any

deficiency in such payment shall be added to the amount otherwise required to be paid into the Debt Service Fund in the next month.

The required monthly deposits to the Debt Service Fund for the payment of principal of and interest on the Bonds Similarly Secured shall continue to be made as hereinabove provided until such time as (i) the total amount on deposit in the Debt Service Fund is equal to the amount required to fully pay and discharge all Outstanding Bonds Similarly Secured (principal and interest) or, (ii) the Bonds Similarly Secured are no longer Outstanding.

Any surplus proceeds from the sale of the Bonds, including investment income therefrom, not expended for authorized purposes shall be deposited into the Debt Service Fund, and such amounts (i.e., accrued and investment interest) so deposited into the Debt Service Fund shall reduce the sum otherwise required to be deposited in the Debt Service Fund from Bond Payments.

(b) **Construction Fund.** The BCRUA hereby creates and establishes and shall maintain on the books and records of the BCRUA a separate fund or account to be entitled the “Brushy Creek Regional Utility Authority, Inc. City of Leander, Texas Contract Revenue Bonds (Brushy Creek Regional Water Treatment and Distribution Project), Construction Fund” for use by the BCRUA for payment of Leander’s share of the BCRUA Project. The BCRUA shall deposit the net proceeds from the sale of the Bonds released from escrow as provided in Section 10(c) below into the Construction Fund as provided in this Resolution. Funds in the Construction Fund shall be used for payment of Leander’s share of BCRUA Project Costs. Upon payment of all such costs, any moneys remaining on deposit in the Construction Fund shall be transferred to the Debt Service Fund.

(c) **Escrow Fund.** The Escrow Agreement between the BCRUA and the escrow agent named therein (the “Escrow Agent”) substantially in the form and content presented at this meeting and shown on Exhibit “E” attached hereto, specifying the duties and responsibilities of the BCRUA and the Escrow Agent, is hereby approved and the BCRUA Representative is hereby authorized and directed to execute the Escrow Agreement on behalf of the BCRUA. The Escrow Agent named in the Escrow Agreement is hereby appointed as the Escrow Agent pursuant to such Escrow Agreement.

On the closing date, the BCRUA shall cause the proceeds from the sale of the Bonds to be deposited into the Escrow Fund or, if agreed to by the Purchaser, all or a portion of the proceeds of the Bonds may be deposited into the Construction Fund.

Moneys disbursed from the Escrow Fund established pursuant to the Escrow Agreement shall be applied only for the costs of issuance of the Bonds or the BCRUA Project Costs.

The security for, and the investment of, funds on deposit in the Escrow Fund shall be governed by the provisions of the Escrow Agreement.

Section 11. DEFICIENCIES - EXCESS BOND PAYMENTS. (a) **Deficiencies.** If on any occasion there shall not be sufficient Bond Payments to make the required deposits into the Debt Service Fund, then such deficiency shall be cured as soon as possible from the next available

unallocated Bond Payments and such payments shall be in addition to the amounts required to be paid into these funds or accounts during such month or months.

(b) **Excess Bond Payments.** Subject to making the required deposits to the Debt Service Fund when and as required by this Resolution, any resolution authorizing the issuance of any currently Outstanding Bonds Similarly Secured or any resolution authorizing the issuance of Additional Bonds, any excess Bond Payments may be used by the BCRUA for any lawful purpose including, but not limited to, the redemption of any Bonds Similarly Secured.

Section 12. PAYMENT OF BONDS. While any of the Bonds Similarly Secured are Outstanding, the General Manager or other authorized BCRUA official, shall cause to be transferred to the Paying Agent/Registrar therefor, from funds on deposit in the Debt Service Fund, if necessary, amounts sufficient to fully pay and discharge promptly each installment of interest on and principal of the Bonds Similarly Secured as such installment accrues or matures; such transfer of funds must be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the Business Day next preceding the date a debt service payment is due on the Bonds Similarly Secured.

Section 13. INVESTMENTS. Funds held in any fund or account created, established, or maintained pursuant to this Resolution shall be invested as permitted by the provisions of the BCRUA investment policy and the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code and secured (to the extent not insured by the Federal Deposit Insurance Corporation) to the fullest extent required by the Public Funds Collateral Act, as amended, Chapter 2257, Texas Government Code. All interest and income derived from deposits and investments in any fund shall immediately be credited to, and any losses debited from, the fund from which such funds were derived. All such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds.

Section 14. ISSUANCE OF ADDITIONAL BONDS. In addition to the right to issue bonds of inferior lien as authorized by the laws of this State, the BCRUA reserves the right hereafter to issue Additional Bonds. The Additional Bonds, when issued, shall be payable from and secured by a lien on and pledge of the Bond Payments in the same manner and to the same extent as the Bonds and the other Bonds Similarly Secured, and shall in all respects be of equal dignity. The Additional Bonds may be issued in one or more series provided, however, that no Additional Bonds, shall be issued unless and until the following conditions have been met:

(i) The BCRUA has demonstrated to the satisfaction of the Executive Administrator of the Texas Water Development Board that the pledged Bond Payments will be sufficient for the repayment of all of the Bonds and additional parity obligations;

(ii) Except for a refunding to cure a default, the BCRUA is not then in default as to any covenant, condition or obligation prescribed in the resolutions authorizing the issuance of the Bonds Similarly Secured or the Contract (including any amendment or supplement thereto) and the funds under the resolution authorizing the same contains the amounts then required to be therein;

(ii) A consulting engineer certifies to the BCRUA the need for an estimated amount of additional financing required for completion, expansion, enlargement or improvement of the BCRUA Project as now or hereafter defined in the Contract; provided, however this certification shall not be necessary for the issuance of any refunding bonds;

(iv) Leander, shall have approved the resolution(s) authorizing the issuance of the Additional Bonds as to form and content and acknowledged that the payment of principal of and interest on such Additional Bonds is payable, in whole or in part, from the Bond Payments to be made to the BCRUA under and pursuant to the Contract;

(v) The resolution authorizing the issuance of the Additional Bonds provides for deposits to be made to the Debt Service Fund in amounts sufficient to pay the principal of and interest on such Additional Bonds as the same become due; and

(vi) Based upon an opinion of legal counsel to the BCRUA that there are legal, valid and binding contracts then in effect pursuant to which Leander and others, if any, which are parties to such contracts are obligated to make payments to the BCRUA during each fiscal year (including periods when services of the BCRUA Project may not be available to such contracting parties and others) in such amounts as shall be necessary to provide to the BCRUA sufficient funds to pay when due all principal and interest on all Bonds, Additional Bonds and other Bonds Similarly Secured to be Outstanding after the issuance of the proposed Additional Bonds.

The Bonds Similarly Secured may be refunded (pursuant to any law then available) upon such terms and conditions as the Board of the BCRUA may deem to be in the best interest of the BCRUA; provided, however, such refunding bonds do not have to comply with paragraph (ii) of this Section 14.

Section 15. SPECIAL PROJECT BONDS. The BCRUA further reserves the right to issue bonds in one or more installments for the purchase, construction, improvement, extension, replacement, enlargement or repair of utility facilities necessary under a contract or contracts with persons, corporations, municipal corporations, political subdivisions, or entities including Leander, such bonds to be payable from and secured by the proceeds of such contract or contracts (other than the Contract). The BCRUA further reserves the right to refund such bonds and secure the payment of the debt service requirements on the refunding bonds in the same manner or as otherwise permitted by the laws of the State.

Section 16. MAINTENANCE OF BCRUA PROJECT - INSURANCE. The BCRUA covenants, agrees, and affirms its covenants that while the Bonds Similarly Secured remain outstanding it will maintain and operate the BCRUA Project with all possible efficiency and maintain casualty and other insurance on the properties of the BCRUA Project and its operations of a kind and in such amounts customarily carried by municipal corporations in the State engaged in a similar type of business (which must be in an amount sufficient to protect the interests of the Registered Owners of the Bonds Similarly Secured in the BCRUA Project); and that it will faithfully and punctually perform all duties with reference to the BCRUA Project required by the laws of the State. All money received from losses under such insurance policies, other than public liability policies, shall be retained for the benefit of the Registered Owners of the

Bonds Similarly Secured until and unless the proceeds are paid out in making good the loss or damage in respect of which such proceeds are received, either by replacing the property destroyed or repairing the property damaged, and adequate provision for making good such loss or damage must be made within ninety (90) days after the date of loss. The payment of premiums for all insurance policies required under the provisions hereof shall be considered Maintenance and Operating Expenses of the BCRUA Project. Nothing in this Resolution shall be construed as requiring the BCRUA to expend any funds which are derived from sources other than the operation of the BCRUA Project but nothing herein shall be construed as preventing the BCRUA from doing so.

Section 17. RECORDS AND ACCOUNTS - ANNUAL AUDIT. The BCRUA covenants, agrees, and affirms its covenants that so long as any of the Bonds Similarly Secured remain Outstanding, it will keep and maintain separate and complete records and accounts pertaining to the operations of the BCRUA Project in which complete and correct entries shall be made of all transactions relating thereto as provided by applicable law. The Registered Owners of any Bonds Similarly Secured or any duly authorized agent or agents of such Registered Owners shall have the right to inspect the BCRUA Project and all properties comprising the same. The BCRUA further agrees that following (and in no event later than six (6) months after) the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of Certified Public Accountants. The BCRUA will provide such the annual audit performed by an independent firm of Certified Public Accountants as set forth in Section 30 of this Resolution. Expenses incurred in making the annual audit of the operations of the BCRUA Project are to be regarded as Maintenance and Operating Expenses of the BCRUA Project.

Section 18. SALE OR ENCUMBRANCE OF BCRUA PROJECT. While any Bonds remain Outstanding, the BCRUA will not sell, dispose of or further encumber the BCRUA Project or any substantial part thereof; provided, however, that this provision shall not prevent the BCRUA from (i) pledging the Bond Payments to Additional Bonds or Special Project Bonds as set forth in Sections 14 and 15 of this Resolution or (ii) disposing of any part of the BCRUA Project which is being replaced or is deemed by the BCRUA to be obsolete, worn out, surplus or no longer needed for the proper operation of the BCRUA Project. Any agreement pursuant to which the BCRUA contracts with a person, corporation, municipal corporation or political subdivision to operate the BCRUA Project or to lease and/or operate all or part of the BCRUA Project shall not be considered as an encumbrance of the BCRUA Project; provided, however, no such agreement shall impair the pledge and lien on the Bond Payments.

Section 19. COMPETITION. To the extent it legally may, the BCRUA will not grant any franchise or permit for the acquisition, construction or operation of any competing facilities which might be used as a substitute for the BCRUA Project and will prohibit the operation of any such competing facilities.

Section 20. SPECIAL COVENANTS. The BCRUA further covenants and agrees that: (a) *Title.* The BCRUA lawfully owns or will own and is or will be lawfully possessed of the lands or easements upon which its BCRUA Project is and will be located, and has or will purchase good and indefeasible estate in such lands in fee simple, or has or will lawfully obtain any necessary easements to operate the BCRUA Project, and it warrants that it has or will obtain and

will defend, the title to all the aforesaid lands and easements for the benefit of the Registered Owners of the Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Bond Payments to the payment of the Bonds Similarly Secured, in the manner prescribed herein, and that it has lawfully exercised such rights.

(b) ***Liens.*** The BCRUA will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or its BCRUA Project, and it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge upon its BCRUA Project, provided, however, that no such tax, assessment, or charge, and that no such claims which might be or other lien or charge, shall be required to be paid while the validity of the same shall be contested in good faith by the BCRUA.

(c) ***Performance.*** The BCRUA will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in the resolutions authorizing the issuance of Bonds Similarly Secured, and in each and every Bond Similarly Secured and pay from the Bond Payments the principal of and interest on every Bond Similarly Secured on the dates and in the places and manner prescribed in such resolutions and Bonds Similarly Secured; and that it will, at the times and in the manner prescribed, or cause to be deposited from the Bond Payments the amounts required to be deposited into the Debt Service Fund; and the Registered Owners of the Bonds Similarly Secured may require the BCRUA, its officials, agents, and employees to carry out, respect, or enforce the covenants and obligations of this Resolution or any resolution authorizing the issuance of Bonds Similarly Secured, as the case may be, including, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the BCRUA, its officials, agents, and employees.

(d) ***Legal Authority.*** The BCRUA is duly authorized under the laws of the State to issue the Bonds Similarly Secured; that all action on its part for the authorization and issuance of the Bonds Similarly Secured has been duly and effectively taken, and the Bonds Similarly Secured in the hands of the Registered Owners thereof are and will be valid and enforceable special obligations of the BCRUA in accordance with their terms payable solely from the Bond Payments.

(e) ***Budget.*** The BCRUA will prepare, adopt, and place into effect an annual budget (the "Annual Budget") for Maintenance and Operation Expenses of the BCRUA Project for each Fiscal Year, including in each Annual Budget such items as are customarily and reasonably contained in a utility system budget under generally accepted accounting procedures.

(f) ***Permits.*** The BCRUA will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to the BCRUA Project and which have been obtained from any governmental agency; and the BCRUA has or will obtain and keep in full force and effect all franchises, permits, authorizations, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of the BCRUA Project.

Section 21. LIMITED OBLIGATIONS OF THE BCRUA. The Bonds Similarly Secured are limited, special obligations of the BCRUA payable from and equally and ratably

secured solely by a lien on and pledge of the Bond Payments, and the Registered Owners thereof shall never have the right to demand payment of the principal or interest on the Bonds Similarly Secured from any funds raised or to be raised through taxation by Leander or the BCRUA.

Section 22. DEFAULT AND REMEDIES. (a) *Events of Default.* Each of the following occurrences or events for the purpose of this Resolution is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the BCRUA, the failure to perform which materially, adversely affects the rights of the Registered Owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Resolution, and, if such default is capable of cure, the continuation thereof for a period of sixty (60) days after notice of such default is given by any Registered Owner to the BCRUA; or

(iii) a default by Leander under the Contract.

(b) *Remedies for Event of Default.*

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the BCRUA, or any official, officer or employee of the BCRUA in their official capacity, for the purpose of protecting and enforcing the rights of the Registered Owners under this Resolution, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies. The Registered Owners are third party beneficiaries to the Contract with the ability to enforce the provisions of the Contract for such period that a default exists under the Contract.

(ii) Upon the happening of any Event of Default, then and in every case the Purchaser may exercise all remedies available to it in law or equity, and any provision of this Resolution or the Bonds that restricts or limits the Purchaser's full exercise of these remedies shall be of no force and effect.

(iii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Bonds then Outstanding.

(iv) As long as an Insurer is not in payment default on the related Insurance Policy for the Bonds, the Insurer shall be deemed to be the sole Registered Owner of such Bonds

insured by it for purposes of enforcing remedies in the Event of Default under this Resolution.

(c) ***Remedies Not Exclusive.***

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Resolution, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Resolution.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Resolution, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Resolution do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the BCRUA or the Board.

(iv) None of the members of the Board of Directors, nor any other official or officer, agent, or employee of the BCRUA, shall be charged personally by the Registered Owners with any liability, or be held personally liable to the Registered Owners under any term or provision of this Resolution, or because of any Event of Default or alleged Event of Default under this Resolution.

Section 23. AMENDMENT OF RESOLUTION. (a) ***Amendments Without Consent.*** This Resolution and the rights and obligations of the Board and of the Registered Owners of the Bonds may be modified or amended at any time without notice to or the consent of any Registered Owner of the Bonds or any Bond Similarly Secured, solely for any one or more of the following purposes:

(i) To add to the covenants and agreements of the Board contained in this Resolution, other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Board in this Resolution;

(ii) To cure any ambiguity or inconsistency, or to cure or correct any defective provisions contained in this Resolution, upon receipt by the Board of an opinion of counsel, that the same is needed for such purpose, and will more clearly express the intent of this Resolution;

(iii) To supplement the security for the Bonds, replace or provide additional Credit Agreement, or change the form of the Bonds or make such other changes in the provisions hereof as the Board may deem necessary or desirable and which shall not, in the judgment

of the Board, materially adversely affect the interests of the owners of the Outstanding Bonds;

(iv) To make any changes or amendments requested by any bond rating agency then rating or requested to rate the Bonds, as a condition to the issuance or maintenance of a rating, which changes or amendments do not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Bonds;

(v) To make such changes, modifications or amendments as are permitted by Section 30(c) of this Resolution;

(vi) To make such other changes in the provisions hereof as the Board may deem necessary or desirable and which shall not, in the judgment of the Board, materially adversely affect the interests of the owners of the Outstanding Bonds; or

(vii) To assign the Contract to a trustee.

(b) ***Amendments With Consent.*** Subject to the other provisions of this Resolution, the Registered Owners of Outstanding Bonds aggregating 51% in Outstanding principal amount shall have the right from time to time to approve any amendment, other than amendments described in Subsection (a) of this Section, to this Resolution which may be deemed necessary or desirable by the Board; provided, however, that nothing herein contained shall permit or be construed to permit, without the approval of the owners of all of the Outstanding Bonds, the amendment of the terms and conditions in this Resolution or in the Bonds so as to:

- (1) Make any change in the maturity of the Outstanding Bonds;
- (2) Reduce the rate of interest borne by the Outstanding Bonds;
- (3) Reduce the amount of the principal payable on the Outstanding Bonds;
- (4) Modify the terms of payment of principal of or interest on the Outstanding Bonds, or impose any conditions with respect to such payment;
- (5) Affect the rights of the owners of less than all Bonds then Outstanding; or
- (6) Change the minimum percentage of the Outstanding principal amount of Bonds necessary for consent to such amendment.

(c) ***Notice.*** (i) If at any time the Board shall desire to amend this Resolution other than pursuant to subsection (a) above, the Board shall cause notice of the proposed amendment to be published in a financial newspaper or journal of general circulation in The City of New York, New York or the State including in the Texas Bond Reporter once during each calendar week for at least two (2) successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Paying Agent/Registrar for inspection by all owners of Bonds. Such publication is not required,

however, if the Board gives or causes to be given such notice in writing to each Registered Owner of Bonds.

(ii) In the event S&P and/or Moody's maintains a rating on the Bonds, copies of any modification or amendment to this Resolution shall be sent to S&P and/or Moody's, as applicable, at least ten (10) days prior to the effective date thereof.

(d) **Receipt of Consents.** Whenever at any time not less than thirty (30) days, and within one (1) year, from the date of the first publication of said notice or other service of written notice of the proposed amendment the Board shall receive an instrument or instruments executed by all of the owners or the owners of at least 51% in Outstanding principal amount of Bonds, as appropriate, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file as aforesaid, the Board may adopt the amendatory resolution in substantially the same form.

(e) **Effect of Amendments.** Upon the adoption by the Board of any resolution to amend this Resolution pursuant to the provisions of this Section, this Resolution shall be deemed to be amended in accordance with the amendatory resolution, and the respective rights, duties, and obligations of the Board and all the owners of then Outstanding Bonds and all future Bonds shall thereafter be determined, exercised, and enforced under the resolution and this Resolution, as amended.

(f) **Consent Irrevocable.** Any consent given by any owner of Bonds pursuant to the provisions of this Section shall be irrevocable for a period of six (6) months from the date of the first publication or other service of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the same Bonds during such period. Such consent may be revoked at any time after six (6) months from the date of the first publication of such notice by the owner who gave such consent, or by a successor in title, by filing notice thereof with the Registrar and the Board, but such revocation shall not be effective if the owners of 51% in Outstanding principal amount of Bonds, prior to the attempted revocation, consented to and approved the amendment.

(g) **Ownership.** For the purpose of this Section, the ownership and other matters relating to all Bonds registered as to ownership shall be determined from the Registration Books kept by the Paying Agent/Registrar therefor. The Paying Agent/Registrar may conclusively assume that such ownership continues until written notice to the contrary is served upon the Paying Agent/Registrar.

(h) **Insurer Consent.** Notwithstanding the foregoing provisions of this Section, so long as any Insurer is not in payment default under its policy, no amendment or supplement to this Resolution may become effective except upon obtaining the prior written consent of any such Insurer.

Section 24. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE BONDS. (a) **Covenants.** The Board covenants to take any action necessary to

assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the “IRS Code”), the interest on which is not includable in the “gross income” of the holder for purposes of federal income taxation. In furtherance thereof, the Board covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed or refinanced therewith (less amounts deposited to a reserve fund, if any) are used for any “private business use,” as defined in section 141(b)(6) of the IRS Code or, if more than 10 percent of the proceeds of the Bonds or the projects financed or refinanced therewith are so used, such amounts, whether or not received by the Board, with respect to such private business use, do not, under the terms of this Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the IRS Code;

(2) to take any action to assure that in the event that the “private business use” described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed or refinanced therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a “private business use” which is “related” and not “disproportionate,” within the meaning of section 141(b)(3) of the IRS Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the IRS Code;

(4) to refrain from taking any action which would otherwise result in the Bonds being treated as “private activity bonds” within the meaning of section 141(b) of the IRS Code;

(5) to refrain from taking any action that would result in the Bonds being “federally guaranteed” within the meaning of section 149(b) of the IRS Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the IRS Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with:

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 90 days or less for current refundings and 30 days or less for advance refundings until such proceeds are needed for the purpose for which the Bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed ten (10) percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Tax-Exempt Bonds do not otherwise contravene the requirements of section 148 of the IRS Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the IRS Code (relating to advance refundings); and

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the “Excess Earnings,” within the meaning of section 148(f) of the IRS Code and to pay to the United States of America, not later than sixty (60) days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the IRS Code;

(9) to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, an information statement concerning the Bonds, all under and in accordance with Section 149(e) of the Code and the applicable Regulations promulgated thereunder; and

(10) to assure that the proceeds of the Bonds will be used solely for new money projects.

(b) **Rebate Fund.** In order to facilitate compliance with the above covenant (8), a “Rebate Fund” is hereby established by the Board for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the IRS Code.

(c) **Proceeds.** The Board understands that the term “proceeds” includes “disposition proceeds” as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the Board that the covenants contained herein are intended to assure compliance with the IRS Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the IRS Code, as applicable to the Bonds, the BCRUA will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the IRS Code. In the event that regulations or rulings are hereafter promulgated which impose additional

requirements which are applicable to the Bonds, the BCRUA agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the IRS Code. In furtherance of such intention, the BCRUA hereby authorizes and directs the BCRUA Representative to execute any documents, certificates or reports required by the IRS Code and to make such elections, on behalf of the BCRUA, which may be permitted by the IRS Code as are consistent with the purpose for the issuance of the Bonds. This Resolution is intended to satisfy the official intent requirements set forth in Section 1.150-2 of the Treasury Regulations.

(d) *Allocation Of, and Limitation On, Expenditures for the Project.* The BCRUA covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 2 of this Resolution (the “Project”) on its books and records in accordance with the requirements of the IRS Code. The Board recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Board recognizes that in order for proceeds to be expended under the IRS Code, the sale proceeds or investment earnings must be expended no more than sixty (60) days after the earlier of (1) the fifth (5th) anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired. The Board agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes of this subsection, the Board shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) *Disposition of Project.* The BCRUA covenants that the property constituting the BCRUA Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the Board of cash or other compensation, unless the Board obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of this subsection, the portion of the property comprising personal property and disposed of in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this subsection, the Board shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 25. RESOLUTION TO CONSTITUTE A CONTRACT; EQUAL SECURITY. In consideration of the acceptance of the Bonds, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Board and the Registered Owners from time to time of the Bonds and the pledge made in this Resolution by the Board and the covenants and agreements set forth in this Resolution to be performed by the Board shall be for the equal and proportionate benefit, security, and protection of all Registered Owners, without preference, priority, or distinction as to security or otherwise of any of the Bonds authorized hereunder over

any of the others by reason of time of issuance, sale, or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Resolution.

Section 26. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements, or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements, or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Bonds issued hereunder.

Section 27. PAYMENT AND PERFORMANCE ON BUSINESS DAYS. Except as provided to the contrary in the FORM OF BOND, whenever under the terms of this Resolution or the Bonds, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Bonds, shall occur on a day other than a Business Day, then the performance thereof, including the payment of principal of and interest on the Bonds, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on the date of performance or payment.

Section 28. LIMITATION OF BENEFITS WITH RESPECT TO THE RESOLUTION. With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Resolution or the Bonds is intended or should be construed to confer upon or give to any person other than the Board, the Registered Owners, and the Paying Agent/Registrar, any legal or equitable right, remedy, or claim under or by reason of or in respect to this Resolution or any covenant, condition, stipulation, promise, agreement, or provision herein contained. This Resolution and all of the covenants, conditions, stipulations, promises, agreements, and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the Board, the Registered Owners, and the Paying Agent/Registrar as herein and therein provided.

Section 29. CUSTODY, APPROVAL, BOND COUNSEL'S OPINION, CUSIP NUMBERS, PREAMBLE AND INSURANCE. The BCRUA Representative is hereby authorized to have control of the Bonds issued hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and approval by the Attorney General of the State. The BCRUA Representative is hereby authorized, to the extent deemed necessary or advisable thereby, in the discretion thereof, to request that the Attorney General approve the Bonds as permitted by Chapter 1202, Texas Government Code, in which case the BCRUA Representative also is authorized to request the Comptroller of Public Accounts register the Bonds, and to cause an appropriate legend reflecting such approval and registration to appear on the Bonds and the substitute Bonds. The approving legal opinion of the Board's Bond Counsel and the assigned CUSIP numbers may, at the option of the Board, be printed on the Bonds and on any Bonds issued and delivered in exchange or replacement of any Bond, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Bonds. The preamble to this Resolution is hereby adopted and made a part of this Resolution for all purposes. If insurance is obtained on any of the Bonds, the Bonds shall bear, as appropriate and applicable, a

legend concerning insurance as provided by the municipal bond insurance company issuing any such insurance.

Section 30. COMPLIANCE WITH RULE 15c2-12. (a) *Annual Reports.* The Board shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the Board ending in or after 2018, financial statements of the Board if audited financial statements of the Board are then available, and (2) if not available by such time, audited financial statements of the Board, when and if available. Any financial statements to be provided shall be (i) prepared by a certified public accountant or licensed public accountant in accordance with generally accepted auditing standards or such other accounting principles as the Board may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the Board commissions an audit of such financial statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the Board shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

If the Board changes its fiscal year, it will file notice of the change (and of the date of the new fiscal year end) with the MSRB prior to the next date by which the Board otherwise would be required to provide financial information and operating data pursuant to this Section.

(b) *Event Notices.* The Board shall file notice of any of the following events with respect to the Bonds with the MSRB in a timely manner and not more than 10 business days after the occurrence of the event:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;

(11) Rating changes;

(12) Bankruptcy, insolvency, receivership, or similar event of the Board;

(13) The consummation of a merger, consolidation, or acquisition involving the Board or the sale of all or substantially all of the assets of the Board, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

For these purposes, any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Board in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Board, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Board in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Board.

The Board shall file notice with the MSRB, in a timely manner, of any failure by the Board to provide financial information or operating data in accordance with subsection (a) of this Section by the time required by such subsection.

(c) *Limitations, Disclaimers, and Amendments.* The Board shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Board remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Board in any event will give notice of any deposit that causes the Bonds to be no longer Outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Board undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Board’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Board makes no representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE BOARD BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE BOARD, WHETHER NEGLIGENT OR WITH OR WITHOUT

FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the Board in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Board under federal and state securities laws.

The provisions of this Section may be amended by the Board from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Board, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate principal amount of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Board (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The Board may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the Board also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds, giving effect to (i) such provisions as so amended and (ii) any amendments or interpretations of the Rule. If the Board so amends the provisions of this Section, the Board shall include with any amended financial information or operating data next provided in accordance with this subsection (a) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(d) Format, Identifying Information, and Incorporation by Reference. All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

Financial information and operating data to be provided pursuant to subsection (a) of this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the SEC.

Section 31. APPLICATION OF BOND PROCEEDS. Proceeds from the sale of the Bonds shall, promptly upon receipt thereof, be applied by the BCRUA Representative as follows

an amount sufficient to accomplish the purposes of Section 2 shall be deposited in the Escrow Fund or Construction Fund as authorized by the Texas Water Development Board.

Any sale proceeds of the Bonds remaining after making all deposits and payments provided for above shall be deposited to the Debt Service Fund as provided in Section 10 and applied to the payment of interest on the Bonds.

Section 32. DEFEASANCE PROVISIONS. (a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a “Defeased Bond”) within the meaning of this Resolution, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption or the establishment of irrevocable provisions for the giving of such notice) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the BCRUA with the Paying Agent/Registrar or an eligible trust company or commercial bank for the payment of its services until all Defeased Bonds shall have become due and payable or (3) any combination of (1) and (2). At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Bond Payments as provided in this Resolution, and such principal and interest shall be payable solely from such money or Defeasance Securities, and thereafter the BCRUA will have no further responsibility with respect to amounts available to such Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Bond, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by law) to receive payment when due on the Defeasance Bond.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Bond as aforesaid when proper notice of redemption of such Bonds shall have been given or upon the establishment of irrevocable provisions for the giving of such notice, in accordance with this Resolution. Any money so deposited with the Paying Agent/Registrar or an eligible trust company or commercial bank as provided in this Section may at the discretion of the BCRUA also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the BCRUA.

(c) Notwithstanding any provision of any other Section of this Resolution which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Bonds and

premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the BCRUA shall make proper arrangements to provide and pay for such services as required by this Resolution.

(d) Notwithstanding anything elsewhere in this Resolution, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Bond affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Bond to be paid at its maturity, the BCRUA retains the right under State law to later call that Defeased Bond for redemption in accordance with the provisions of this Resolution, the BCRUA may call such Defeased Bond for redemption upon complying with the provisions of State law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Bond as though it was being defeased at the time of the exercise of the option to redeem the Defeased Bond and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Bond.

Section 33. COMPLIANCE WITH THE TEXAS WATER DEVELOPMENT BOARD'S RULES AND REGULATIONS. The provisions of this Section shall apply so long as the Bonds, or any of them, are owned by the Texas Water Development Board (the "TWDB"). The BCRUA will comply with all of the requirements contained in the resolution or resolutions adopted by the TWDB with respect to the issuance of the Bonds. In addition, in compliance with the TWDB's State Water Implementation Fund for Texas Loan Program Rules, the BCRUA agrees and covenants:

(a) Any loan proceeds from the Bonds that are determined to be surplus proceeds remaining after completion of one or more of the projects described in Section 2 hereof shall be used for the following purposes as approved by the Executive Administrator: (1) deposit into the Debt Service Fund or other debt service account for the payment of interest or principal on the Bonds owned by the TWDB; or (2) eligible costs for a project as authorized by the Executive Administrator.

(b) The BCRUA shall indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment, recycling and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the BCRUA, its contractors, consultants, agents, officials and employees as a result of activities relating to the project, to the extent permitted by law.

(c) BCRUA shall report to the TWDB the amounts of project funds, if any, that were used to compensate historically underutilized businesses that worked on the project, in accordance with 31 TAC § 363.1312.

(d) The TWDB will purchase the Bonds, acting through the TWDB's designated trustee, and the Bonds shall be registered in the name of Cede & Co. and closed in book-entry form in accordance with 31 TAC § 363.42(c)(1).

(e) Neither the BCRUA nor a related party thereto will acquire any of the TWDB's source series bonds in an amount related to the amount of the Bonds to be acquired from the BCRUA by the TWDB.

(f) Payments of principal and interest on the Bonds will be made to the TWDB via wire transfer at no cost to the TWDB.

(g) The BCRUA will provide the TWDB with copies of "as built plans" pertaining to the projects financed, in whole or in part, with any funds of the TWDB.

(h) Within 60 days of completion of the construction of the projects financed, in whole or in part, by the loan evidenced by the Bonds, BCRUA will provide a final accounting to the TWDB of the total costs of the projects; any surplus shall be used in a manner as approved by the Executive Administrator.

(i) So long as any Bonds are held by the TWDB, BCRUA will provide to the TWDB's Executive Administrator, within 180 days of the end of BCRUA fiscal year, a copy of each of its annual audited financial statements, to be submitted without charge.

(j) The BCRUA will maintain the records and accounts described in Section 17 hereof in accordance with generally accepted accounting principles necessary to demonstrate compliance with the TWDB's financial assistance-related legal and contractual provisions.

(k) Upon request by the Executive Administrator, the BCRUA shall submit annual audits of contracting parties for the Executive Administrator's review.

Section 34. FURTHER PROCEDURES. The President of the Board, the BCRUA Representative, and all other officers, employees, and agents of the Board, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Board all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Bonds, the sale and delivery of the Bonds and fixing all details in connection therewith. The BCRUA Representative is authorized to sign this Resolution.

Section 35. DTC LETTER OF REPRESENTATION. The Board approves execution by the BCRUA Representative and delivery to DTC of a "Blanket Letter of

Representations” with respect to the utilization by the Board of DTC’s book-entry-only system and the Board intends to utilize such book-entry-only system in connection with the Bonds.

Section 36. BOND INSURANCE. (a) In connection with the sale of the Bonds, the Board may obtain municipal bond insurance policies from one or more municipal bond insurers (the “Insurer”) to guarantee the full and complete payment required to be made by or on behalf of the Board on some or all of the Bonds as determined by the BCRUA Representative. The BCRUA Representative is hereby authorized to sign a commitment letter with the Insurer and to pay the premium for the bond insurance policies at the time of the delivery of the Bonds out of the proceeds of sale of the Bonds or from other available funds and to execute such other documents and certificates as necessary in connection with the bond insurance policies as he or she may deem appropriate. Printing on Bonds covered by the bond insurance policies a statement describing such insurance, in form and substance satisfactory to the Insurer and the BCRUA Representative, is hereby approved and authorized. The Award Certificate may contain provisions related to the bond insurance policies, including payment provisions thereunder, and the rights of the Insurer or Insurers, and any such provisions shall be read and interpreted as an integral part of this Resolution.

(b) As long as an Insurer is not in default on the related Insurance Policy for the Bonds, the Insurer of a Series shall be deemed to be the sole Registered Owner of such Bonds insured by it for all purposes of this Resolution.

Section 37. REPEAL OF CONFLICTING RESOLUTIONS. All resolutions and all parts of any resolutions which are in conflict or inconsistent with this Resolution are hereby repealed and shall be of no further force or effect to the extent of such conflict or inconsistency.

Section 38. PUBLIC NOTICE. It is hereby found and determined that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting at which this Resolution was adopted; that this Resolution would be introduced and considered for adoption at said meeting; and that said meeting was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

Section 39. NO PERSONAL LIABILITY. No covenant or agreement contained in the Bonds, this Resolution or any corollary instrument shall be deemed to be the covenant or agreement of any member of the Board or any officer, agent, employee or representative of the Board in his individual capacity, and neither the directors, officers, agents, employees or representatives of the Board nor any person executing the Bonds shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Bonds.

Section 40. CREDIT AGREEMENTS. To the extent permitted by law, the BCRUA reserves the right to enter into Credit Agreements in connection with the Bonds, upon the written

opinion of the BCRUA Representative that such Credit Agreements are in the best interest of the BCRUA given the market conditions at the time. The Credit Agreements will constitute a Credit Agreement as defined in this Resolution. Credit Agreements and the obligations thereunder may, pursuant to their terms, constitute (i) debt secured by a pledge of the Bond Payments on parity with the Bonds Similarly Secured (ii) debt secured by an inferior lien secured by a pledge of the Bond Payments subordinate to the Bonds Similarly Secured or (iii) partially parity and partially inferior lien.

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PASSED AND ADOPTED on the _____ day of _____, 2018.

**BRUSHY CREEK REGIONAL
UTILITY AUTHORITY, INC.**

BCRUA Representative

- EXHIBIT A – Definitions
- EXHIBIT B – Form of Award Certificate
- EXHIBIT C - Form of Bond
- EXHIBIT D - Paying Agent/Registrar Agreement
- EXHIBIT E - Escrow Agreement

EXHIBIT A

DEFINITIONS

As used in this Resolution, the following terms and expressions shall have the meanings set forth below, unless the text in this Resolution specifically indicates otherwise.

The term *Additional Bonds* shall mean the obligations issued in accordance with the terms and conditions prescribed in Section 14 hereof.

The term *Annual Payments* shall have the meaning given in the Contract.

The term *Authorized Denominations* shall mean with respect to the Bonds the denomination of \$5,000 or any integral multiple thereof.

The term *Average Annual Debt Service Requirements* shall mean that average amount which, at the time of computation, will be required to pay the Debt Service Requirements on all outstanding Bonds Similarly Secured when due (either at Stated Maturity or mandatory redemption) and derived by dividing the total of such Debt Service Requirement by the number of Fiscal Years then remaining before Stated Maturity of such Bonds Similarly Secured. For purposes of this definition, a fractional period of a Fiscal Year shall be treated as an entire Fiscal Year. Capitalized interest payments provided from Bond proceeds shall be excluded in making the aforementioned computation.

The term *Award Certificate* shall mean the Certificate executed by the BCRUA Representative in connection with the Bonds that establishes the terms of the Bonds issued pursuant to Section 3 of this Resolution.

The term *BCRUA* shall mean Brushy Creek Regional Utility Authority, Inc. and any other public agency succeeding to the powers, rights, privileges and functions of the BCRUA and, when appropriate, the Board of Directors of the BCRUA.

The term *BCRUA Project* shall mean, collectively, the Land Interests and the improvements described in the recitals to the Contract and further described in the Preliminary Design Report, and as shown on Exhibit "D" to the Contract. Without limitation the BCRUA Project includes the facilities, lines, intake structures, storage tanks, booster pumps and other appurtenances in the BCRUA Project as described in the Preliminary Design Report and owned by the BCRUA sufficient to treat the raw water and deliver the treated water to which the Cities, respectively, are entitled under the Contract.

The term *BCRUA Project Costs* means and includes, without limitation, the following costs incurred for the BCRUA Project by or on behalf of the BCRUA or the Cities: (i) the cost of acquisition of the Land Interests, including appraisals, closing costs and title insurance policies; (ii) the cost of acquisition, construction, repair, replacement, improvement or decommissioning of the Facilities, and any structure, item of equipment, or other item, used for, or in connection with, the BCRUA Project; (iii) the cost of site preparation of the Land Interests, including demolition or

removal of structures and improvements as necessary or incident to accomplishing the BCRUA Project; (iv) the cost of engineering, legal, architectural or other related services; (v) the preparation cost of plans, specifications, studies, surveys, cost estimates, and other expenses necessary or incident to planning, providing, or financing the BCRUA Project; (vi) the cost of machinery, equipment, furnishings, and facilities necessary or incident to placing the BCRUA Project in operation; (vii) finance charges and interest before, during, and after construction as permitted by the laws of the State; (viii) costs incurred in connection with financing the BCRUA Project, including, without limitation: (1) financing, legal, accounting, financial advisory, rating agency, and auditing fees, expenses and disbursements; (2) the cost of printing, engraving, and reproduction services; and (3) the cost of a trustee's or paying agent's initial or acceptance fee and subsequent fees; (ix) all costs, fees and expenses of litigation of all kinds; (x) the cost of property casualty and public liability insurance; (xi) the fees and costs of the Purchaser as the anticipated purchasers of the Bonds; (xii) reimbursement of the costs previously incurred by the Cities with respect to the BCRUA Project; and (xiii) other costs generally recognized as part of BCRUA Project construction costs.

The term *BCRUA Representative* shall mean the General Manager of the BCRUA or in his or her absence the President of the Board of BCRUA or such other person authorized by the Board to act as a BCRUA Representative.

The term *Bond Payments* shall mean the payments defined as "Bond Payments" within the Contract that the BCRUA expects to receive from the City of Leander, Texas pursuant to the terms of the Contract.

The term *Bonds* shall mean and include collectively the Bonds issued and delivered pursuant to this Resolution and the Award Certificate for the Bonds and all substitute Bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term *Bond* shall mean any of the Bonds.

The term *Bonds Similarly Secured* shall mean the Outstanding Series 2009 Bonds, the Outstanding Series 2018 Bonds, the Bonds issued pursuant to this Resolution and any Additional Bonds hereafter issued by the BCRUA or bonds issued to refund any of the foregoing if issued in a manner that provides that the refunding bonds are payable from and equally and ratably secured by a lien on and pledge of the Bond Payments.

The term *Business Day* shall mean any day which is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in The City of New York, New York or in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

The term *Certified Public Accountant* shall mean an independent certified public accountant or firm of independent certified public accountants.

The term *Closing Date* shall mean the date of physical delivery of the Bonds issued pursuant to this Resolution for the payment in full by the Purchaser.

The term *Contract* shall mean the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project, dated as of September 2, 2008, as amended by the First Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project dated as of January 22, 2009, by the Second Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project dated as of October 20, 2010, by a “Third Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project” date as of February 12, 2012, and by a “Fourth Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project” dated as of April 25, 2018, and together with any additional amendments and supplements thereto (which by the term of such instrument is designated as a supplement or amendment to such Contract).

The term *Credit Agreement* shall mean an insurance policy, a surety bond (including any supporting insurance agreement), a letter or line of credit or other type of enhancement issued in support of any Bonds Similarly Secured by a Credit Agreement Provider at the request of the BCRUA.

The term *Credit Agreement Provider* shall mean (i) with respect to any Credit Agreement consisting of a policy of municipal bond insurance or a surety bond, an issuer of policies of insurance insuring the timely payment of scheduled debt service on governmental obligations such as the Bonds Similarly Secured, provided that a Rating Agency having an outstanding rating on the Bonds Similarly Secured would rate the Bonds Similarly Secured upon delivery of the Bonds Similarly Secured fully insured by a standard policy issued by the issuer in its highest generic rating category for such obligations; and (ii) with respect to any Credit Agreement consisting of a letter or line of credit, any financial institution, provided that a Rating Agency having an outstanding rating on the Bonds Similarly Secured would rate the Bonds Similarly Secured in one of its two highest generic rating categories for such obligations if the letter or line of credit proposed to be issued by such financial institution secured the timely payment of the entire principal amount of the Bonds Similarly Secured and the interest thereon.

The term *Debt Service Fund* shall mean the special fund or account created and established by the provisions of Section 10(a) of this Resolution.

The term *Debt Service Requirements* shall mean as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the BCRUA as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest calculated by (a) either (i) an interest rate equal to the average rate borne by such Bonds (or by comparable debt in the event that such Bonds have not been outstanding during the preceding 24 months) for any 24 month period ending within 30 days prior to the date of calculation, (ii) if the Bonds bear interest at tax-exempt rates, an interest rate equal to the 24 month average of the Index (as most recently published in The Bond Buyer), unless such index is no longer published in The Bond Buyer, in which case the index to be used in its place shall be that index which the BCRUA Representative determines most closely replicates such index as set forth in a certificate of a BCRUA

Representative, (iii) if the Bonds bear interest at taxable rates, an interest rate equal to the rate of the 30 day London Interbank Offered Rate, (iv) that interest rate which, in the judgment of the BCRUA Representative, based, to the extent possible, upon an accepted market index which corresponds with the provisions of the subject Bonds, is the average rate anticipated to be in effect with respect to such Bonds or (v) that interest rate which, in the judgment of the BCRUA Representative, based upon the interest rate methodology in the applicable Credit Agreement if calculating payments under a Credit Agreement, is the average rate anticipated to be in effect; and (b) that the debt service of such bonds is amortized such that annual debt service is substantially level over the remaining stated life of such bonds, and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

The term *Defeasance Securities* shall mean (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the Board adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provides for the funding of an escrow to effect the defeasance of Bonds are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the Board adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provides for the funding of an escrow to effect the defeasance of Bonds, are rated as to investment quality by a nationally recognized investment rating firm no less than “AAA” or its equivalent, and (iv) any other then authorized securities or obligations under applicable State law in existence at the time of such defeasance that may be used to defease obligations such as the Bonds. The foregoing notwithstanding, the BCRUA Representative may elect in the Award Certificate to modify this definition of “Defeasance Securities” by eliminating any securities or obligations set forth in the preceding sentence upon determining that it is in the best interests of the BCRUA to do so.

The term *Depository* shall mean an official depository bank of the BCRUA.

The term *Designated Trust Office* shall have the meaning ascribed to said term in Section 5(b) of this Resolution.

The term *DTC* shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

The term *DTC Participant* shall mean securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

The term *Federal Securities* shall mean direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America.

The term *Fiscal Year* shall mean the twelve month accounting period used by the BCRUA in connection with the operation of the BCRUA Project, currently ending on September 30th of each year, which may be any twelve consecutive month period established by the BCRUA, but in no event may the Fiscal Year be changed more than one time in any three calendar year period.

The term *Fitch* shall mean Fitch Investors Service, L.P., its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Fitch shall be deemed to refer to any other nationally recognized securities rating agency designated by the BCRUA.

The term *Interest Payment Date* shall mean the date semiannual interest is payable on the Bonds, while any of the Bonds remain Outstanding as established in the Award Certificate.

The term *IRS Code* shall mean the Internal Revenue Code of 1986, as amended.

The term *Land Interests* shall mean the fee simple interests and/or the easements, right-of-way and other interests in real property necessary for the acquisition, construction and operation of the BCRUA Project.

The term *Leander* or *City* means the City of Leander, Texas, a home-rule municipality.

The term *Leander System* shall mean the combined water and wastewater system of Leander together with all future extensions, improvements, enlargements, and additions thereto, including, to the extent permitted by law, storm sewer and drainage and/or reclaimed water systems which are integrated with the waterworks or wastewater disposal system, and all replacements thereof, provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term Leander System shall not include any waterworks or wastewater facilities which are declared by Leander not to be a part of the Leander System and which are hereafter acquired or constructed by Leander with the proceeds from the issuance of "Special Facilities Bonds," which are not secured by or payable from the net revenues of the Leander System, but which are secured by and are payable solely from special contract revenues, or payments received from Leander or any other legal entity, or any combination thereof, in connection with such facilities; and such revenues or payments shall not be considered as or constitute gross revenues of the Leander System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Facilities Bonds."

The term *Leander Utility Bonds* shall mean the bonds, notes or other obligations issued by Leander secured by a lien on and pledge of the net revenues of the Leander System or any part thereof regardless of lien priority including such bonds, notes or other obligations now or hereafter outstanding.

The term *Maintenance and Operation Expenses* shall mean the expenses necessary to provide for the administration, efficient operation and adequate maintenance of the BCRUA's System, including the cost of purchasing water, paying necessary wages, salaries, and benefits, the acquisition of property and materials necessary to maintain the System in good condition and to

operate it efficiently, together with such other costs and expenses as may now or hereafter be defined by law as proper maintenance and operation expenses of the System, including Operation and Maintenance Expenses (as defined in the Contract).

The term *Maturity* shall mean the date on which the principal of a Bond becomes due and payable as therein and herein provided, whether at Stated Maturity, by redemption or otherwise.

The term *Moody's* shall mean Moody's Investors Service, Inc., its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Moody's shall be deemed to refer to any other nationally recognized securities rating agency designated by the BCRUA.

The term *MSRB* shall mean the Municipal Securities Rulemaking Board.

The term *Outstanding* shall mean when used in this Resolution with respect to Bonds Similarly Secured means, as of the date of determination, all Bonds Similarly Secured of any series issued and delivered pursuant to this Resolution or the resolution authorizing such Bonds Similarly Secured, as the case may be, except:

- (1) those Bonds Similarly Secured canceled by the applicable Paying Agent/Registrar or delivered to the applicable Paying Agent/Registrar for cancellation;
- (2) those Bonds Similarly Secured for which payment has been duly provided by the BCRUA in accordance with the provisions of Section 32 of this Resolution (or similar provisions of a resolution authorizing other Bonds Similarly Secured) by the irrevocable deposit with the Paying Agent/Registrar, or an authorized escrow agent, of money or Defeasance Securities, or both, in the amount necessary to fully pay the principal of, premium, if any, and interest thereon to maturity or redemption, as the case may be, provided that, if such Bonds Similarly Secured are to be redeemed, notice of redemption thereof shall have been duly given pursuant to this Resolution or irrevocably provided to be given to the satisfaction of the applicable Paying Agent/Registrar, or waived; and
- (3) those Bonds Similarly Secured that have been mutilated, destroyed, lost, or stolen and replacement Bonds Similarly Secured have been registered and delivered in lieu thereof as provided in Section 5(f) of this Resolution (or similar provisions of a resolution authorizing other Bonds Similarly Secured).

The terms *Paying Agent/Registrar*, *Paying Agent* or *Registrar* shall mean the agent selected by the BCRUA Representative to perform such function in the Award Certificate or any successor agent under the Paying Agent/Registrar Agreement

The term *Preliminary Design Report* shall mean, collectively, the following described documents:

- (i) *Treatment Plant PDR*, "Brushy Creek Regional Water Treatment Plant; Preliminary Design Report" prepared by Camp Dresser & McKee, Inc., dated July, 2008;

(ii) *Raw Water PDR*, “Brushy Creek Regional Water Supply Project - Phase 1 Raw Water Facilities - Floating Intake and Raw Water Pipeline; Preliminary Design Report” prepared by Carter & Burgess, Inc., dated October 2007;

(iii) *Treated Transmission Main, Segment 1 PDR*, “Brushy Creek Regional Utility Authority 78 inch Water Transmission Main Preliminary Engineering Report” prepared by Lockwood, Andrews & Newman, Inc., dated May 24, 2007; and

(iv) *Treated Transmission Main, Segment 2C PDR*, “Preliminary Engineering Report - Treated Water Transmission Line Segment 2C” prepared by K. Friese & Associates, Inc., dated September 2007.

The term *Purchaser* shall mean the Texas Water Development Board.

The term *Rating Agencies* shall mean S&P, Moody’s and/or Fitch according to which of such rating agencies then rates the Bonds Similarly Secured of the applicable series; and provided that if no such rating agency then rates any series of Bonds Similarly Secured of such series, the term “*Rating Agency*” shall refer to any national rating agency (if any) which provides such rating.

The term *Record Date* shall mean, with respect to the Bonds, the Business Day of each month as set forth in the Award Certificate.

The term *Registration Books* shall mean the books or records relating to the registration, payment and transfer or exchange of the Bonds maintained by the Paying Agent/Registrar pursuant to Section 5 of this Resolution.

The term *Registered Owner* shall mean the entity or person in whose names any of the Bonds are registered in the Registration Books.

The term *Resolution* shall mean this resolution adopted by the Board on _____, 2018.

The term *Rule* shall mean SEC Rule 15c2-12, as amended from time to time.

The term *S&P* shall mean S&P Global Ratings, its successors and their assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, *S&P* shall be deemed to refer to any other nationally recognized securities rating agency designated by the BCRUA.

The term *SEC* shall mean the United States Securities and Exchange Commission.

The term *Series 2009 Bonds* shall mean the “Brushy Creek Regional Utility Authority, Inc. City of Leander, Texas Contract Revenue Bonds, (Brushy Creek Regional Water Treatment and Distribution Project), Series 2009”

The term *Series 2018 Bonds* shall mean the “Brushy Creek Regional Utility Authority, Inc. City of Leander, Texas Contract Revenue Bonds, (Brushy Creek Regional Water Treatment and Distribution Project), Series 2018”

The term *Special Project Bonds* shall mean obligations which the BCRUA expressly reserves the right to issue in Section 15 of this Resolution.

The term *State* shall mean the State of Texas.

The term *Stated Maturity* shall mean, when used with respect to the Bonds, the scheduled maturity or mandatory sinking fund redemption date of a series of the Bonds.

EXHIBIT B
AWARD CERTIFICATE

of the aggregate original principal amount thereof plus accrued interest to the date of delivery of the Series 2018 Bonds. None of the Series 2018 Bonds bear interest at an interest rate greater than the maximum authorized by law. Additionally, all of the requirements of Sections 2(a) and 2(b) of the Bond Resolution have been met.

8. The Series 2018 Bonds shall (i) mature in the years and in the principal amounts and be subject to redemption as set forth in Exhibit "A", (ii) bear interest at the rates for each such maturity and such interest shall be payable on the dates set forth in Exhibit "A" and in the Bond Resolution, and (iii) have the other terms and provisions, all as provided in Exhibit "A" and in the Bond Resolution. Each Series 2018 Bond shall reflect the terms set forth in Exhibit "A" and the provisions in the Form of Bond set forth in the Bond Resolution.

9. The Record Date for the interest payable on the Series 2018 Bonds on any interest payment date means the close of business on the fifteenth day of the month preceding such interest payment date.

10. The Private Placement Memorandum, dated _____, ____, 2018, has been received by the undersigned and is hereby approved and deemed final as of its date (subject to the permissible omissions described in Rule 15c2-12) and the preparation and distribution of the final Private Placement Memorandum is hereby approved.

11. Pursuant to Section 30 of the Bond Resolution, the BCRUA agrees to provide annually to the MSRB, in an electronic format as prescribed by the MSRB, the updated financial information and operating data to the extent specified, by the times, subject to the exceptions noted, and as provided in the Bond Resolution and the Private Placement Memorandum under the caption "CONTINUING DISCLOSURE OF INFORMATION."

12. Pursuant to Section 5(a) of the Bond Resolution, _____, _____, _____, has been selected as the Paying Agent/Registrar for the Series 2018 Bonds. Pursuant to Section 10(c) of the Bond Resolution, _____, _____, _____, has been selected as the Escrow Agent for the Series 2018 Bonds.

13. The Initial Bond will be registered in the name of Cede & Co.

[The Remainder of this Page is Intentionally Left Blank]

EXECUTED this _____, 2018.

**BRUSHY CREEK REGIONAL
UTILITY AUTHORITY, INC.**

BCRUA Representative

EXHIBIT A

TERMS OF THE SERIES 2018 BONDS

\$ _____

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
CITY OF LEANDER, TEXAS CONTRACT REVENUE BONDS
(BRUSHY CREEK REGIONAL WATER TREATMENT
AND DISTRIBUTION PROJECT),
SERIES 2018**

GENERAL DESCRIPTION OF SERIES 2018 BONDS

The Series 2018 Bonds in the aggregate original principal amount of \$ _____ will be issued as serial bonds dated _____, 2018, in the original principal amounts for each maturity, maturing on the dates, bearing interest at the rates as set forth in the following Maturity Schedule.

MATURITY SCHEDULE

Interest accrues from: Issuance Date

Interest payable: February 1 and August 1 until maturity or redemption commencing February 1, 20__

<u>Principal Amount</u>	<u>Maturity (August 1)</u>	<u>Interest Rate</u>	<u>Principal Amount</u>	<u>Maturity (August 1)</u>	<u>Interest Rate</u>
\$ __,000	2019	%	\$ __,000	2029	%
\$ __,000	2020	%	\$ __,000	2030	%
\$ __,000	2021	%	\$ __,000	2031	%
\$ __,000	2022	%	\$ __,000	2032	%
\$ __,000	2023	%	\$ __,000	2033	%
\$ __,000	2024	%	\$ __,000	2034	%
\$ __,000	2025	%	\$ __,000	2035	%
\$ __,000	2026	%	\$ __,000	2036	%
\$ __,000	2027	%	\$ __,000	2037	%
\$ __,000	2028	%	\$ __,000	2038	%

REDEMPTION PROVISIONS

Optional Redemption. On August 1, 20__, or on any date thereafter, the Series 2018 Bonds maturing on or after August 1, 20__ may be redeemed prior to their scheduled maturities, at the option of the BCRUA, with funds derived from any available and lawful source, at par plus accrued interest to the date fixed for redemption in whole or in part, only in inverse order of the

maturities outstanding at the time of such redemption, and if less than all of a maturity is to be redeemed the Paying Agent/Registrar shall determine by lot the Bonds, or portions thereof within such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in integral multiples of \$5,000 of principal amount).

EXHIBIT C

FORM OF BOND

(All blanks and any appropriate or necessary insertions or deletions, to be completed as determined by the BCRUA Representative in the Award Certificate.)

**REGISTERED
NO. _____**

**REGISTERED
AMOUNT
\$ _____**

**UNITED STATES OF AMERICA
STATE OF TEXAS
BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
CITY OF LEANDER, TEXAS CONTRACT REVENUE BONDS
(BRUSHY CREEK REGIONAL WATER TREATMENT AND DISTRIBUTION
PROJECT)
SERIES _____**

ISSUANCE DATE: STATED MATURITY INTEREST RATE: CUSIP No.:

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ **DOLLARS**

The Brushy Creek Regional Utility Authority, Inc. (the "BCRUA"), a non-profit corporation of the State of Texas, with its principal office in Round Rock, Texas, for value received, hereby promises to pay to the order of the Registered Owner specified above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount specified above (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid principal amount hereof from the Issuance Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____* and _____* of each year commencing _____*.

Principal and premium, if any, of this Bond shall be payable to the Registered Owner hereof (the "Holder") upon presentation and surrender, at a corporate trust office of the Paying Agent/Registrar executing the registration certificate appearing hereon or a successor thereof.

* As provided in the Award Certificate. To the extent that the Award Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Award Certificate shall be used in the executed Bonds.

Interest shall be payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Resolution hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the _____* day of the month next preceding each interest payment date. All payments of principal of and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. In addition, interest may be paid by such other method, acceptable to the Texas Water Development Board, or such other Registered Owner, requested by, and at the risk and expense, of the Registered Owner; provided, however, that if this Bond is owned by the Texas Water Development Board, interest will be paid by wire transfer or other method acceptable to the Texas Water Development Board, and there will be no charge.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____*(the "Bonds") pursuant to a resolution adopted by the governing body of the BCRUA (the "Resolution"), to pay: (i) LEANDER'S SHARE OF THE COSTS OF DESIGNING, CONSTRUCTING, ACQUIRING, IMPROVING AND/OR EXPANDING THE BCRUA PROJECT INCLUDING BUT NOT LIMITED TO DESIGNING THE PHASE 2 DEEP WATER INTAKE AND PHASE ID WATER TREATMENT EXPANSION, ACQUIRING RIGHTS-OF-WAY AND OTHER INTERESTS IN LAND OR OTHER FACILITIES NECESSARY FOR WITHDRAWAL, TRANSMISSION AND TREATMENT OF RAW WATER AS DESCRIBED IN THE PRELIMINARY DESIGN REPORT AND (ii) THE COSTS OF ISSUANCE OF THE BONDS.

The Bonds stated to mature on and after _____* may be redeemed prior to their Stated Maturities, at the option of the BCRUA, on _____*, or on any date thereafter, in whole or in part, and, if in part, the BCRUA shall in inverse order of maturity select and designate the maturity or maturities in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar) at the redemption price of par, together with accrued interest to the date of redemption, and upon thirty (30) days prior written notice being given by United States mail, first-class postage prepaid, to Holders of the Bonds to be redeemed, and subject to the terms and provisions relating thereto contained in the Resolution. If this Bond is subject to redemption prior to Stated Maturity and is in a denomination in excess of \$5,000, portions of the principal sum hereof in installments of \$5,000 or any integral multiple thereof may be redeemed, and, if less than all of the principal sum hereof is to be redeemed, there shall be issued, without charge therefor, to the Holder hereof, upon the surrender of this Bond to the Paying Agent/Registrar at its corporate trust office, a new Bond or Bonds of like Stated Maturity and interest rate in any authorized denominations provided in the Resolution for the then unredeemed balance of the principal sum hereof.

If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if money

* As provided in the Award Certificate. To the extent that the Award Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Award Certificate shall be used in the executed Bonds.

for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. If this Bond is called for redemption, in whole or in part, the BCRUA or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Bond within forty-five (45) days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Bonds of this series are special obligations of the BCRUA payable from and equally and ratably secured solely by a lien on and pledge of the Bond Payments received by the BCRUA from the City of Leander, Texas pursuant to the provisions of the Contract. In the Resolution, the BCRUA reserves and retains the right to issue Additional Bonds, without limitation as to principal amount but subject to any terms, conditions, or restrictions set forth in the Resolution or as may be applicable thereto under law or otherwise. The Bonds do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the BCRUA or BCRUA Project, except with respect to the Bond Payments. The Bonds are not obligations of the State of Texas.

The Holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

Reference is hereby made to the Resolution, copies of which are on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description and nature of the Special Payments pledged for the payment of the Bonds; the terms and conditions under which the BCRUA may issue Additional Bonds; the terms and conditions relating to the transfer or exchange of the Bonds; the conditions upon which the Resolution may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the BCRUA and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be redeemed or discharged at or prior to the Stated Maturity thereof, and deemed to be no longer Outstanding thereunder; and for the other terms and provisions specified in the Resolution. Capitalized terms used herein have the same meanings assigned in the Resolution.

This Bond, subject to certain limitations contained in the Resolution, may be transferred on the Registration Books upon presentation and surrender at a corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The BCRUA and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Bond as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner hereof for all other

purposes, and neither the BCRUA nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the BCRUA. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" - which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to the issuance of this Bond in order to render the same a legal, valid, and binding special obligation of the BCRUA have been performed, exist, and have been done, in regular and due time, form, and manner, as required by law, and that issuance of the Bonds does not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by a lien on and pledge of the Bond Payments and as otherwise provided in this Resolution. In case any provision in this Bond or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Resolution shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the Board of the BCRUA has caused this Bond to be duly executed with the manual or facsimile signature of the President of the Board and countersigned with the manual or facsimile signature of the Secretary of the Board, and has caused the official seal of the BCRUA to be duly impressed, or placed in facsimile, on this Bond.

BRUSHY CREEK REGIONAL
UTILITY AUTHORITY, INC.

President, Board of Directors

ATTESTED:

Secretary, Board of Directors

(SEAL)

C. Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Bond Only.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER OF § REGISTER NO. _____
PUBLIC ACCOUNTS §
THE STATE OF TEXAS §

I HEREBY CERTIFY that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and duly registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

D. Form of Certificate of Paying Agent/Registrar to Appear on Definitive Bonds Only.

This Bond has been duly issued under the provisions of the within-mentioned Resolution; the Bond or Bonds of the above-entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

Registered this date: _____

as Paying Agent/Registrar

By: _____
Authorized Signature

E. Form of Assignment.

ASSIGNMENT

* As provided in the Award Certificate. To the extent that the Award Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Award Certificate shall be used in the executed Bonds.

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto
(Print or typewrite name, address, and zip code of transferee): _____

(Social Security or other identifying number): _____
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____ attorney to transfer the within Bond on the books kept for registration
thereof, with full power of substitution in the premises.

DATED: _____

NOTICE: The signature on this assignment must correspond with the name of the registered
owner as it appears on the face of the within Bond in every particular.

Signature guaranteed: _____

F. The Initial Bond of each series shall be in the form set forth in paragraph B of this Section,
except that the form of a single fully registered Initial Bond shall be modified as follows:

- i) immediately under the name of the Bond(s) the headings "Interest Rate" and "Stated
Maturity" shall both be completed "as shown below" and "CUSIP No." shall be deleted;
- ii) the first two paragraphs shall read as follows:

Registered Owner: _____

Principal Amount: _____

The Brushy Creek Regional Utility Authority, Inc. (the "BCRUA"), a non-profit corporation of the
State of Texas, with its principal office located in Round Rock, Texas, for value received, hereby
promises to pay to the order of the Registered Owner named above, or the registered assigns
thereof, the Principal Amount specified above on the _____* day of _____* in each of the
years and in principal installments and bearing interest at per annum rates in accordance with the
following schedule:

<u>STATED</u> <u>MATURITY:</u>	<u>PRINCIPAL</u> <u>AMOUNT:</u>	<u>INTEREST</u> <u>RATE:</u>
-----------------------------------	------------------------------------	---------------------------------

(Information to be inserted from Award Certificate).

* As provided in the Award Certificate. To the extent that the Award Certificate relating to the Bonds is inconsistent with any provisions in this
Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Award Certificate shall be used in
the executed Bonds.

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof from the _____*, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, to Stated Maturity or prior redemption, at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on _____* and _____*, commencing _____* (the "Interest Payment Date").

Principal and premium, if any, of this Bond shall be payable to the Registered Owner hereof (the Holder), upon its presentation and surrender, at a corporate trust office of _____*, _____*, _____* (the "Paying Agent/Registrar"). Interest shall be payable to the Holder of this Bond whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the fifteenth day of the month next preceding each interest payment date. All payments of principal of and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder hereof.

iii) initial Bond shall be numbered "T-1."

G. Insurance Legend. If an insurance policy is obtained by the Purchaser or the BCRUA for any Bonds, the definitive Bonds and the Initial Bond shall bear an appropriate legend as provided by the Insurer.

* As provided in the Award Certificate. To the extent that the Award Certificate relating to the Bonds is inconsistent with any provisions in this Form of Bond or contains information to complete missing information in this Form of Bond, the language in the Award Certificate shall be used in the executed Bonds.

EXHIBIT D
PAYING AGENT/REGISTRAR AGREEMENT

EXHIBIT E
ESCROW AGREEMENT

Part B-25 Cedar Park WCP and Drought Contingency Plan

ARTICLE 18.08 DROUGHT CONTINGENCY AND WATER EMERGENCY PLAN*

Sec. 18.08.001 Approval of the plan

The City Council hereby approves the addition of definitions, prohibiting water waste during all drought response stages, and revisions to drought response stages to the City's drought contingency and water emergency plan (the "plan"). The City commits to implement the program changes according to the procedures set forth in the revised plan.

Sec. 18.08.002 Declaration of policy, purpose, and intent

(a) It is hereby declared that, because of the water conditions prevailing in the City, the water resources available to the City shall be put to the maximum beneficial use and that the waste, unreasonable use, or unreasonable method of use of water be prevented, and the conservation of such water to be extended with a view to the reasonable and beneficial use thereof in the interests of the people of the City and for the public health and welfare.

(b) Water uses regulated or prohibited under the plan are considered to be nonessential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to enforcement as defined in [section 18.08.013](#) of this article.

Sec. 18.08.003 Public education

All information, including updates, regarding the plan will be made available to the public at all times on the City's website.

Sec. 18.08.004 Wholesale water customer education

Information regarding the plan will be available to wholesale water customers at all times on the City's website.

Sec. 18.08.005 Coordination and compliance with regional groups

The service area of the City is located within the Lower Colorado Regional Water Planning Area (Region K) and the Brazos Region G., and the City has provided a copy of this plan to both. Furthermore, this plan shall be altered by the City to reflect any regulations dictated by the Lower Colorado River Authority (LCRA) or any other governmental entity authorized to promulgate water conservation regulations applicable to the City.

Sec. 18.08.006 Authorization

The service area of the City is located within the Lower Colorado Regional Water Planning Area (Region K) and the Brazos Region G., and the City has provided a copy of this plan to both. Furthermore, this plan shall be altered by the City to reflect any regulations dictated by the

Lower Colorado River Authority (LCRA) or any other governmental entity authorized to promulgate water conservation regulations applicable to the City.

Sec. 18.08.007 Application

The provisions of this plan shall apply to all persons, customers, and property utilizing water provided by the City. The terms “persons” and “customer” as used in the plan include individuals, corporations, partnerships, associations, and all other legal entities.

Sec. 18.08.008 Definitions

For the purpose of this plan, the following definitions shall apply:

Acre-foot. The amount of water required to cover an area of one acre to a depth of one foot. One acre-foot of water is equal to 325,851 gallons.

Auxiliary source. A source of water other than the City’s public water system which may include reuse effluent, raw, ground or well water.

City. The City of Cedar Park, Texas.

City Manager. The City Manager or any designated person acting on the City Manager’s behalf.

Combined storage. The amount of water stored in acre-feet in Lake Travis and Lake Buchanan according to records kept by the Lower Colorado River Authority (LCRA).

Commercial/nonresidential customer. All other customers not classified as residential customer, including but not limited to businesses, schools, churches, large properties, athletic fields, municipally sponsored public gatherings, government entities, multifamily developments and property management associations (e.g. homeowners associations).

Conservation. Those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer. Any person, company, organization, or legal entity receiving water supplied by the City.

Drip irrigation. A method of irrigation which is typically installed below ground and consists of porous piping or emitters which allow the application of water at a slow and constant rate.

Drought tolerant landscaping. A method of landscaping which conserves water through the use of specific principles of design, plant selection, installation, maintenance, and irrigation methods.

Efficient irrigation technology. Irrigation techniques that use the latest technology with variables such as but not limited to soil moisture sensors, rain shutoff devices, and evapotranspiration based watering system controllers.

Landscape irrigation use. Water used for the irrigation and maintenance of landscaped areas, whether privately or publicly owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Nonessential water use. Water uses that are neither essential nor required for the protection of public health, safety, and welfare. These uses are considered nonessential depending on the current severity drought stage. Such nonessential uses include:

- (1) Irrigation of landscaped areas, including parks, athletic fields, and golf courses, except as otherwise provided by this plan;
- (2) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (3) Use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (4) Use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (5) Flushing gutters or permitting water to run or accumulate in any gutter or street;
- (6) Use of water to fill, refill, or add to any swimming pools or Jacuzzi-type pools;
- (7) Use of water in a fountain or pond for aesthetic or scenic purposes except if the fountain utilizes recirculated water and/or supports aquatic life or wildlife. A person may not operate an ornamental fountain with an aerial emission of water or aerial fall of water greater than four (4) inches other than for aeration necessary to preserve habitat for aquatic life or wildlife;
- (8) Failure to repair a controllable leak(s) within ten (10) business days after having been given notice directing the repair of such leak(s); and
- (9) Use of water for dust control, other than for purposes of public health and safety.

Outdoor water use. Includes, but is not limited to, watering lawns, shrubs, vegetables, athletic fields, large properties, and other types of outdoor vegetation; washing vehicles, boats, and trailers; use of landscape irrigation systems; refilling or adding water to swimming pools or wading pools or ponds; the operation of aesthetic or recreational devices such as water slides; the watering of patios, driveways, parking areas, streets, tennis courts, sidewalks or other paved areas; and the watering of ground foundations.

Residential customer. Any person, company, organization, or other legal type entity receiving water supplied by the City at a location where the principal use of the property is for single-family or duplex habitation.

Soaker hose. A perforated or permeable garden-type hose or pipe that is laid above ground that provides irrigation at a slow and constant rate.

Sec. 18.08.009 Triggering and termination criteria for drought response stages

(a) The City Manager shall monitor the water supply and/or production and shall determine when conditions warrant initiation or termination of each drought response stage of the plan.

(b) The triggering criteria described below are based on combined storage, customer water consumption and water treatment plant production/distribution system capacity; however, the stated triggering criteria are not intended as an exhaustive or finite listing, and regardless of whether any stated triggering criteria are present, the City Manager may initiate and/or terminate each drought response stage of the plan to protect the public health, safety, and welfare and in the best interest of the City.

(1) Stage 1-Voluntary water conservation conditions.

(A) Requirements for initiation. This stage shall be considered the baseline water conservation stage for the City and will be implemented at all times when stages 2–5 are not in effect. Customers shall be requested to adhere to a voluntary twice-per-week outdoor watering schedule and adhere to the water restrictions on nonessential water use, defined in [section 18.08.008](#) of this plan at all times. This stage is designed to promote water efficiency throughout the City.

(B) Target reduction goal. During this stage, the target reduction goal is 5%.

(C) Requirements for termination. Stage 1 of the plan may be rescinded at any time by the City Manager.

(2) Stage 2-Moderate water shortage conditions.

(A) Requirements for initiation. Customers shall be required to comply with the requirements and restrictions on nonessential water uses, defined in [section 18.08.008](#) of this plan at all times when one or a combination of such triggering criteria occurs:

(i) Total daily water demand equals or exceeds 90% of the total operating system treatment capacity for three consecutive days;

(ii) If the combined water storage of Lakes Buchanan and Travis are less than 1,100,000 acre-feet but greater than 750,000 acre-feet;

(iii) Weather conditions are to be considered in drought classification determination. Predicted long, cold, or dry periods are to be considered in impact analysis;

(iv) City Manager discretion.

(B) Target reduction goal. During this stage, the target reduction goal is 10%–20%.

(C) Requirements for termination. Stage 2 of the plan may be rescinded by the City Manager when all of the conditions listed as triggering events have ceased to exist for at least a period of three (3) consecutive days, or at the City Manager's discretion. Upon termination of stage 2, stage 1 becomes operative.

(3) Stage 3-Severe water shortage conditions.

(A) Requirements for initiation. Customers shall be required to comply with the requirements and restrictions on nonessential water uses, defined in [section 18.08.008](#), for stage 3 of this plan when one or a combination of such triggering criteria occurs:

(i) Total daily water demand equals or exceeds 95% of the total operating system treatment capacity for three consecutive days;

(ii) The combined storage of Lakes Buchanan and Travis are less than 750,000 acre-feet but greater than 600,000 acre-feet;

(iii) Water system is contaminated whether accidentally or intentionally. Severe condition is reached immediately upon detection; and/or

(iv) City Manager discretion.

(B) Target reduction goal. During this stage, the target reduction goal is a minimum of 20%.

(C) Requirements for termination. Stage 3 of the plan may be rescinded by the City Manager when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of stage 3, stage 2 becomes operative.

(4) Stage 4-Emergency water shortage conditions.

(A) Requirements for initiation. Customers shall be required to comply with the requirements and restrictions on nonessential water uses, defined in [section 18.08.008](#), for stage 4 of this plan when the City Manager declares it is in the best interest of the City.

(B) Target reduction goal. During this stage, the target reduction goal is a minimum of 30%, or as determined by the LCRA board.

(C) Requirements for termination. Stage 4 of the plan may be rescinded by the City Manager.

Sec. 18.08.010 Drought response stages

The City shall monitor the water supply and/or production as needed and, in accordance with the triggering criteria set forth in [section 18.08.009](#) of the plan, shall determine that a moderate, severe, or extreme condition exists and shall implement the following actions upon public notification:

(1) Stage 1-Voluntary water conservation stage. The goal for stage 1 of the plan is to maintain baseline water conservation measures and raise public and customer awareness of water demand conditions. This stage is designed to promote water efficiency throughout the City.

(A) Voluntary water use measures.

(i) Water customers shall voluntarily limit outdoor water use by participating in the two-day per week watering schedule for outdoor water use. Outdoor water use shall only occur on a designated outdoor watering day, which shall be two days per week. The two-day per week watering schedule will be determined and distributed by the City.

(ii) Residential customer watering days:

a. Last digit of their street address ending in a 0, 2, 4, 6, or 8: Thursday and Sunday.

b. Last digit of their street address ending in a 1, 3, 5, 7, 9: Wednesday and Saturday.

(iii) Commercial customer watering days: Tuesday and Friday.

(iv) Outdoor water use is discouraged between the hours of 10:00 a.m. and 7:00 p.m. except with handheld hoses equipped with a positive pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used, or handheld buckets. The following outdoor water uses are exempt from the voluntary weekly watering schedule and can be done at any time of day:

a. The irrigation of commercial plant nurseries.

b. Irrigation using an auxiliary source.

- c. Irrigation using a soaker hose or drip irrigation.
- d. New landscape installation during installation and the first twenty- one (21) days.
- e. The testing of new irrigation systems or existing irrigation systems being tested or under repair.

(v) All operations of the City shall adhere to nonessential water use restrictions, defined in [section 18.08.008](#).

(vi) Water customers are requested to practice water conservation and adhere to the restrictions on nonessential water uses, defined in [section 18.08.008](#). The following uses constitute a waste of water and are prohibited:

- a. Washing sidewalks, walkways, driveways, parking lots, tennis courts, patios or other hard-surfaced areas except to alleviate immediate health or safety hazards.
- b. Allowing water to run off a property, or allowing water to pond in the street or parking.
- c. Operating a permanently installed irrigation system with broken heads, with heads that are out of adjustment that spray more than 10% of the spray on street or parking lots, or that are misting.
- d. Failure to repair a controllable leak(s) within ten (10) business days after having been given notice directing the repair of such leak(s).
- e. Washing an automobile, truck, trailer, boat, airplane, or other mobile equipment with a handheld hose not equipped with a pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used.

(B) Demand management measures. The City will contact wholesale water customers to discuss water supply and/or production conditions and will request that wholesale water customers initiate voluntary measures to reduce water use.

(2) Stage 2-Moderate water shortage conditions. The goal for stage 2 of the plan is reduce water use by 10%-20%.

(A) Water use restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

(i) Water customers shall be required to limit outdoor water use by participating in the two-day per week watering schedule for outdoor water use. Outdoor water use shall only occur on a designated outdoor watering day. The two-day per week watering schedule will be determined and distributed by the City. Drip irrigation and soaker hoses are permitted for use at all times and are exempt from the weekly watering schedule and daily watering time restrictions. Soaker hoses may be used at any time to water vegetable gardens or trees. Drip irrigation attached to an automatic sprinkler system must have spray head zones turned off.

(ii) Residential customer watering days:

a. Last digit of their street address ending in a 0, 2, 4, 6, or 8: Thursday and Sunday.

b. Last digit of their street address ending in a 1, 3, 5, 7, 9: Wednesday and Saturday.

(iii) Commercial customer watering days: Tuesday and Friday.

(iv) Outdoor water use is prohibited between the hours of 10:00 a.m. and 7:00 p.m. except with handheld hoses equipped with a positive pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used, or handheld buckets. Handheld watering can be done on any day without time restrictions. The time restrictions do not apply to:

a. The irrigation of commercial plant nurseries.

b. Irrigation using an auxiliary source.

c. Irrigation using a soaker hose or drip irrigation.

d. New landscape installation during installation and the first twenty- one (21) days.

e. The testing of new irrigation systems or existing irrigation systems being tested or under repair.

(v) Charity carwashes are allowed on any day at any time with a handheld hose equipped with a pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used.

(vi) The washing of automobiles, trucks, motorbikes, boats, trailers, airplanes and other vehicles is allowed on any day and can be done at any time of day. The washing shall be done with a handheld bucket or handheld

hose equipped with a pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used.

(vii) Splash pads and other commercial recreational water devices are allowed to operate during this stage.

(viii) A person may not use commercially operated cosmetic power/pressure washing equipment unless it is fitted with a spray nozzle using no more than 3.5 gallons of water per minute and employing a working trigger shutoff with a protective weep mechanism. Equipment fitted with this technology is exempt from the watering schedule and is permitted for use at any time of day.

(ix) Use of water from fire hydrants shall be limited to firefighting and activities necessary to maintain public health, safety, and welfare. Use of water from designated fire hydrants for construction purposes may be allowed under special conditions and requires a meter; a variance application must be submitted with an explanation of the special conditions.

(x) Use of water for the irrigation of golf course greens, tees, and fairways is prohibited except on designated watering days. Such irrigation may not take place between the hours of 10:00 a.m. and 7:00 p.m. These restrictions do not apply to the irrigation of any golf course which uses an auxiliary source.

(B) Demand management measures.

(i) The City will initiate contact with wholesale water customers to discuss water supply and/or production conditions and the possibility of pro-rata curtailment of water diversions and/or deliveries.

(ii) The City will request wholesale water customers to initiate mandatory measures to reduce nonessential water use (e.g., implement stage 2 of the customer's drought contingency plan).

(iii) The City will initiate preparations for the implementation of pro-rata water curtailment of water diversions and/or deliveries by preparing a monthly water usage allocation baseline for the wholesale customer according to the procedures specified in [section 18.08.011](#) of the plan.

(iv) The City will provide a report to news media with information regarding current water supply and/or production conditions, projected water supply and demand conditions if drought conditions persist, and consumer information on water conservation measure and practices as needed.

(3) Stage 3-Severe water shortage conditions. The goal for stage 3 of the plan is to reduce water use by 20%.

(A) Water use restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

(i) All requirements of stage 2 shall remain in effect during stage 3 except:

a. Water customers shall be required to participate in the one-day per week watering schedule for outdoor water use within the designated times. Outdoor water use shall only occur on the customer's designated outdoor watering day, which shall be one day every seven days. The one-day per week watering schedule will be determined and distributed by the City Manager.

b. Extended variances beyond 21 days will not be granted for newly installed landscape plant material.

c. Events involving the use of water such as: festivals, parties, water slides, and other activities involving the use of water are permitted if the water being used drains to a recirculating device, or onto a pervious surface to prevent water waste.

(B) Demand management measures. The demand management measures for stage 2 will apply.

(4) Stage 4-Emergency water supply conditions. The goal for stage 4 of the plan is to significantly reduce water use during temporary, emergency water shortage conditions. During stage 4 all outdoor watering is prohibited.

(A) Supply management measures. The City will cease the flushing of water mains except when necessary for reasons of health or safety. All City departments will discontinue irrigating public landscaped areas except when such areas are irrigated with auxiliary water.

(B) Water use restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

(i) All requirements of stage 3 shall remain in effect during stage 4 except:

a. Commercial plant nurseries may use only handheld hoses equipped with a positive pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used or handheld buckets.

b. Water may only be served at restaurants upon request.

- c. Events involving the use of water such as: festivals, parties, water slides, and other activities involving the use of water are prohibited.
- d. All irrigation of landscaped areas is prohibited, including the use of drip and soaker hoses. Outdoor water use with handheld hose is prohibited.
- e. Commercial carwashing facilities may operate for health and safety purposes only.
- f. Use of water from fire hydrants shall be limited to firefighting and activities necessary to maintain public health, safety, and welfare only.
- g. All cosmetic power/pressure washing is prohibited.
- h. The washing of automobiles, trucks, trailers, boats, airplanes, and other types of mobile equipment is prohibited.
- i. Water use at events such as: festivals, parties, water slides, and other activities is prohibited.
- j. A person may not operate a splash pad or other similar aesthetic or recreational use of water.
- k. A person may not use or allow the use of water to test or repair a permanently installed irrigation system or drip irrigation system.
- l. The use of ornamental fountains is prohibited unless the water is necessary to support aquatic life.
- m. Filling of all new and existing swimming pools, hot tubs, wading pools, is prohibited. Replenishing to maintenance level is permitted. Draining is permitted only onto pervious surfaces or onto a surface where water will be transmitted directly to a pervious surface, and only if:
 - 1. Draining excess water from pool due to rain in order to lower water to maintenance level;
 - 2. Repairing, maintaining or replacing pool components that have become hazardous; or
 - 3. Repair of a pool leak.

A. Single-family and commercial pools. The automatic filling, refilling, or adding of potable water to single-family and commercial residential swimming or wading pools and hot tubs due to a leak is prohibited. Single-family residential swimming or wading pools and hot tubs may be refilled manually on the designated watering day before 8:00 a.m. and after 8:00 p.m., or may be refilled using an auxiliary source with no restriction.

B. Public pools. Refilling of public swimming pools as needed due to a leak is permitted on the designated watering day before 8:00 a.m. and after 8:00 p.m., or may be refilled using an auxiliary source with no restriction.

(C) Demand management measures. The demand management measures for stage 3 will apply.

(i) The City Manager will contact wholesale water customers to discuss water supply and/or demand conditions and will request that wholesale water customers initiate additional mandatory measures to reduce nonessential water use (e.g., implement stage 3 or 4 of the customer's drought contingency plan).

(ii) The City Manager will initiate pro-rata water curtailment of water diversions and/or deliveries for each wholesale customer according to the procedures specified in [section 18.08.011](#) of the plan.

(iii) The City Manager will provide a report to news media with information regarding current water supply and/or demand conditions, projected water supply and demand conditions if drought conditions persist, and consumer information on water conservation measures and practices.

(D) In the event that severe water shortage conditions persist (stage 4) for an extended period of time, the City Manager may order water rationing and/or terminate service to selected users of the system in accordance with the following sequence:

(i) Commercial yard meters.

(ii) Commercial users.

(iii) Residential users.

(iv) Hospitals, public health and safety facilities.

(v) Additional measures. Through a contractual agreement with the Lower Colorado River Authority (LCRA), the LCRA may interrupt or curtail the water supplied to the City in accordance with the LCRA's drought management plan.

Sec. 18.08.011 Pro rata water allocation

Every wholesale water contract entered into or renewed by the City after the effective date of this plan, including contract extensions, shall provide that in case of a shortage of water resulting from drought, the water to be distributed shall be divided in accordance with [Texas Water Code section 11.309](#) and the provisions of this plan.

Sec. 18.08.012 Variances

(a) The City Manager may, in writing, grant temporary variance for existing water uses otherwise prohibited under this plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, primary business, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

- (1) Compliance with this plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the plan is in effect.
- (2) Alternative methods can be implemented which will achieve the same level of reduction in water use.

(b) Persons requesting an exemption from the provisions of this article shall file a petition for variance with the City Manager after the plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the City Manager and shall include the following:

- (1) Name and address of the petitioner(s);
- (2) Purpose of water use;
- (3) Specific provision(s) of the plan from which the petitioner is requesting relief;
- (4) Detailed statement as to how the specific provision of the plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this plan;
- (5) Description of the relief requested;
- (6) Period of time for which the variance is sought;

(7) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this plan and the compliance date; and

(8) Other pertinent information.

(c) Variances granted by the City Manager shall be subject to the following conditions, unless waived or modified by the City Manager:

(1) Variances granted shall include a start and end date for compliance;

(2) Variance requests must be submitted no more than two (2) months prior to the requested start date, and no less than 48 hours prior to the requested start date; and

(3) Variances granted shall expire on the date set at the time when the application was granted.

(d) No variance shall be retroactive or otherwise justify any violation of this plan occurring prior to the issuance of the variance.

(e) Additionally, variances may be granted when a customer is using efficient irrigation technology for outdoor irrigation purposes. In order to receive this variance the requestor must have a master valve or flow sensor, the irrigation controller must have a cycle and soak capability, and will be subject to annual random irrigation checks by the City Manager.

Sec. 18.08.013 Enforcement

(a) No person or entity shall use or benefit from the use of water from the City for any purpose in a manner contrary to any provision of this plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the City, in accordance with provisions of this plan.

(b) Any person or entity in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person or entity's property shall constitute a rebuttable presumption that the person or entity in apparent control of the property committed the violation, but any such person or entity shall have the right to show that he/she/it did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this plan and that the parent could not have reasonably known of the violation. Each day that one or more of the provisions in this plan is violated shall constitute a separate violation/offense.

(c) Administrative violation. Except as otherwise stated herein, each violation of this plan may be enforced as an administrative violation, pursuant to the following:

Residential Customer

<u>1st Violation</u>	<u>2nd Violation</u>	<u>3rd Violation</u>	<u>4th Violation</u>
Warning letter	\$50.00 fee	\$100.00 fee	\$200.00 fee

Commercial Customer

<u>1st Violation</u>	<u>2nd Violation</u>	<u>3rd Violation</u>	<u>4th Violation</u>
Warning letter	\$200.00 fee	\$400.00 fee	\$1,000.00 fee

(1) First violation. If the City Manager or their designee reasonably believes that a person or entity has violated this plan, he/she may forward to the person or entity alleged to be in violation of this plan a notice of first violation. The notice of first violation shall be in writing, contain the name and address of the alleged violator (if known), provide a location and brief description of the alleged violation, provide a warning for this first violation and inform him/her of the administrative fees and consequences for subsequent violations, and be forwarded to the alleged violator's utility billing address via first class mail.

(2) Second (and/or subsequent) violation(s). If the City Manager or their designee reasonably believes that a person or entity has violated this plan again within the 12-month calendar year immediately following the date of a preceding violation, he/she shall forward to the person or entity alleged to be in violation of this plan a notice of second (or subsequent) violation. The notice of second (or subsequent) violation shall be in writing, contain the name and address of the alleged violator (if known), provide a location and brief description of the alleged violation, inform him/her of the administrative fee that will be added to the alleged violator's next monthly utility bill and the administrative fees and consequences for subsequent violations, and be forwarded to the alleged violator's utility billing address via first class mail.

(3) Each day that one or more of the provisions in this plan is violated shall constitute a separate violation. Any person, including one classified as a water customer of the City, in apparent control of the property where a violation occurs or originates, shall be presumed to be the violator. Any such person, however, shall have the right to show that he/she did not commit the violation.

(d) Appeal of administrative violation; effect on payment, hearing procedure.

(1) Any alleged violator shall be entitled to appeal an administrative violation under this article as set forth in this subsection. The request or pendency of an appeal under this subsection shall not suspend or delay an alleged violator's obligation to pay current outstanding utility fees and/or administrative fines assessed under this article. Upon successful appeal of an alleged administrative violation, the City shall refund all administrative fines paid by or on behalf of an alleged violator pursuant to this article.

(2) At the alleged violator's discretion, any appeal or final review hearing hereunder this subsection may be conducted via scheduled telephone conference involving the alleged offender, hearing officer(s), City Manager or their designee, and any testifying witnesses. Prior to the commencement of any telephone conference under this subsection, each testifying witness' name, address, telephone number, and relationship to the alleged violator shall be submitted to the City Manager or their designee prior to commencement of such telephone conference, along with any documentary or physical evidence to be presented in such telephone conference. No unidentified witness or unsubmitted evidence shall be considered at the hearing.

(3) If the alleged violator shall fail to attend a scheduled appeal or final review hearing for any reason, it shall be the alleged violator's responsibility to contact the City Manager or their designee to reschedule within three (3) working days of the unattended hearing; failure to do so, or failure to attend the rescheduled hearing for any reason shall constitute a default, render final the pending administrative violation and any assessed administrative fines, and waive the alleged violator's right to appeal.

(4) Within fifteen (15) business days of the date of a notice of violation, an alleged violator may appeal the administrative violation and fee by submitting a written request to the City Manager or their designee. Within ten (10) business days of the City Manager's receipt of such request, the City Manager or their designee shall appoint one or more hearing officers and an appeal hearing ("appeal hearing") shall be held. At the appeal hearing, the alleged violator shall present relevant evidence and bear the burden of proof to show by the majority of the evidence why he/she should not be held in violation of the plan or the administrative fee should not be assessed. The hearing officer(s) shall consider all relevant evidence presented and render a decision in writing within five (5) business days of the conclusion of the appeal hearing ("appeal hearing decision"). A copy of the appeal hearing decision shall be forwarded to the alleged violator's utility billing address via first class mail and email.

(5) The alleged violator may appeal the appeal hearing decision by submitting a written request to the City Manager or their designee within five (5) business days of forwarding the appeal hearing decision. Within five (5) business days of receipt of the alleged violator's timely appeal of the appeal hearing decision, the City Manager or their designee shall conduct a final review hearing ("final review hearing"). At the final review hearing, the alleged violator shall present relevant evidence and bear the burden of proof to show by the majority of the evidence why he/she should not be held in violation of the plan or the administrative fee should not be assessed. The City Manager or their designee shall consider all relevant evidence presented and render a decision in

writing within five (5) business days of the conclusion of the final review hearing (“final review hearing decision”). A copy of the final review hearing decision shall be forwarded to the alleged violator’s utility billing address via first class mail and email. The final review hearing decision by the City Manager or their designee is final and binding.

(e) Notices. All notices regarding alleged administrative violations under this article, including without limitation notices of violation, appeal hearing decisions, and final review hearing decisions, shall be in writing and forwarded to the alleged violator via first class mail and/or certified mail, return receipt requested, to the alleged violator’s current billing address. All notices forwarded in such manner shall be deemed received by the alleged violator within three (3) days of the mailing’s postmark. At an appeal hearing and/or final review hearing under this article, an alleged violator may present evidence that a required notice was not received.

(f) Class C misdemeanor. Alternatively, and at the discretion of the City Manager or their designee, third and subsequent violations within the 12-month period from the date of the alleged violator’s immediately preceding violation may be treated as class C misdemeanor offenses. Any person or entity alleged to have violated this plan may be cited to appear in municipal court for such offense, and, upon conviction, shall be punished by a fine in accordance with the general penalty provision found in [section 1.01.009](#) of this Code.

(g) Termination of service. Upon a person or entity’s second or subsequent violation within the 12-month period immediately following the date of the preceding violation and upon due notice to the person or entity as set forth herein, the City shall be authorized to discontinue water service to the premises where such violations occur. The City shall be so authorized regardless of whether such violation is being simultaneously enforced administratively, under subsection (c), or criminally, under subsection (f). Services discontinued under such circumstances shall be restored only upon payment of a reconnection charge and all other costs incurred by the City in discontinuing service. In addition, suitable assurance must be given to the City that the same action shall not be repeated while the plan is in effect. Compliance with this plan may also be sought through injunctive relief in a court of proper jurisdiction. This subsection shall not be construed to reduce, diminish, or in any manner restrict the City’s right to terminate utility service for nonpayment of fees and fines.

(Ordinance CO33-15-08-13-C1 adopted 8/13/15)

ARTICLE 18.11 WATER CONSERVATION PLAN

Sec. 18.11.001 Utility profile

(a) The city obtains its raw water supply from Lake Travis through a water supply agreement with the Lower Colorado River Authority (LCRA). The city's utility department is the managing municipal entity that owns and operates the surface water treatment facility that withdraws raw water from Lake Travis, treats and disinfects the utility's drinking water supply, and delivers the potable water to its retail and wholesale service area customers. In 2005, the cities of Cedar Park, Leander, and Round Rock established the Brushy Creek Regional Utility Authority ("BCRUA") to develop a three-phase regional water system for treatment and delivery of water from Lake Travis to their respective principal jurisdictions for the next 50 years. The city's water utility operates as Texas Commission on Environmental Quality ("TCEQ") Public Water Supply system 246009 and serves the area defined by TCEQ Certificate of Convenience and Necessity ("CCN") 10160.

(b) The service area of the city's water utility is bordered by Texas Highway 620 to the south and by the City of Leander to the north and lies to the north and northwest of the City of Austin. The city's water utility service area extends to the east past Parmer Lane (FM 734) to Sam Bass Road and to the west along Texas FM 1431 to its intersection with Trails End Road. The city's water utility service area covers more than 36 square miles and served an estimated 2013 population of 84,642 customers.

(c) The city's utility department estimates the year 2014 water service area population at 86,820 and estimates the year 2019 water service area population at 99,000. The city's water utility currently provides about 21,078 service connections (19,759 residential, 1,128 nonresidential, 13 wholesale, 3 reclaimed water and 1 raw water) for its estimated 83,887 water customers. The water utility supplies the following four treated wholesale customers: Williamson-Travis County Municipal Utility District ("MUD") No. 1 with 11 system connections, Blockhouse MUD with 1 system connection, and Indian Springs with 1 system connection. The 13 wholesale system connections account for 4,113 residential and commercial individual connections.

(d) Water system data compiled from 2013 indicated an average daily water use of 11.58 million gallons and a peak daily demand of 20.9 million gallons. The city's water treatment plant has a current capacity to treat 26 million gallons per day ("MGD") of raw surface water from Lake Travis while the BCRUA water plant has a capacity to treat 4.35 MGD. The city's water utility presently has 10.97 million gallons capacity of ground and elevated storage tanks, operates 2 booster pump stations, and has about 324 miles of transmission and distribution system delivery lines.

(e) The city-owned and operated water reclamation facility ("WRF") has a wastewater treatment capacity of 2.5 MGD. The city is also part of the Brushy Creek Wastewater System which has a capacity of 3.58 MGD. The city's wastewater service area (CCN #20580) includes 18 pump stations and about 292 miles of collection system service mains.

Sec. 18.11.002 Conservation goals

(a) The city's annual average water use over the past five years is 164.7 gpcd. The city's annual average water loss over the past five years is 14.5% of water delivered or 24 gpcd. The city's annual average residential water use over the past five years is 104.5 gpcd. Presented below are the city's five year and ten year goals for reducing the annual average water use and water loss.

(1) Five-year conservation goals.

(A) Reduce the average per capita day water usage by 2.5% by 2019 with a goal of achieving 160.6 gpcd. Reduce the average residential per capita day water usage by 2.5% by 2019 with a goal of achieving 101.9 gpcd.

(B) Reduce water loss by 2.5% by 2019 so that water loss is no more than 14.2% of delivered water or 22.8 gpcd.

(2) Ten-year conservation goals.

(A) Reduce the average per capita day water usage by 2.5% between 2019 and 2024 with a goal of achieving 156.5 gpcd by 2024. Reduce the average residential per capita day water usage by 2.5% by 2024 with a goal of achieving 99.3 gpcd.

(B) Reduce water loss by 2.5% between 2019 and 2024 so that water loss is no more than 13.8% of water delivered or 21.6 gpcd by 2024.

(b) The continuation of an on-going public education program, a leak detection monitoring program, a universal metering program, and the staffing of a water conservation coordinator position and other programs described below serve to ensure that the water treatment capacity and distribution system are capable of meeting the growing potable water demands that are expected within the service area, based on the city's projected population growth. This water conservation plan has been adopted and established by the city to meet these objectives.

Sec. 18.11.003 Best management practices

During the 80th Texas Legislative Session, SB3, HB4 and HB3 were all passed and involve state water planning and conservation. TCEQ and the Texas Water Development Board (TWDB) jointly adopted these rules requiring the submission of a water conservation plan from public utilities that provide service to 3,300 or more connections. These utilities must also make annual progress reports to the TWDB, describing how they are implementing the conservation plans. Previously, TWDB-approved water conservation plans were only required from utilities making water rights applications or receiving funding from the TWDB. The TWDB Report 362 Water Conservation Best Management Practices Guide is the reference manual for water conservation practices discussed herein. The best management practices (BMPs) that the city currently utilizes and plans on utilizing to meet their annual water conservation goals are as follows:

BMP Category	BMP	Cedar Park Program Description
Utility practices	Water audit and loss	The city performs a detailed water audit annually to track unaccounted water (ref. section 18.11.006).
	Water conservation pricing	The city has a conservation-oriented (inclining block) water rate schedule with increasingly higher rates after consumption of 2,000 gallons (ref. section 18.11.008 and appendix A, article 8.000).
	Prohibition on wasting water	In the city’s drought contingency and water emergency plan (section 18.08.010), the city prohibits wasting of water under various drought response stages.
	Metering and retrofit	Raw water is metered along with all treated water connections. There is a program in place to monitor and replace meters (ref. sections 18.11.004 and 18.11.005).
Rebates and incentive programs	Showerhead, aerator & toilet flapper replacement program	The city periodically offers incentive or rebate programs such as toilet replacement and rain barrel sales.
Public outreach	Public information	Water conservation public education inserts are provided in utility billing, direct mailings, on the city website, pamphlets and in newspaper articles and advertisements (ref. section 18.11.007). The city works with local businesses, residents, and HOA’s through individual meetings and other events to inform them of the city’s watering schedule.
	Water smart	The city is initiating the launch of the water smart program which will provide residents with detailed

		information about their household water use and how they can take steps to conserve water.
Outdoor programs	Water reuse	In 2013 the city delivered 164 million gallons of reclaimed water for Avery Ranch Golf Course (ref. section 18.11.013).
Other	Water conservation coordinator	Water conservation coordinator assesses conservation efforts, reports on an annual basis and monitors five-year conservation efforts (ref. sections 18.11.016 and 18.11.017).

Sec. 18.11.004 Source supply metering devices

The city meters Lake Travis raw water withdrawals from the LCRA through two (2) meters. These meters are calibrated and tested annually to an accuracy of plus or minus two percent (2%). The BCRUA has one (1) meter.

Sec. 18.11.005 Universal metering and meter maintenance

- (a) All water customers of the city water utility, including city offices and public facilities are metered. The city has installed remote metering throughout the service area.
- (b) Meter replacement and maintenance program. Every residential meter shall be changed out approximately every ten years. Every meter that will be changed out is tested and, if possible, rebuilt. The city is equipped with a meter test bench where all meters two inches (2") and smaller are tested before being put into service. Meters are tested to ensure they meet the American Water Works Association (AWWA) criteria for accuracy. Meters two inches (2") and larger are scheduled to be tested once per year. At any time, a customer may request their meter to be tested. Guidelines for such requests are established in [article 18.01](#), water rates, charges, and service regulations, of this code.

Sec. 18.11.006 Control measures for unaccounted water

The city performs annual water system audits to track unaccounted for water using the following monthly data: billing data (gallons sold), treated water data (gallons pumped), number of repaired leaks (and estimated gallons lost through leakage), and estimated gallons used for line flushing and fire hydrant testing. Additionally, the city performs a detailed water system audit annually as required by the Texas Water Development Board.

Sec. 18.11.007 Public education

(a) Education materials. The city will make available water conservation education materials for its customers on an on-going basis. Such information shall be provided to customers through various mediums including but not limited to: utility bill inserts, pamphlets provided at public facilities, direct mailings, school presentations, and periodic articles published in a local newspaper. When appropriate, the city shall also coordinate education efforts with local water suppliers, agencies, and regulators to promote water conservation education. The city has also recently partnered with the water smart program to provide residents with detailed information regarding their household water use.

(b) New customers. Water conservation information will be available to new water customers when applying for service. This information is made available at city hall and at other designated public buildings.

Sec. 18.11.008 Water rate structure

(a) The city's water rate charges and service regulations are contained in [article 18.01](#), water rates, charges, and service regulations. The inclined user rate structure is contained in [appendix A, article 8.000](#), utility related fees. The residential user rate in place is a minimum monthly base rate for the first two thousand (2,000) gallons used. After residential consumption of the first 2,000 gallons per month, an inclined rate is applied for each of the following volumetric categories: 2,001 gallons to 10,000 gallons, 10,001 gallons to 15,000 gallons and greater than 15,000 gallons. The nonresidential user rate is a minimum base rate based on meter size for the first 2,000 gallons used. After nonresidential consumption of 2,000 gallons, the rate is based on a charge per each additional thousand (1,000) gallons. This rate structure is conservation-oriented as it charges a nominally higher water rate following a customer's consumption of the first 2,000 gallons.

(b) Service regulations that address the conservation of water include the following:

- (1) Requirements that there be no free service.
- (2) All city departments that use water service pay the same user rates set out in the ordinance.
- (3) All usage through city fire hydrants shall be authorized by the city and that usage shall be charged for at a metered rate.

Sec. 18.11.009 Leak detection/repair program

The city investigates all reported leaks, performs periodic visual inspections, and schedules leak detection surveys of the water distribution lines. Reports are prepared and incorporated into the annual system audits; see [section 18.11.006](#) of this article. Work orders are generated and prioritized by this program.

Sec. 18.11.010 Record management system

(a) The city administers a comprehensive record management system that accounts for its water use characteristics. The record management system is maintained by the city's water utility and is configured to provide the following water use information:

- (1) Water diversions;
- (2) Water production;
- (3) Water deliveries;
- (4) Water sales; and
- (5) Water losses.

(b) The city's record management system further allows for the separation of aggregate water sales and water usage characteristics into four customer-specific categories that include:

- (1) Residential (single-family);
- (2) Residential (multifamily);
- (3) Commercial; and
- (4) Other (wholesale).

(c) The cities record management even further allows for the tracking and quantification of water conservation. The following water conservation programs are tracked or proposed for tracking:

- (1) Water audits;
- (2) Metering of new connections and retrofit and replacement of existing connections;
- (4) Annual water conservation reporting by water conservation coordinator.

(d) The record management system will serve as the accounting and records repository for the city's water utility.

Sec. 18.11.011 Water wholesale agreements

This plan shall require that any future or amended wholesale water supply contract that the water utility negotiates with a wholesale customer shall contain a "pass-through" clause that requires direct compliance with [article 18.08](#), drought contingency and water emergency plan. In turn,

should a wholesale customer sell water to another wholesale water entity, then the [article 18.08](#) rules will convey to any additional water utilities and their customers that are served, directly or indirectly, by the water utility.

Sec. 18.11.012 Retrofit/replacement program

The city shall continue to encourage the retrofit or replacement of water efficient plumbing fixtures with the following programs:

- (1) Providing water saving devices such as faucet aerators and shower heads to water customers at a discounted price.
- (2) Encouraging the use of water efficient devices through the availability of public education materials (see [section 18.11.007](#) of this article).

Sec. 18.11.013 Water reuse program

(a) The city's water reclamation facility ("WRF") currently provides treated effluent, up to 1.0 million gallons per day ("MGD"), for the irrigation of the Avery Ranch Golf Course. In 2012, the city completed two projects that use treated effluent and reclaimed water, in place of treated potable water, for irrigation.

(b) With the expansion of the city's field operations center, an irrigation system was installed that uses reclaimed water for the irrigation of surrounding landscape and turf grass, which averages about 60,000 gallons per month. The city also installed an irrigation system that uses treated effluent for irrigation water at one of the city's largest parks, Brushy Creek Sports Park. This water is used to irrigate all of the athletic fields and other landscaping at the park and averages about 1.3 million gallons per month.

(c) The city will continue to look for ways to replace treated potable water with reclaimed water for irrigation purposes. As part of a 2014 utility capital improvement project, the city is installing a pipeline that will be able to deliver reclaimed water for irrigation to other parks and landscaped areas within the city.

Sec. 18.11.014 Drought resistant landscape (xeriscape) program

The city shall encourage customers to utilize drought resistant landscaping techniques through education materials and landscape examples made available to the public (see [section 18.11.007](#) of this article). The city provides program examples and guidance by maintaining the drought resistant plant demonstration garden at city hall, by encouraging the use of drought resistant landscaping principals in the city's landscape and tree regulations ([chapter 15](#) of this code), by encouraging the use of drought tolerant landscaping principals at all city public facilities, and by providing public information on efficient irrigation methods.

Sec. 18.11.015 Reservoir systems operations program

The city obtains its raw water from Lake Travis through a withdrawal contract with LCRA. The city uses floating dock pump stations that are able to withdraw surface water at various stage elevations as the lake’s conservation pool varies in response to flooding and drought conditions. The city, along with the BCRUA, is in the planning stages of a project that will allow for it to be prepared to establish a deeper stage intake than is currently capable that would provide it the ability to withdraw raw water at a lake elevation of about 570 feet (above mean sea level). Such action would provide the city with the ability to secure reservoir withdrawals based upon a lake elevation that is set to the historical extreme conditions caused by the 1950’s drought of record. This additional component to the city’s reservoir operations plan should allow the water utility to provide a reliable, long-term, raw water supply to the city even during the most serious drought conditions.

Sec. 18.11.016 Water conservation coordinator

The city has budgeted and staffed a water conservation coordinator position that is responsible for implementing and maintaining the city’s water conservation program since the late 1990’s. The city’s water conservation coordinator is an individual who is designated to oversee and coordinate water conservation efforts within the water utility’s service area. This position will further document the annual water conservation program implementation status report as it relates to the 30 TAC section 288 reporting requirements that indicate the performance of adopted best management practices (BMPs) described by this plan.

Sec. 18.11.017 Conservation assessment and proposed five-year efforts

Conservation efforts will be monitored and assessed annually over the next five years. The city is evaluating the following water conservation strategies and will implement additional water conservation programs by year 2019.

BMP Category	BMP	Cedar Park Program Description
Rebates and incentive programs	Toilet replacement program	The city will evaluate rebates for installation of low flush toilets for homes built prior to 1992.
Public outreach	School education	The city will evaluate making water conservation presentations to school age children.
	Water IQ	The city will evaluate growing its water IQ public awareness campaign through multi-media approaches.
Outdoor programs	Landscape irrigation	The city will evaluate offering free irrigation audits to residential and commercial customers and offering incentives for water-saving equipment

	conservation and incentives	upgrades such as rebates on new controllers, pressure-reducing valves and rain shut-off devices. The city is also revising our landscape ordinance to emphasize the use of more drought tolerant landscaping.
	Irrigation system analysis	The city will evaluate requiring annual submittal of an annual irrigation system analysis for major irrigators and major water users.
	Rain barrels	The city will evaluate selling water conservation rain barrels to the public and marketing them in pamphlets and mailers.

(Ordinance CO56-14-07-10-C1 adopted 7/10/14)



City of Leander, Texas



Part B-25 Leander WCP and Drought Contingency Plan

STATE OF TEXAS §

§

CERTIFIED COPY

COUNTY OF WILLIAMSON §

I, the undersigned, hereby certify that Ordinance No. 11-027-00, is a complete, true and correct copy, as the same appears in the records of my office, and that said records are kept and maintained as official records of the City of Leander, Texas, a Texas political subdivision, and are kept in the offices of the City in its regular course of business.

I further certify that I am the City Secretary of the City of Leander, Texas, that I am the custodian of the records of the City, and that I have lawful possession and custody of its files and records.

In witness whereof, I have hereunto set my hand this 27th day of April, 2017.

Dara Crabtree

DARA CRABTREE, CITY SECRETARY

[Seal]



ORDINANCE NO. 11-027-00

AN ORDINANCE OF THE CITY OF LEANDER, TEXAS; AMENDING THE WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN; PROVIDING OPEN MEETINGS AND EFFECTIVE DATE CLAUSES

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEANDER, TEXAS, THAT:

Section 1. Amend Article 13.400. The City Council hereby amends Article 13.400, Leander Code of Ordinances in its entirety to read as shown in Exhibit "A", attached hereto and incorporated herein for all purposes.

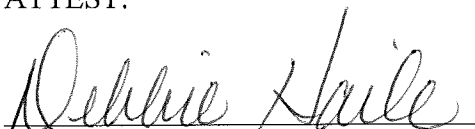
Section 2. Amendment of Ordinances. Article 13.400, Leander Code of Ordinances is amended in its entirety as provided herein. All prior ordinances of the City dealing with or applicable to water conservation and drought contingency plans are hereby amended to the extent of any conflict herewith, and all ordinances or parts thereof conflicting or inconsistent with the provisions of this Ordinance as adopted and amended herein, are hereby amended to the extent of such conflict. In the event of a conflict or inconsistency between this Ordinance and any other code or ordinance of the City, the terms and provisions of this Ordinance shall govern.

Section 3. Effective Date. This Ordinance shall take effect after its passage and publication in accordance with the provisions of the *Tex. Loc. Gov't. Code*.

Section 4. Open Meetings. It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, *Chapt. 551, Tex. Gov't. Code*.

PASSED AND APPROVED this the 1st day of September, 2011.

ATTEST:


Debbie Haile, City Secretary

City of Leander, Texas

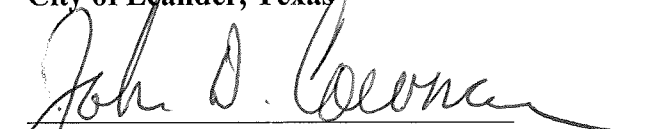

John D. Cowman, Mayor

EXHIBIT A

ARTICLE 13.400 WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN

Sec. 13.401 Declaration of Policy, Purpose and Intent

(a) In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of extreme drought, periods of abnormally high water usage, system contamination, or extended reduction in ability to supply water due to equipment failure, water supply shortage or other water supply emergency conditions, the City of Leander hereby adopts the following regulations and restrictions on the delivery and consumption of water (“the Plan”).

(b) When it appears that the city’s system-wide water demand or water supply warrants the implementation of conservation measures, such measures shall be ordered within the city as provide in this article. The voluntary or mandatory conservation program will be implemented by the directive of the city manager as provided in this article.

(c) Water uses regulated or prohibited under this article are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section 13.411 of this article.

Sec. 13.402 Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the City of Leander by means of scheduling and providing public notice of a public meeting to accept input on the Plan.

Sec. 13.403 Public Education

The City of Leander will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of public events, press releases or utility bill inserts.

Sec. 13.404 Coordination with Regional Water Planning Groups

The service area of the City of Leander, Texas, is located within the Regional Water Planning

Group (RWPG) G, Brazos River Authority; and the City of Leander has given this Plan to the Lower Colorado River Authority, Brazos River Authority, and the City of Cedar Park, Texas.

Sec. 13.405 Authorization

The City Manager of the City of Leander or his/her designees is hereby authorized and directed to implement the applicable provisions of this article upon determination that such implementation is necessary to protect public health, safety and welfare. The city manager or his/her designee shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this article. Unless otherwise specified by the City Manager, the City Manager's primary designee is the Public Works Director and the, alternate designee is the: City Engineer.

Sec. 13.406 Notice Requirements

The City of Leander shall notify the executive director of the Texas Commission on Environmental Quality and LCRA General Manager in writing within five (5) business days of the implementation of any mandatory provisions of the Drought Contingency Plan.

Sec. 13.407 Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the City of Leander. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations and all other legal entities.

Sec. 13.408 Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic Water Use. Water use for ornamental or decorative purposes such as fountains, reflecting pools and water gardens.

Commercial and Institutional Water Use. Water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants and office buildings.

Conservation. Those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer. Any person, company or organization using water supplied by the City of Leander.

DCP. Drought Contingency Plan.

Domestic Water Use. Water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry or institution.

Even number address. Street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial Water Use. The use of water in processes designed to convert materials of lower value into forms having greater usability and value, including the development of power by means other than hydroelectric.

Landscape Irrigation Use. Water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, parks, and rights-of-way and medians.

LCRA. Lower Colorado River Authority, or successor agency.

Livestock water use. The use of water for the open-range watering of livestock, exotic livestock, game animals or fur-bearing animals. For purpose of this definition, the terms “livestock” and exotic “livestock” are to be used as defined in Section 142.001 of the Texas Agriculture Code, as amended, and the terms “game animals” and “fur-bearing animals” are to be used as defined in Section 63.001 and Section 71.001, respectively, of the Parks and Wildlife Code, as amended.

Non-Essential Water Use. Water uses that are not essential nor required for the protection of public, health, safety and welfare, including:

- (1) Irrigation of landscaped areas, including public and private parks, athletic fields, and street right-of-way/medians, except otherwise provided under this article;
- (2) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (3) Use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (4) Use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (5) Flushing gutters or permitting water to run or accumulate in any gutter or street;

- (6) Use of water to fill, refill, or add to any indoor or outdoor swimming pools or Jacuzzi-type pools;
- (7) Use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (8) Failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (9) Use of water from hydrants or flush valves for construction purposes or any other purposes other than fire fighting.

Odd numbered address. Street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

TAC. Texas Administrative Code.

Sec. 13.409 Permanent Water Conservation Measures

(a) A person may not:

- (1) fail to repair a controllable leak, including a broken sprinkler head, a leaking valve, leaking or broken pipes, or a leaking faucet;
- (2) operate a permanently installed irrigation system with:
 - (A) a broken head;
 - (B) a head that is out of adjustment and the arc of the spray head is over a street or parking lot; or
 - (C) a head that is misting because of high water pressure; or
- (3) during irrigation, allow water:
 - (A) to run off a property and form a stream of water in a street for a distance of 50 feet or greater; or
 - (B) to pond in a street or parking lot to a depth greater than one-quarter of an inch.

- (b) Irrigation of apartment common areas shall comply with the following requirements, in conjunction with drought control measures:
- (1) Irrigation of common areas of apartments may only occur between the hours of 7:00 p.m. and 10:00 a.m. Irrigation of apartment common areas is allowed between the hours of 10:00 a.m. and 7:00 p.m. if irrigation of reclaimed water during that time is necessary to meet LCRA regulation requirements.
 - (2) Exceptions. The provision does not apply to the following:
 - (A) Hand watering.
 - (B) Irrigation of new lawns for a period of thirty days from planting or the date of installation.
 - (C) Irrigation by commercial gardens of licensed plant nurseries, provided the owner or licensee or his or her representative is personally on the premises at the time watering is taking place.
 - (D) Irrigation system testing after mowing to identify broken heads, after repairs to flush lines, to properly align sprinkler heads, or to locate a reported leak. A test run may not exceed two minutes and the individual conducting the test must be present to observe system performance.
 - (E) Syringing to cool down hot spots showing visible signs of stress. If syringing is performed by one station, syringing must be performed manually. On large irrigation projects, syringing may be performed by hand-held remote irrigation controllers or computerized central control for no more than three minutes, with the individual running the controllers present and observing the controllers while they are running.
 - (F) Landscape irrigation audits, where the application rate and efficiency of an irrigation system is being tested by aligning heads and placing cups across the turf area and the amount of water caught in the cups is measured. Testing run times of pop-up spray heads are limited to five minutes. Testing run times of impact and rotor heads are limited to fifteen minutes. The auditor performing the test must be present and must observe sprinkle performance.

Sec. 13.410 Initiation and Termination of Drought Response Stages

- (a) The city manager or his/her designee shall monitor the water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or

termination of each stage of the plan, that is, when the specified “triggers” are reached. Water supply conditions will be determined by the source of supply, system capacity, and weather conditions. Water demand will be measured by the peak daily demands on the system.

- (b) The triggering criteria described below are based on information provided by the Lower Colorado River Authority, Brazos River Authority and/or the City of Cedar Park and are further based on known system capacity limits.
- (c) Public notification of the initiation or termination of drought response stages shall be by a variety of ways, examples include: bill inserts, e-mail and automated telephone calls, signs posted at entry points to the service area or a combination of these methods.
- (d) Unless there is an immediate and extreme reduction in water production, or other absolute necessity to declare an emergency or severe condition, the city will initially declare Stage I restrictions. If, after a reasonable period of time, demand is not reduced enough to alleviate outages, reduce the risk of outages, or comply with restrictions required by a court, government agency or other authority, Stage II may be implemented with Stage III and Stage IV to follow if necessary.

(1) **Stage I: Mild Water Shortage Conditions (Voluntary Water Conservation Measures)**: As the City of Leander’s limiting factor is water treatment capacity and water usage typically peaks during the summer months, Stage I of the Plan is in effect each year from May 1 through September 30. A reminder notice will be placed in the utility billing before May 1. Stage I follows a voluntary conservation measure to minimize the waste of water and reduce the peak demand on the water treatment and distribution system. Voluntary restrictions during Stage I do not implement mandatory provisions of the Plan. Notice(s) will be designed to increase customer awareness of water conservation and encourage the most efficient use of water. A copy of the current public announcement on water conservation awareness shall be kept on file and available for inspection by the TCEQ.

(A) **Triggers**: Customers shall be requested to adhere to the Stage 1 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. **Treatment Capacity**: For surface water systems, when total daily water demand equals or exceeds 80 percent of the total operating system treatment capacity for three consecutive days, or 85 percent on a single day;
2. **Water Supply**: Combined storage of Lakes Travis and Buchanan reaches

1.4 million acre-feet in accordance with the LCRA Drought Contingency Plan for Firm Water Customers (DCP).

(B) Reduction Targets

1. System Capacity Reduction Target: Limit daily water demand to no more than 80% capacity for three days.
2. Water Supply Reduction Target: Achieve a 5% reduction in water use.

(C) Voluntary Water Use Restrictions

1. Supply Management Measures:
 - a. The City of Leander will review system operations and identify ways to improve system efficiency and accountability.
 - b. Actively promote drought related issues and the need to conserve.
2. Demand Management Measures:
 - a. Ask customers to voluntarily comply with the water-use restrictions outlined in Stage 2 of this plan, including watering landscapes no more than twice per week.
 - b. Water customers are requested to voluntarily limit the use of water for non-essential purposes and to practice water conservation.
 - c. Water customers are reminded to follow the year-round water waste restrictions.
 - d. Water customers are requested to take steps to reduce all non-essential uses of water.

(D) Wholesale Water Use Restrictions

1. When Leander is utilizing water from a wholesale supplier, and wholesale supplier has declared Stage I restrictions under the wholesale supplier's Drought Contingency Plan, additional water use restrictions, which are mandatory, will also apply.
2. The City of Leander will contact wholesale treated water customers to discuss supply and demand conditions. The City of Leander will provide a limited supply of consumer information and materials on water conservation measures and practices to wholesale customers.

(E) Requirements for termination: Stage 1 of the plan may be rescinded when:

1. Treatment Capacity: The water treatment plant capacity condition listed above as a triggering event for Stage 1 has ceased to exist for five consecutive days
2. Water Supply: The LCRA announces that voluntary restrictions by its firm raw water customers are no longer needed in accordance with the LCRA DCP.
3. Upon termination of Stage 1, the City will publicly announce the termination to its customers and notify the LCRA. No notice to the TCEQ is required.

(2) Stage 2: Moderate Water Shortage Conditions (Mandatory Water Conservation Measures).

(A) Triggers: Customers shall adhere to the Stage 2 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity
 - a. For surface water systems, when total daily water demand equals or exceeds 93 percent of the total operating system treatment capacity for three consecutive days, or 95 percent on a single day or
 - b. Pump hours per day of 18 hours.
2. Water Supply: Combined storage of Lakes Travis and Buchanan reaches 900,000 acre-feet in accordance with the LCRA DCP.

(B) Reduction Targets:

1. System Capacity Reduction Target: Limit daily water demand to no more than 80% capacity for three days or 85% for one day.
2. Water Supply Reduction Target: Achieve a 10-20% reduction in water use and 17 pump hours per day.

(C) Mandatory Water Use Restrictions

1. Supply Management Measures:
 - a. Apply all water-use restrictions prescribed for Stage 2 of the plan for City of Leander utility owned facilities and properties.

- b. Discontinue water main and line flushing unless necessary for public health reasons.
 - c. Keep customers informed about issues regarding current and projected water supply and demand conditions.
 - d. Visually inspect lines and repair leaks on a regular basis.
 - e. Conduct a monthly review of customer use records and follow-up on any that have unusually high usage.
2. Demand Management Measures: Under threat of penalty, the following water-use restrictions shall apply to all retail water customers:
- a. Irrigation of Landscaped Areas:
 - i. If the combined water storage of lakes Buchanan and Travis are less than 900,000 AF, irrigation of landscaped areas with hose-end sprinklers or in-ground irrigation systems shall be limited to a no more than the TWICE weekly watering schedule shown in subsection 2(b) below and based on the nature of the current drought or water emergency. Irrigation of recreational areas may apply for a variance but must still develop a schedule where no part of the landscape is watered more than twice per week.
 - ii. Water Schedule (Twice a Week for Customers). Irrigation outdoors using an in-ground irrigation system or hose-end sprinkler only during the scheduled days and times as indicated below:
 - aa. Odd number residential addresses: Irrigate only on Wednesdays and Saturdays.
 - bb. Even number residential addresses: Irrigate only on Thursdays and Sundays.
 - cc. Commercial and multi-family (including large landscapes such as HOA common areas): Irrigate only on Tuesdays and Fridays.
 - iii. Outdoor Watering Hours are midnight to 10 a.m. and 7 p.m. to midnight on the designated days. This prohibition does not apply to irrigation of landscaped areas if it is by means of a hand-held hose or a faucet-filled bucket or watering can of five gallons or less.

iv. New landscapes may be installed and re-vegetation seeding performed under these specific criteria:

aa. A completed variance form for new landscapes has been submitted to the City of Leander and has been approved prior to the installation of the landscape, or re-vegetation seed application. New building and development permits with associated landscape installations approved in connection with the permit are exempt from submitting a separate variance request, but must comply with applicable provisions of this ordinance, including, but not limited to subsection (dd) below which makes the variance effective for 30 days only.

bb. Irrigation of the new landscape follows the schedule identified in the new landscape variance. The schedule will be developed to minimize water waste.

cc. Areas being re-vegetated for soil stabilization must also comply with the (aa) and (bb) specific criteria above. Options for re-vegetation may be available in times of low water supply.

dd. Variances for new landscapes may be issued for a period of no more than 30 days from the day of issuance. A variance is not an exemption from compliance with the permanent water use restrictions under Section 13.409 of this plan. Variances will not be granted for seasonal "color bed" or temporary grass installation (over-seeding).

- b. Vehicle Washing: Use of water to wash any motor vehicle, such as a motorbike, boat, trailer, or airplane is prohibited except on designated watering days between the hours of midnight and 10 a.m. and between 7 p.m. and midnight. Such activity, when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle. A vehicle may be washed any time at a commercial car wash facility or commercial service station. Further, this activity is exempt from these regulations if the health, safety, and welfare of the public are served by washing the vehicle, such as a truck used to collect garbage or used to transport food and perishables.
- c. Use of water to fill, refill, or add to any swimming pools, hot tubs, wading pools, is prohibited, except on designated watering days and hours. Draining is permitted only onto pervious surfaces or onto a

surface where water will be transmitted directly to a pervious surface, and only if:

- i. Draining excess water from pool due to rain in order to lower water to maintenance level;
 - ii. Repairing, maintaining or replacing pool components that have become hazardous; or
 - iii. Repair of a pool leak.
- d. Refilling of public/community swimming pools is permitted only if pool has been drained for repairs, maintenance, or replacement as outlined in items above.
- e. Outside Water Features: Operation of outside water features, such as, but not limited to, fountains, splash pad type fountains or outdoor misting systems, is prohibited, except where such features are used to sustain aquatic life or maintain water quality. (This provision includes fountains associated with aesthetic ponds and swimming pools).
- f. Ponds: Ponds used for aesthetic, amenity, and/or storm water purposes may maintain water levels only necessary to preserve the integrity of the liner and operating system. City staff may request specific design documentation regarding a pond and the intended purpose.
- g. Golf Courses receiving any amount of treated water from a City of Leander utility must develop a drought contingency plan that meets the minimum water reduction target set for Stage 2.
- h. Events involving the use of water such as: car washes, festivals, parties, water slides, and other activities involving the use of water are permitted, if the water being used drains to a recirculating device, or onto a pervious surface to prevent water waste.
- i. Restaurants are encouraged to serve water to their patrons only upon request.
- j. Fire Hydrants: Use of water from fire hydrants shall be limited to firefighting and activities necessary to maintain public health, safety, and welfare. Use of water from designated fire hydrants for construction purposes may be allowed under special conditions and requires a meter; a variance application must be submitted with an explanation of the

special conditions.

- k. Recreational areas (includes parks and athletic fields): The areas can only be used for designated or scheduled events or activities. Unnecessary foot traffic must be discouraged. Watering must follow a no more than twice per week schedule. A variance can be obtained if watering cannot be completed on the designated two day schedule.
- l. Water Waste: The following non-essential uses of water are prohibited at all times during periods in which restrictions have gone into effect:
 - i. Washing sidewalks, walkways, driveways, parking lots, street, tennis courts, and other impervious surfaces is prohibited except for immediate health and safety;
 - ii. Washing buildings, houses or structures with a pressure washer or garden hose is prohibited for aesthetic purposes but allowable for surface preparation of maintenance work to be performed;
 - iii. Flushing gutters or flooding gutters is prohibited except for immediate health and safety; and
 - iv. Controlling dust is prohibited, unless there is a demonstrated need to do so for reasons of public health and safety, or as part of an approved construction plan.
 - v. Other uses that waste such running down the gutter are prohibited.

(D) Wholesale Water Use Restrictions:

- 1. When Leander is utilizing water from a wholesale supplier, and wholesale supplier has declared Stage II restrictions under the wholesale supplier's Drought Contingency Plan, additional water use restriction, which are mandatory, will also apply.
- 2. The City will keep wholesale treated water customers informed about demand and current and projected supply conditions. The City will initiate discussions with wholesale treated water customers about potential curtailment and implementation of mandatory measures to reduce all nonessential water uses.

(E) Requirements for termination.

1. Stage 2 of the plan may be rescinded when:
 - a. Treatment Capacity: The water treatment plant capacity condition listed above as a triggering event for Stage 2 has ceased to exist for five consecutive days
 - b. Water Supply: The LCRA announces that mandatory restrictions by its firm raw water customers are no longer needed in accordance with the LCRA DCP.
2. Upon termination of Stage 2, the City will publicly announce the termination to its customers and notify the LCRA. Notice to the TCEQ is required.
3. Stage 1 becomes operative upon termination of Stage 2.

(3) Stage 3: Severe Water Shortage Conditions (Mandatory Water Conservation Measures)

(A) Triggers: Customers shall adhere to the Stage 3 Drought Response Measures when one or a combination of such triggering criteria occurs:

1. Treatment Capacity:
 - a. When total daily water demand equals or exceeds 95 percent of the total operating system treatment capacity for three consecutive days, or 97 percent on a single day; or
 - b. Pump hours per day of 22 hours.
2. Water Supply:
 - a. Combined storage of Lakes Travis and Buchanan reaches 600,000 acre-feet, in accordance with the LCRA DCP, or
 - b. The LCRA Board declares a drought worse than the Drought of Record or other water supply emergency and orders the mandatory curtailment of firm water supplies.

(B) Reduction Targets:

1. System Capacity Reduction Target: Limit daily water demand to no more

than 80% capacity for three days or 85% for one day.

2. Water Supply Reduction Target: Achieve a 20% reduction in water use and 17 pump hours per day.

(C) Mandatory Water Use Restrictions

1. Supply Management Measures: In addition to measures implemented in the preceding stages of the plan, affected City of Leander water utility systems will explore additional emergency water supply options.
2. Demand Management Measures: Under threat of penalty, all retail customers are required to further reduce non-essential water uses as follows. All requirements of Stage 2 shall remain in effect during Stage 3, with the following modifications and additions.

a. Irrigation of Landscaped Areas:

- i. Irrigation of landscaped areas with hose-end sprinklers or in-ground irrigation systems shall be limited to a no more than the ONCE weekly watering schedule shown in subsection 2(a)(ii) below and based on the nature of the current drought or water emergency. Irrigation of recreational areas may apply for a variance but must still develop a schedule where no part of the landscape is watered more than once per week.

ii. Water Schedule (Once a Week for Customers)

aa. Odd number residential addresses: Irrigate only on Wednesdays.

bb. Even number residential addresses: Irrigate only on Thursdays.

cc. Commercial and multi-family (including large landscapes such as HOA common areas): Irrigate only on Tuesdays.

dd. Outdoor Watering Hours are midnight to 10 a.m. and 7 p.m. to midnight on the designated days. This prohibition does not apply to irrigation of landscaped areas if it is by means of a hand-held hose or a faucet-filled bucket or watering can of five gallons or less.

b. Vehicle Washing:

Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane, or other vehicle is prohibited. A vehicle can be washed at any time at a commercial car wash facility or commercial service station that recycles its water. Further, this activity is exempt from these regulations if the health, safety, and welfare of the public are served by washing the vehicle, such as a truck used to collect garbage or used to transport food and perishables.

c. Pools:

Installation of swimming pools is prohibited. The filling or replenishing of water to swimming pools, hot tubs, wading pools, and other types of pools is prohibited. Public/community swimming pools may be exempt from this prohibition to maintain safe levels of water quality for human contact.

d. Golf Course:

Golf courses receiving any amount of treated water from a City of Leander utility must develop a drought contingency plan in accordance with the City of Leander's Drought Contingency Plan and will implement its Stage 3 mandatory restrictions in conjunction with water provider.

e. Events:

Events involving the use of water such as: car washes; festivals; parties; water slides; and other activities involving the use of water are prohibited.

f. Recreational areas (includes parks and athletic fields):

The areas can only be used for designated or scheduled events or activities. Unnecessary foot traffic must be discouraged. Watering is prohibited except with a hand-held hose.

(D) Wholesale Water Use Restrictions.

1. When Leander is utilizing water from a wholesale supplier, and wholesale supplier has declared Stage 3 restrictions under the wholesale supplier's Drought Contingency Plan, additional water use restriction, which are mandatory, will also apply.
2. The City will contact its wholesale treated water customers to initiate mandatory measures to control water demand and to ensure capacity for emergency response requirements. Mandatory measures will include the curtailment of nonessential water uses in accordance with the wholesale treated water customer's own drought contingency plan.

In addition, if the Stage 3 triggering criteria is based on a water supply shortage, the City will initiate the curtailment of water provided to wholesale treated water customers on a pro rata basis, in accordance with the LCRA DCP.

(E) Requirements for termination.

1. Stage 3 of the plan may be rescinded when:
 - a. Treatment Capacity: The water treatment plant capacity condition listed above as a triggering event for Stage 3 has ceased to exist for five consecutive days
 - b. Water Supply: The LCRA announces that mandatory restrictions by its firm raw water customers are no longer needed in accordance with the LCRA DCP.
2. Upon termination of Stage 3, the City will publicly announce the termination to its customers and notify the LCRA. Notice to the TCEQ is required.
3. Stage 2 becomes operative upon termination of Stage 3.

(4) Stage 4: Emergency Water Conditions. The City will implement Stage IV when any one of the selected triggers is reached.

(A) Triggers: Customers shall adhere to the Stage 4 Drought Response Measures

when one or a combination of the following triggering criteria occurs:

1. Treatment Capacity:

- a. Major water line breaks or pump system failures that cause substantial loss of ability to provide water service.
- b. When total daily water demands equal or exceed 100 percent of the total operating system treatment capacity.
- c. Pump hours per day of 24 hours.

2. Water Supply:

- a. Natural or man-made contamination of the water supply source; or
- b. Any other emergency water supply or demand conditions that the LCRA general manager or the LCRA Board determines that either constitutes a water supply emergency or is associated with the LCRA Board declaration of a drought worse than the drought of record.

(B) Reduction Targets: Water use reduction target is less than or equal to 90% of treatment capacity and less than 22 pump hours per day.

(C) Mandatory Water Use Restrictions

Under threat of penalty for violation, all retail customers are required to reduce nonessential water uses during an emergency. All requirements of Stages 1 through 3 are also in effect during stage 4, with the following modifications and additions:

1. Irrigation of landscaped areas is prohibited.
2. Use of water from fire hydrants shall be limited to firefighting and activities necessary to maintain public health, safety, and welfare only.
3. No applications for new, additional, expanded, or larger water service connections, meters, service lines, pipeline extensions, mains, or water service facilities of any kind shall be allowed or approved.

(D) Upon declaration of Stage 4: Emergency Water Conditions, water use restrictions outlined in Stage 4 Emergency Response Measures shall immediately apply.

(E) Wholesale Water Use Restrictions:

1. When Leander is utilizing water from a wholesale supplier, and wholesale supplier has declared Stage IV restrictions under the wholesale supplier's Drought Contingency Plan, additional water use restriction, which are mandatory, will also apply.
2. All requirements of Stage 3 shall remain in effect during Stage 4. Additional measures may be added as needed.

(D) Utility Measures: The City shall visually inspect lines and repair leaks on a regular basis. Flushing is prohibited except for dead end mains and only between the hours of 9:00 p.m. and 3:00 a.m. Emergency interconnects or alternative supply arrangements shall be initiated. All meters shall be read as often as necessary to insure compliance with this program for the benefit of all the customers.

(E) Requirements for termination.

1. Stage 4 of the plan may be rescinded when:
 - a. Treatment Capacity: The water treatment plant capacity condition listed above as a triggering event for Stage 4 has ceased to exist for five consecutive days; or
 - b. Water Supply: LCRA announces that mandatory water restrictions for firm water customers are no longer required in accordance with the LCRA DCP.
2. Upon termination of Stage 4, the City will publicly announce the termination to its customers and notify the LCRA. Notice to the TCEQ is required.
3. Stage 3 becomes operative upon termination of Stage 4.

Sec. 13.411 Enforcement; Penalty; Termination of Water Service

(a) No person or entity shall knowingly or intentionally allow the use of water from the City of Leander for residential, commercial, industrial, agricultural, governmental or any other purpose in a manner contrary to any provision of this article, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the city manager, or his/her designee, in accordance with provisions of this Plan.

(b) Administrative Violation:

(1) Except as otherwise stated herein, each violation of this Plan may be enforced as an administrative violation pursuant to the following:

<u>Violation</u>	<u>Residential Customer</u>	<u>Commercial Customer</u>
First Offense	Courtesy Warning	Courtesy Warning
Second Offense	\$50.00	\$200.00
Third Offense	\$100.00	\$400.00
Fourth & Subsequent Offense(s)	\$200.00	\$1,000.00

(2) First Offense: If the City Manager or a designee reasonably believes that a person or entity has violated this Plan, then a Notice of First Offense shall be in writing and include the name and address of the alleged offender, a location and description of the alleged offense and a description of the administrative fees for subsequent violations. This notice will be mailed to the alleged offender's utility billing address.

(3) Second and/or subsequent Offense. If the City Manager or a designee reasonably believes that a person or entity has violated this Plan again subsequent to and within a 12 month period immediately following the date of the preceding offense, then a Notice of Second Offense containing the same information as described in the preceding paragraph and a description of the administrative fee for the offense. This notice will be mailed to the alleged offender's utility billing address.

(4) Appeal of Administrative Offense

(A) An alleged offender may appeal an administrative offense as set forth in this ordinance. They request of an appeal shall not suspend or delay an alleged offender's obligation to pay current outstanding utility or administrative fees. Upon successful appeal of an offense, the City will refund administrative fees paid by the alleged offender.

(B) At the designee's discretion an appeal or final review hearing may be conducted by a scheduled telephone conference involving the alleged offender, pertinent City staff, and testifying witnesses. Prior to any telephone conference, each testifying witness' name, address, telephone number, and relationship to the alleged offender shall be submitted to the City Manager, along with any or supporting documentation or physical evidence to be considered during the

conference. Any unidentified witness or supporting documents and evidence shall be considered during an appeal conference or meeting.

- (C) Within fifteen (15) business days of the date of the Notice of Offense, an alleged offender may appeal the administrative offense and fee by submitting a written request to the City Manager or his designee. Within 15 business days of the receipt of such request, the City Manager or his designee shall appoint one or more pertinent hearing officers and schedule an appeal hearing or telephone conference. At the appeal hearing, the alleged offender may present relevant evidence and bear the burden of proof to show by preponderance of the evidence why he or she should not be held in violation or assessed a fee. The hearing officers shall consider all relevant evidence as presented and render a decision within five (5) business days of the conclusion of the appeal hearing. A copy of the decision shall be mailed to the alleged offender's utility billing address.
- (D) An alleged offender may appeal the hearing decision by submitting a written request to the City Manager within five (5) business days of their receipt of the decision. Within five (5) business days of receiving a timely appeal, the City Manager or designee shall conduct a final review hearing. At this hearing, the alleged offender may present relevant evidence as described in the preceding paragraph. The City Manager or designee shall consider relevant evidence and render a written decision within five (5) business days of the conclusion of the final review hearing. A copy of the decision shall be mailed to the alleged offender's utility billing address. The Final Review Hearing Decision is final and binding.
- (E) Should the alleged offender fail to attend a scheduled appeal, it is their responsibility to contact the designee within five working days of the scheduled date of the appeal. Failure to do so or the attend the rescheduled appeal for any reason shall constitute a default, render final the administrative offense and associated fee, and further waive the offender's right to an appeal.

(5) Notices. All notices regarding alleged administrative offenses including without limitation Notices of Offenses, Appeal Hearing and Final Review Hearing Decisions shall be in writing and forwarded to the alleged offender via first class mail and/or certified mail, return receipt requested to the alleged offender's current utility billing address. All notices delivered in this manner shall be deemed as received by the alleged offender within five (5) days of the mailing's postmark.

(6) Alternatively and at the City Manager's discretion, any violation of this ordinance may be enforced as a criminal violation in accordance with subsection (b) below,

(b) Any person who shall violate any of the provisions of this article, or shall fail to comply therewith, or with any of the mandatory requirements thereof, within the City limits shall be deemed guilty of an offense and shall be liable for a fine not to exceed the sum of two thousand dollars (\$2,000.00). Each day the violation exists shall constitute a separate offense. Such penalty shall be in addition to all the other remedies provided herein.

(c) The city manager, or his/her designee shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur in accordance with this section. Services discontinued under such circumstances shall be restored only upon payment of a reconnection charge, hereby established at \$1,000.00 and any other costs incurred by the City of Leander in discontinuing service. In addition, suitable assurance must be given to the city that the same action shall not be repeated while the plan is in effect. Compliance with this article may also be sought through injunctive relief in the district court.

(1) Emergency Termination: If an officer charged with enforcement of this article determines that a violation of this Ordinance constitutes an immediate threat to the public health, safety and welfare, and the owner, occupant, or person in control of the property (the “responsible party”) is absent or fails to immediately remedy the violation, the officer may terminate water services to such property. The City Manager shall hold a hearing within 72 hours after termination of service to determine whether the responsible party violated the ordinance, unless a later hearing date is requested by the responsible party or the responsible party is unable to be located, in which case the hearing shall be held as soon as possible. Promptly after terminating service, the officer charged with enforcement of this article shall give the responsible party written notice of the termination and hearing in compliance with TAC, Title 30, Section 291.88(b) by personal delivery or posting notice of the hearing on or near the front door of each building on the property. If it is determined at the hearing that the responsible party did not violate this article, the responsible party’s utilities shall be immediately reconnected without charge to the responsible party.

(2) Nonemergency Termination: An officer charged with enforcement of this article who determines that a violation of this article is present may seek termination of wastewater service to the property at which the violation is present after notice and hearing as provided in this subsection. The officer charged with enforcement of this article shall give written notice of the violation of this article to the responsible party and the requirement that the violation be remedied within ten (10) days or water service will be disconnected, such notice to comply with TAC, Title 30, Section 291.88(a). If the responsible party fails to remedy the violation within the time specified in the notice, the officer charged with enforcement of this article may terminate water service. The responsible party may request a hearing by the City Manager regarding termination of service. Written notice of the time and date of the hearing shall be given to the responsible party at least ten days

before the hearing date. Notices required by this subsection shall be delivered to the responsible party by in person service, by letter addressed to the responsible party at his/her post office address.

(3) If the City Manager determines at a hearing held under subsections (1) or (2) above that the responsible party did not violate this article, the responsible party's utilities shall be immediately reconnected without charge to the responsible party. If it is determined that the responsible party violated this article, as appropriate, water service shall not be reconnected until the responsible party remedies the violation of this article and pays all required reconnection fees. The City Manager's decision may be appealed to the City Council in writing within ten days of the City Manager's decision.

(d) Any person, including a person classified as a water customer of the City of Leander, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this article and that the parent could not have reasonably known of the violation.

Sec. 13.412 Variances

(a) The City Manager or his designee may grant variances:

- (1) From specific applications of the outdoor water schedule, providing that the variances do not increase the time allowed for watering but rather alter the schedule for watering; and
- (2) Allowing the use of alternative water sources (i.e., ground water, reclaimed wastewater) that do not increase demand on potable water sources for outdoor use. Variance requests may be submitted to staff and need not meet the requirements of subsection below.

(b) The City Manager or his/her designee may in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

- (1) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
 - (2) Alternative methods can be implemented which will achieve the same level of reduction in water use.
- (c) Persons requesting an exemption from the provisions of this article shall file a petition for variance with the City of Leander within 5 working days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the City Manager, or his/her designee, and shall include the following:
- (1) Name and address of the petitioner(s);
 - (2) Purpose of water use;
 - (3) Specific provision(s) of the Plan from which the petitioner is requesting relief;
 - (4) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with the Plan;
 - (5) Description of the relief requested;
 - (6) Period of time for which the variance is sought;
 - (7) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and compliance date; and
 - (8) Other pertinent information.
- (d) Variances granted by the City of Leander shall be subject to the following conditions, unless waived or modified by the City Manager, or his/her designee:
- (1) Variances granted shall include a timetable for compliance.
 - (2) Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.
- (e) No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

Part B-25 Round Rock WCP and Drought Contingency Plan

RESOLUTION NO. R-2014-1203

WHEREAS, recent updates to the City's long-range water supply plan indicates that additional water supplies will be needed to satisfy the projected water demand; and

WHEREAS, the City of Round Rock Water Conservation Plan ("Plan") has been updated by City Staff, and

WHEREAS, the City Council wishes to approve the Plan, Now Therefore

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROUND ROCK, TEXAS,

That the City of Round Rock Water Conservation Plan, attached hereto as Exhibit "A" and incorporated herein, is hereby approved.

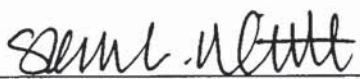
The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 13th day of March, 2014.



ALAN MCGRAW, Mayor
City of Round Rock, Texas

ATTEST:



SARA L. WHITE, City Clerk

CITY OF ROUND ROCK WATER CONSERVATION PLAN

EXHIBIT
"A"

Section 1.0 General Information

1.1 Declaration of Policy, Purpose and Intent

Recent updates to the city's long-range water supply plan indicate that additional water supplies will be needed to satisfy the projected water demand. The plan also states that an aggressive water conservation program could substantially reduce the average per capita day consumption, prolonging the life of existing water sources and postponing the need to develop new resources. The purpose of the Water Conservation Plan is to establish short and long-term consumption goals and develop implementation strategies and processes for achieving these goals.

1.2 Utility Profile

Water Supply

The City of Round Rock obtains its raw water supply from two sources: the Edwards Aquifer and Lake Georgetown/Lake Stillhouse Hollow. Current projections indicate that these two supplies will not meet the City's projected demand by 2017. Therefore, Round Rock has created a partnership with the cities of Cedar Park and Leander known as the Brushy Creek Regional Utility Authority (BCRUA). This authority is tasked with building a regional water treatment and delivery system to deliver water from a third supply, Lake Travis. This supply will provide water for our communities for many years to come. Not only does this partnership meet Round Rock's long-term needs to the anticipated build-out population in the year 2050, water from several supplies will increase the City's drought tolerance and improve reliability in the event of a catastrophe.

Service Area

The service area is the City of Round Rock, along with the majority of its ETJ. Round Rock's current population is estimated close to 103,000 residents. The City has 31,423 active water accounts; of these, 29,382 are residential accounts. The City also wholesales water to nine customers: Teravista MUDs 10 and 11, Paloma Lake MUDs 1 and 2, Vista Oaks, Meadows at Chandler Creek, Walsh Ranch, Fern Bluff, and Blessing Mobile Home Park. The majority of their customers are residential.

Water Treatment and Production

The City of Round Rock owns and operates one water treatment plant located west of Interstate 35 off of Westinghouse Road. The City's average daily production is 19.655 million gallons per day (MGD), combined for surface and ground water production.

Wastewater Collection and Treatment

The City of Round Rock's wastewater collection system is made up of over 500 miles of collection lines. These lines ultimately discharge at the Brushy Creek Regional Wastewater Treatment Plants (East or West) either directly or through larger diameter regional interceptor lines owned by the Brushy Creek Regional Wastewater Treatment System (BCRWWTS). The BCRWWTS is comprised of the cities of Austin, Cedar Park, and Round Rock. The wastewater treatment plants and regional collection lines are operated by the Brazos River Authority (BRA). The East Plant is located southwest of the intersection of U.S. Highway 79 and Red Bud Lane. The West Plant is located east of the intersection of Georgetown Avenue and Austin Blvd, at the termination of Austin Blvd. The City of Round Rock's wastewater collection system is currently covered under the Wastewater Discharge Permit that is held by the BCRWWTS.

The East Plant has a treatment capacity of 21.5 million gallons of wastewater per day from the plant's regional customers. The regional customers include the cities of Round Rock, Cedar Park, Leander and Austin, and the sub-regional customers include Fern Bluff Municipal Utility District and Brushy Creek Municipal Utility District. The West Plant is rated for a maximum flow of 3 MGD.

Because approximately 60% of the City is located over the Edwards Aquifer, the City has a collection system rehabilitation program that includes cleaning and videoing the collection system located in this area every 5-years. The Edwards Aquifer Protection Program is mandated by the Texas Commission on Environmental Quality (TCEQ). This program also includes inspecting and correcting "problem" areas that require regular maintenance. This program is funded through the self-funded wastewater utility fund.

Water Reuse

The City of Round Rock wastewater reuse facility is located at the East Wastewater Treatment Plant, which can produce up to 6 million gallons per day. The City began using Type II wastewater reuse in 1997 with a project that provides irrigation water to Forest Creek Golf Course. Approximately 45 million gallons are currently diverted per year, with a peak demand of 600,000 gallons per day for irrigation of the City's golf course.

Round Rock is currently in the process of converting all reuse water to Type I reuse, which will be completed by summer of 2014. . Currently, Forest Creek golf course, the 500-acre Old Settlers Park and portions of the Dell Diamond baseball facility are irrigated with reuse water. Plans include connecting Legends Village HOA, Forest Creek HOA and the Freeman tract development common area irrigation systems to the reuse system; this is set to be completed before the summer of 2014.

The reuse facility will ultimately provide irrigation to various properties on the northeast side of the City, including Texas State University Higher Education Center, Texas A&M Medical School campus, Austin Community College campus, Seton Hospital, and the Avery North development. These facilities will be able to tie into the reuse system by the end of 2014.

1.3 Goals

- Develop and implement conservation programs that will:
 - Reduce seasonal peak demands
 - Reduce water loss, non-revenue water, unaccounted for water, and water waste
 - Decrease per capita day consumption
 - Maintain the community's quality of life while continuing to enhance economic growth
 - Prevent the pollution of ground and surface water sources
- Establish a heightened public awareness of water conservation in Round Rock.
- Audit and retrofit city facilities with water efficient fixtures, landscapes and irrigation systems wherever possible.
- Facilitate the conservation efforts of the city's wholesale customers.
- Establish a target of one percent per year reduction in per capita day consumption for the next five years.
- Monitor conservation strategies for future goal setting purposes.

1.4 Applicability

This plan and Chapter 10, Section 10.800 of the City of Round Rock Code of Ordinances 1995 edition shall apply to all persons, customers and owners of property who use or allow the use of city water, wherever situated.

1.5 Public Involvement

Opportunity for the public to provide input into the continued development of the Plan or any modifications has been provided by the City by means of scheduling and providing public notice of a public meeting to accept input on the Plan. Further, the public is always invited to attend city council meetings, held the second and fourth Thursday of each month.

Section 2.0

Conservation Goals, Metering and Leak Detection

2.1 Water Savings Targets

Five-Year Target

- Over the last five years, Round Rock's total gallons per capita per day (gpcd) have averaged 150 gallons. Our goal is to reduce the total per capita day consumption each year with a target of achieving 140 gpcd.
- Over the last five years, Round Rock's residential gpcd has averaged 108. Our goal is to reduce the residential gpcd consumption each year with a target of achieving 90 gpcd.
- Reduce the actual water loss over the five year period so that actual water loss is no more than ten percent of the total amount of water treated.

Ten-Year Target

- Maintain the total per capita per day consumption each year until the average per capita day consumption is 140 gpcd or less.
- Reduce and maintain the residential per capita day consumption each year with a target of achieving 80 gpcd.
- Reduce and maintain the actual water loss until it is no more than ten percent of the total amount of water treated.

2.2 Metering Devices

Diversion and Production Meters

The Round Rock Water System has six American Water Works Association (AWWA) approved meters. Two GE ultrasonic, insertion meters are used to measure water diverted from the lake, two venturi meters are used to measure water entering the treatment plant and the remaining two, one venturi, one ultrasonic insertion, are used to measure treated water leaving the water treatment plant. These meters are calibrated at least once per year to an accuracy of plus or minus one percent. Records of water diverted and produced are collected continuously via a Supervisory Control and Data Acquisition (SCADA) System and compiled monthly.

Additionally, the City's Lake Travis water source is metered by BCRUA by two meters. A strap-on ultrasonic meter is at Lake Travis, measuring what is drawn from the lake. The other is a venturi insertion meter, which meters what enters into the City of Round Rock's water system. The testing of these meters is managed by BCRUA.

Delivery Meters

The City of Round Rock's current ordinance requires all connections to be metered. All wholesale meters are regularly monitored and verified. All water meters are tested and calibrated to AWWA standards. All water meters are read regularly and the readings are verified for accuracy annually. Meters are replaced and/or repaired as necessary. Residential meters and commercial meters smaller than 1" are replaced at a minimum every 2,000,000 gallons metered or every fifteen years, whichever is sooner. Commercial meters that are 1-1/2" to 2" are replaced at a minimum of 10,000,000 gallons metered or every 10 years, whichever is sooner. Meters 3" or larger are repaired or replaced on-site after failure or unusual meter reads. The Top 100 users are tested each year. AMR registers and meter signal boosters will be replaced after failure or 15 years.

Starting with a pilot project in November 2009, the City has been replacing traditional meters with Master Meter's AMR meters. At the end of 2013, the meter retrofit was 97% completed, with all but a few large commercial meters being an AMR. Any new meter installed since 2010 has been an AMR meter. Round Rock is using drive-by meter reading, which has reduced meter read time, increased meter accuracy, reduced water loss, assumed to increase revenues and reduced staff by four persons. Currently, only one full-time meter reader is employed. The City is in the process of continuing to improve the meter reading accuracy and efficiency by upgrading to an AMI system. Work is starting on this process in 2014 with installing boosters and antennas. The conversion is projected to be completed by the end of the calendar year.

2.3 Leak Detection, Repair and Control of Unaccounted-for, or Non-Revenue Water

A substantial portion of the Round Rock Water and Wastewater Utilities is spent on personnel and equipment for the maintenance of the city's water distribution system. The city operates crews used for leak repair and crews for leak detection. Most leaks, illegal connections or abandoned services are detected by field crews or reported by the public. The city visually inspects its large water mains and raw water lines once per year.

The Round Rock Water and Wastewater Utility conducts a water audit each year to identify real water losses and correct applicable reports. Real water losses are minimized by replacing deteriorated water mains and customer service lines. These replacement programs are ongoing.

Section 3.0 Public Education and Awareness

The City of Round Rock periodically provides the public with information about the Water Conservation Plan, including information about proposed rate changes, rebate programs, water conservation measures and water availability conditions.

3.1 Water Conservation and Drought Contingency information is currently provided through:

- City's electronic newsletter
- press releases
- utility bill inserts and printed material
- Facebook, Twitter, and other City social media outlets
- City website: www.roundrocktexas.gov
- Public meetings, seminars

3.2 The city plans to enhance its public education and awareness component for the next five year planning period through:

- School education programs
- Presentations at local service organizations and homeowner associations
- Special events, promotions, workshops, and seminars
- Specific Landscape irrigation advice
- Social media campaigns
- Water blog on local water projects and programs

Section 4.0 Non-Promotional Rate Structure

The City of Round Rock began implementation of a multi-tiered rate structure in 2009 to provide incentive to conserve water during peak landscape irrigation season. The increasing block water rates are effective each May 1 through September 30. Each customer is charged a monthly base rate, based on the size of the water meter; then an amount per thousand gallons up to 18,000 for residential customers with a 5/8" meter. When 18,000 gallons are used, a second tier amount is 125% of tier one, per thousand gallons. For meters larger than 5/8", the volume amount for the lower block is based on the size of the water meter, then using the number of living unit equivalents for that meter times the 18,000 gallon amount. The rate structure changed to a four-tier in 2011, with tiers two and three still increasing in price by 125%. Tier four is a 150% increase over tier three. For a typical 5/8" meter, the tiers look like this:

Gallons Used	Price per 1000 Gallons
0 - 18,000	\$2.35
18,100 – 24,000	\$2.94
24,100 – 30,000	\$3.53
Over 30,000	\$4.70

These rates and thresholds amounts are reviewed on a regular basis. Irrigation-only meters follow the same tiers and rates as regular potable water, mentioned above.

Reuse water rate structure is a flat rate of 75 percent of the potable water rate; currently \$1.76 per 1000 gallons. The rates will be reviewed on a regular basis.

Section 5.0 Reservoir Systems Operations Plan

The City of Round Rock contracts for raw water in Lake Georgetown, Lake Stillhouse Hollow and Lake Travis from the Brazos River Authority and Lower Colorado River Authority. Round Rock is not responsible for the management of these reservoirs.

Section 6.0 Means of Implementation and Enforcement

- 6.1 The City of Round Rock will enforce necessary portions of this plan through ordinances and signed contracts.
- 6.2 The City's sworn police officers, code enforcement officers and other designated personnel will ensure compliance with the water conservation and drought contingency regulations.
- 6.3 Violations will be handled according to the 2010 City Code of Ordinances, Sec. 44-240.
- 6.4 The plan will be implemented immediately upon adoption by City Council.

Section 7.0 Tracking Targets and Goals

The staff shall track target and goals by utilizing the following procedures:

- 7.1 Logs will be maintained for meter calibration, meter testing and meter replacement.
- 7.2 Annual water audits shall be documented and kept in the Water & Wastewater Utility Department files. An outside consulting firm will conduct periodic audits.
- 7.3 Records of all public education shall be maintained. These records must include type, number, and location distributed.
- 7.4 Rates are tracked and monitored by the City's Finance Department. An outside consulting firm will conduct periodic reviews of the rates.
- 7.5 Logs of the City's Leak Detection Program will be maintained. These records will include inspections and soundings of water main fittings and connections and night flow measurements. An outside consulting firm will conduct periodic leak detection audits.

Section 8.0 Coordination with Regional Water Planning Groups

The service area of the City of Round Rock is located within Brazos G Regional Water Planning Group. The City of Round Rock has mailed a copy of this Plan to the RWPG and the Texas Water Development Board.

Section 9.0 Record Management

The city desegregates water records on a monthly basis in the following manner:

- 9.1 Water diverted from water sources.
- 9.2 Water pumped into the distribution system.
- 9.3 Water sales including: residential, commercial, public/institutional, bulk water, industrial, parks irrigation, government and wholesale.
- 9.4 Non-revenue water.
- 9.5 Actual water losses.

Section 10.0

Wholesale Customer Conservation Requirements

All wholesale water contracts require compliance with the City's Drought Contingency and Water Conservation Plans. Each contract specifies that the water supplied to the wholesale customer may be reasonably limited by the City on the same basis and to the same extent as the supply of water to any other customers within the city.

All wholesale contracts entered into, renewed or extended after the adoption of this plan will include provisions for distributing water to the wholesale customers in accordance with the Texas Water Code, Section 11.039. Customer entities that intend to resell water provided by the City of Round Rock shall require that all successive customers implement conservation measures in accordance with the provisions stated in Title 30, Texas Administrative Code, Chapter 288.

Section 11.0

Additional Conservation Strategies

- 11.1 The City of Round Rock adopted a plumbing code effective November 2012, based on the 2012 Edition of the International Building Code requiring efficient water use fixtures, which complies with the State of Texas requirements.
- 11.2 The City of Round Rock recycles approximately 98% of the filter backwash water at the water treatment plant.
- 11.3 The City of Round Rock has several regulations in place to help prevent water waste as a result of improper irrigation or leaks. City ordinances address the following:
 - Voluntary outdoor irrigation schedule is encouraged year-round. Residents are encouraged to limit outdoor irrigation to twice per week on designated watering day(s), and not during the hours of 10:00 AM and 7:00 PM. The schedule is as follows:
 - Industrial/Commercial/Intuition/Multifamily properties on Tuesday and/or Friday.
 - Residential properties with Odd Addresses on Wednesday and/or Saturday.
 - Residential properties with Even Addresses on Thursday and/or Sunday.
 - During irrigation, water is not allowed to pool, puddle, or run-off on any impervious area.
 - New automatic irrigation systems are required adhere to the TCEQ's 2009 irrigation design standards.
 - Irrigation systems are not allowed to operate if malfunctioning.
- 11.4 The City of Round Rock operates a permanent household hazardous waste collection program available free of charge to direct City of Round Rock water customers. It is open on the first Wednesday of each month and a few other designated Saturday collections. The City intends to offer these collection services to wholesale customers in the near future for a nominal fee.

Section 12.0

Water Conservation Strategies

Conservation strategies are being implemented using BMPs prepared by the Texas Water Development Board and other agencies. The City intends to evaluate the strategies using the following criteria: applicability, potential for saving water, practicality, public acceptance and cost effectiveness. There is currently one full-time, dedicated water conservation staff. Current conservation programs include:

- Free irrigation system evaluations to water customers by request or by referral of Utility Billing,
- Promoting seasonal watering schedule changes
- Public education talks to schools, service organizations, HOAs, clubs, and other groups, as requested
- Rebate programs:
 - Efficient clothes washer rebates
 - Upgrades to irrigation systems
 - Rainwater harvesting rebates
 - High-efficient toilet rebates

- Give-away and promotional items available on a limited basis, including dye tablets, rain gauges, showerheads, conservation brochures, landscape guides, and soil moisture sensors
- Special events, such as rainbarrel sales and educational workshops
- Social media outreach

As the program continues to expand and plumbing and irrigation technology improves, there is anticipation of revising existing water conservation incentives and ending programs that have market saturation. There is also continued research on new programs and ordinances to possibly include:

- Showerhead, Faucet Aerator and other conservation tool giveaways
- Water Wise Landscape Design Incentives, possibly including soils, mulch, drought-tolerant plant rebates
- Expanded rainwater Harvesting Programs
- Increased Irrigation System Upgrade Rebates on new technologies, weather-based data
- Amendments to Landscape Development Code to include specifications on soil depth, plant selection
- Commercial property specific rebates
- Increased public education workshops
- Use of AMI technology
- Evaluation of current seasonal tiered water rate structure
- Expanding conservation programs to include MUD water customers

Section 13.0

Plan Review and Update

The City of Round Rock will review and update the Water Conservation Plan as appropriate based on an assessment of the five and ten year goals. At a minimum, the Water Conservation Plan will be updated and adopted no later than May 1, 2019 and every five years thereafter.

ARTICLE VIII. - DROUGHT CONTINGENCY AND PEAK DAY WATER USE MANAGEMENT^[3]

Footnotes:

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Editor's note— Ord. No. G-12-07-12-G1, § I, adopted July 12, 2012, amended art. VIII, in its entirety to read as herein set out. Former art. VIII, §§ 44-221—44-238, was entitled "Drought Contingency and Peak Day Water Use Management Plan", and derived from: Code 1995, §§ 10.801—818; Ord. No. G-02-04-11-15A1, adopted Apr. 11, 2002; Ord. No. G-06-06-08-9C1, adopted June 8, 2006; Ord. No. G-09-04-23-9B2, § I, adopted Apr. 23, 2009; Ord. No. G-09-08-27-8C1, § I, adopted Aug. 27, 2009; and Ord. No. G-11-11-10-9B1, § I, adopted Nov. 10, 2011.

Sec. 44-221. - Declaration of policy.

It is declared that, because safe and high-quality drinking water is a precious resource, the general welfare requires that the water resources available to the city be put to the maximum beneficial use, and that the waste or unreasonable use of water be prevented, and the conservation of water is to be encouraged with a view to its reasonable and beneficial use in the interests of the people of the city and for the public health, safety and welfare. The city council has determined that an aggressive water conservation and drought contingency program will protect the integrity of water supply facilities, prolong the life of existing water sources, and minimize the impacts of water supply shortages, and therefore adopts the following regulations and restrictions on the delivery and consumption of water. Water uses regulated or prohibited under this plan are considered to be nonessential and continuation of such uses during time of water shortage or other emergency water supply conditions are deemed to constitute a waste of water which may subject the offender to penalties.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-222. - Definitions.

For the purpose of this article, the definitions set forth in section 44-5 shall apply, unless the context clearly indicates or requires a different meaning.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-223. - Implementation.

The city manager is hereby authorized and directed to implement the applicable conservation stages upon his determination that the implementation is necessary to protect the public health, safety and welfare. The city manager shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this article.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-224. - Application.

The provisions of this article shall apply to all persons, customers, and owners of property who use or allow the use of city water, wherever situated. The terms person and customer, as used in this article,

include individuals, corporations, partnerships, associations and all other legal entities. The provisions of this article do not apply to: (i) persons who use water from private wells; (ii) persons who use water from the city's reuse water system; or (iii) persons who otherwise use water from a source other than the city's water utility system.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-225. - Public education.

The city will periodically provide the public with information about water use, including information about the conditions under which each stage of this article is to be initiated or terminated and the drought response measures to be implemented in each stage. Drought and water conservation information will be provided by public meeting, press releases, utility bill inserts, the city's website, and/or electronic media notification.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-226. - Wholesale providers.

The city contracts for raw water in Lake Georgetown and Lake Stillhouse Hollow from the Brazos River Authority and Lake Travis from the Lower Colorado River Authority and the Brazos River Authority. The city will comply with and implement any drought contingency requirements that may be set forth in any contracts with these river authorities.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-227. - Wholesale customers.

- (a) All wholesale water contracts require compliance with the city's drought contingency and water conservation programs. Each contract specifies that the water supplied to the wholesale customer may be reasonably limited by the city on the same basis and to the same extent as the supply of water to any other customers within the city.
- (b) All wholesale contracts entered into, renewed or extended after the adoption of this plan will include provisions for distributing water to the wholesale customer in accordance with V.T.C.A., Water Code § 11.039.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-228. - Voluntary water conservation during peak water use periods.

- (a) The city has determined that the peak water use period begins on May 1 of each year and ends on October 31 of each year. During this period of peak water use, the city seeks to encourage water conservation by implementing water rates that increase as consumption increases. (See subsection 44-29(f) of this chapter.)
- (b) During the peak water use period of May 1 to October 31 of each year, water customers will be encouraged to voluntarily use water in compliance with all of the stage I regulations set forth in section 44-233.
- (c) At the beginning of the peak water use period, the city will initiate actions and engage in educational programs designed to increase customer awareness of water conservation and encourage the most efficient use of water.

- (d) Water customers are encouraged to voluntarily limit the use of water for nonessential purposes and to practice water conservation. Voluntary observance of the stage 1 twice-per-week watering schedule is requested.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-229. - Stage I triggers.

- (a) Stage I shall be implemented when any of the following triggers occur:
 - (1) Supply-based trigger for implementation of stage I is as follows:
 - a. Lake Georgetown Reservoir elevation is below 770 feet above mean sea level (msl) for three consecutive days; or
 - b. The combined storage of Lake Georgetown and Lake Stillhouse Hollow is less than 162,752 acre feet of water.
 - (2) Demand or capacity-based triggers for implementation of stage I are as follows:
 - a. Water treatment capacity has reached 85 percent for three consecutive days;
 - b. Total daily demand has reached 85 percent of the raw water pumping capacity for three consecutive days;
 - c. Total daily demand is 85 percent of storage capacity for three consecutive days;
 - d. Total daily demand is 85 percent of the treated water pumping capacity for three consecutive days; or
 - e. Production or distribution limitations including, but not limited to system outages or equipment failure.
 - (3) Wholesale water suppliers' triggers:
 - a. Pursuant to requirements specified in the city's wholesale water supply contract(s), notification is received from the city's wholesale water supplier(s) requesting implementation of the stage I restrictions.
 - (4) Public health, safety and welfare triggers:
 - a. The city manager makes a written public announcement that he has reasonably determined that one or more reasons exist to initiate stage I restrictions to protect the health, safety and welfare of the citizens of the city.
 - b. The implementation of stage I by the city manager pursuant to subsection (4)a. above, shall expire 15 days thereafter unless the city council adopts a resolution ratifying such determination and implementation within such 15-day period.
- (b) Stage I shall terminate when any of the following occurs:
 - (1) Stage I will terminate when the city manager makes a public announcement that all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days; or
 - (2) When the city manager makes a public announcement that it is in the best interest of the city to terminate stage I.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012; Ord. No. O-2015-2383, § I, 4-23-2015)

Sec. 44-230. - Stage I twice-per-week watering schedule.

The stage I twice-per-week watering schedule is hereby established as follows:

Type of Property	Watering Days	Watering Times
Commercial	Tuesday & Friday	Midnight to 10:00 a.m. and 7:00 p.m. to midnight
Industrial/Multifamily	Tuesday & Friday	
Residential (Addresses ending in odd numbers)	Wednesday & Saturday	
Residential (Addresses ending in even numbers)	Thursday & Sunday	

During stage I, all watering is discouraged on Mondays.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012; Ord. No. O-2015-2383, § I, 4-23-2015)

Sec. 44-231. - Stage II triggers.

(a) Stage II shall be implemented when any of the following triggers occur:

(1) Supply-based trigger for implementation of stage II is as follows:

- a. Lake Georgetown Reservoir elevation is below 765 feet above mean sea level (msl) for three consecutive days; or
- b. The combined storage of Lake Georgetown and Lake Stillhouse Hollow is less than 105,001 acre feet of water.

(2) Demand or capacity-based triggers for implementation of stage II are as follows:

- a. Water treatment capacity has reached 90 percent for three consecutive days;
- b. Total daily demand has reached 90 percent of the raw water pumping capacity for three consecutive days;
- c. Total daily demand is 90 percent of storage capacity for three consecutive days;
- d. Total daily demand is 90 percent of the treated water pumping capacity for three consecutive days; or
- e. Production or distribution limitations including, but not limited to system outages or equipment failure.

(3) Wholesale water suppliers' triggers:

- a. Pursuant to requirements specified in the city's wholesale water supply contract(s), notification is received from the city's wholesale water supplier(s) requesting implementation of the stage II restrictions.

(4) Public health, safety and welfare triggers:

- a. The city manager makes a written public announcement that he has reasonably determined that one or more reasons exist to initiate stage II restrictions to protect the health, safety and welfare of the citizens of the city.

b. The implementation of stage II by the city manager pursuant to subsection (4)a. above shall expire 15 days thereafter unless the city council adopts a resolution ratifying such determination and implementation within such 15-day period.

- (b) Stage II shall be terminated when any of the following occurs:
- (1) Stage II will terminate when the city manager makes a public announcement that all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days; or
 - (2) When the city manager makes a public announcement that it is in the best interest of the city to terminate stage II.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012; Ord. No. O-2015-2383, § I, 4-23-2015)

Sec. 44-232. - Stage II once-per-week watering schedule.

The stage II once-per-week watering schedule is hereby adopted and established as follows:

Type of Property	Watering Days	Watering Times
Industrial/Commercial/Public Schools	Friday	Midnight to 10:00 a.m. and 7:00 p.m. to midnight
Multifamily/Homeowner Association common areas	Tuesday	
Residential addresses ending in odd numbers with automatic irrigation system	Wednesday	
Residential addresses ending in odd numbers without automatic irrigation system	Saturday	
Residential addresses ending in even numbers with automatic irrigation system	Thursday	
Residential addresses ending in even numbers without automatic irrigation system	Sunday	

During stage II, all watering is prohibited on Monday.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012; Ord. No. O-2015-2383, § I, 4-23-2015)

Sec. 44-233. - Stage I and stage II water conservation regulations.

(a) When either stage I or stage II mandatory water conservation regulations are implemented, the following restrictions and prohibitions shall be in effect:

- (1) *Outdoor irrigation.* All outdoor irrigation by automatic irrigation systems, hose end sprinklers, soaker hoses, or drip irrigation is prohibited unless it occurs in compliance with the applicable stage I or stage II watering schedule. Irrigation by hand-held hoses or hand-held buckets is permitted anytime. The outdoor watering day and time restrictions do not apply to outdoor irrigation by commercial plant nurseries.
- (2) *Vehicle washing.* The washing, including charity car washes, of automobiles, trucks, trailers, boats, airplanes, or other type of mobile equipment is prohibited except in compliance with the applicable stage I or stage II watering schedule. The washing, when allowed, must be done with a hand-held bucket or a hand-held hose.

The vehicle washing prohibition does not apply to the following:

- a. The washing of vehicles or mobile equipment when conducted on the immediate premises of a commercial carwash or a commercial service station; or
 - b. The washing of automobiles, trucks, trailers, boats, airplanes and other types of mobile equipment (such as garbage trucks and vehicles used to transport food and perishables) when the washing is necessary on a more regular and frequent basis in order to protect the health, safety and welfare of the public.
- (3) *Power washing.* The day and time regulations of outdoor watering do not apply to commercial companies in the business of power washing.
 - (4) *Foundation watering.* The watering of the ground around foundations is prohibited except in compliance with the applicable stage I or stage II watering schedule.
 - (5) *Pools.* If either stage I or stage II is implemented, the initial filling and the refilling or adding of water to nongovernment owned swimming pools, hot tubs, wading pools, or ponds is prohibited except in compliance with the applicable stage I or stage II watering schedule.
 - (6) *Fountains and similar water features.*
 - a. During stages I and II, the operation of ornamental fountains or other similar structures that do not recirculate the water is prohibited.
 - b. During stage I, the operation of ornamental fountains or other similar structures that recirculate water is permitted.
 - c. During stage II, the operation of ornamental fountains or other similar structures that recirculate water is prohibited.
 - (7) *Golf courses.* The use of water for irrigation of golf fairways is prohibited except in compliance with the applicable stage I or stage II watering schedule. The irrigation of golf course greens and tees is allowed on an every-other-day schedule if a plan therefor is approved in writing by the director.
 - (8) *Fire hydrants.* The use of water from fire hydrants is prohibited except for firefighting-related activities or other activities necessary to maintain the health, safety and welfare of the citizens of the city. Routine flushing of fire hydrants for other than health and safety reasons is prohibited.
 - (9) *Street washing.* Street washing is prohibited.
 - (10) *New landscaping.* Because of the watering restrictions imposed by this section, landowners are encouraged to postpone the installation of new landscaping until after all mandatory restrictions are lifted. In lieu of installing the required landscaping during mandatory restrictions, owners of new construction may apply for a temporary certificate of occupancy in accordance with subsection 10-56(d) of this Code.

(b) The stage I and stage II regulations do not apply to the following:

- (1) The necessary use of water, other than for landscape irrigation, by a governmental entity in pursuit of its governmental functions for the benefit of the public, such as for capital improvement construction projects.
 - (2) The necessary use of water, other than for landscape irrigation, for land development (such as roadway base preparation, flushing of utility lines, dust control, concrete and asphalt work) and for building construction processes.
 - (3) The necessary use of water for repair of water distribution facilities, residential and commercial plumbing and landscape irrigation systems.
 - (4) The necessary use of water for athletic fields for organized youth, amateur, or professional sports such as football, soccer or baseball where the field is in use or will be in use within 60 days of the institution of stage I or II restrictions.
- (c) Stage I and stage II regulations are intended to achieve the following target reductions in water consumption:
- (1) Stage I regulations are intended to achieve a 15 percent reduction in daily water consumption.
 - (2) Stage II regulations are intended to achieve a 25 percent reduction in daily water consumption.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012; Ord. No. O-2015-2383, § I, 4-23-2015)

Sec. 44-234. - Stage III triggers.

- (a) Stage III shall be implemented when any of the following triggers occur:
- (1) Supply-based trigger for implementation of stage III is as follows:
 - a. The combined storage of Lake Georgetown and Lake Stillhouse Hollow is less than 52,501 acre feet of water.
 - (2) Demand or capacity-based triggers for implementation of stage III are as follows:
 - a. Water treatment capacity has reached 95 percent for three consecutive days;
 - b. Total daily demand has reached 95 percent pumping capacity for three consecutive days;
 - c. Total daily demand is 95 percent of the storage capacity for three consecutive days; or
 - d. Significant production or distribution limitations including, but not limited to, system outages and equipment failure.
 - (3) Wholesale water suppliers' triggers:
 - a. Pursuant to requirements specified in the city's wholesale water supply contract(s), notification is received from the city's wholesale water supplier(s) requesting implementation of the stage III restrictions.
 - (4) Public health, safety and welfare triggers:
 - a. The city manager makes a written public announcement that he has reasonably determined that one or more reasons exist to initiate stage III restrictions to protect the health, safety and welfare of the citizens of the city.
 - b. The implementation of stage III by the city manager pursuant to subsection (a)(1) above shall expire 15 days thereafter unless the city council adopts a resolution ratifying such determination and implementation within such 15-day period.
 - (5) Triggers for termination of stage III restrictions:
 - a. Stage III may terminate when the city manager makes a public announcement that all of the conditions listed as triggering events have ceased to exist for a period of three consecutive days; or

- b. When the city manager makes a public announcement that it is in the best interest of the city to terminate stage III.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012; Ord. No. O-2015-2383, § I, 4-23-2015)

Sec. 44-235. - Stage III water conservation regulations.

- (a) When stage III mandatory water conservation regulations are implemented, the following restrictions and prohibitions shall be in effect:

- (1) *Outdoor irrigation.* Except as provided below, all outdoor irrigation of vegetation is prohibited. Irrigation by hand-held hoses or hand-held water cans is permitted in compliance with the stage II once-per-week watering schedule found in section 44-232. Commercial plant nurseries are permitted to irrigate by hand-held hoses or hand-held water cans in compliance with the stage I twice-per-week watering schedule.
- (2) *Vehicle washing.* The washing of automobiles, trucks, trailers, boats, airplanes, and other types of mobile equipment is prohibited, unless occurring on the immediate premises of a commercial carwash or a commercial service station and between the hours of 8:00 a.m. and 5:00 p.m.
- (3) *Power washing.* Power washing is prohibited.
- (4) *Foundation watering.* The watering of the ground around foundations is prohibited except by hand-held hoses or soaker hoses and in compliance with the stage II once-per-week watering schedule found in section 44-232.
- (5) *Pools.* Except as provided below, the refilling or adding of water to nongovernment owned swimming pools, hot tubs, wading pools, or ponds is prohibited. For new and existing swimming pools, hot tubs, wading pools, and ponds, the initial filling of said new water features and the refilling or adding of water in existing water features in accordance with the stage II schedule is permitted if necessary to prevent damage to the pool or equipment.
- (6) *Fountains and similar water features.* The operation of ornamental fountains or other similar structures is prohibited.
- (7) *Golf courses.* The use of water for irrigation of golf courses is prohibited.
- (8) *Fire hydrants.* The use of water from fire hydrants is prohibited except for firefighting-related activities or other activities necessary to maintain the health, safety and welfare of the citizens of the city. Routine flushing of fire hydrants for other than health and safety reasons is prohibited. Provided however, when approved in writing by the director, a business may use water from a fire hydrant for land development and building construction processes.
- (9) *Street washing.* Street washing is prohibited.
- (10) *New landscaping.* All new planting of plants or grass of any type is prohibited.
- (11) *Water served in restaurants.* Water may not be served in restaurants unless requested by a customer.

- (b) The stage III regulations do not apply to the following:

- (1) The necessary use of water, other than for landscape irrigation, by a governmental entity in pursuit of its governmental functions for the benefit of the public, such as for capital improvement construction projects.
- (2) The necessary use of water, other than for landscape irrigation, for land development (such as roadway base preparation, flushing of utility lines, dust control, concrete and asphalt work) and for building construction processes.
- (3) The necessary use of water for repair of water distribution facilities, residential and commercial plumbing and permanently installed landscape irrigation systems.

(c) Stage III regulations are intended to achieve a 50 percent reduction in daily water consumption.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012; Ord. No. O-2015-2383, § I, 4-23-2015)

Sec. 44-236. - Powers of the city manager.

In the event of unusual operational events, catastrophic occurrences, severe weather events, or other public emergencies, the city manager may implement mandatory water restrictions in addition to those set out in this article. The city manager may implement these mandatory restrictions by public announcement and the restrictions are effective immediately upon the making of such public announcement. The implementation of additional restrictions pursuant to this section 44-236 shall expire 15 days thereafter unless the city council adopts a resolution ratifying such determination and implementation within such 15-day period.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-237. - Procedures for the implementation and termination of mandatory restrictions.

- (a) Stages I, II, and III may be implemented or terminated at any time by resolution adopted by the city council.
- (b) When the triggers for implementation of stages I, II, and III are met, the city manager shall implement the respective mandatory restrictions by issuing a written public announcement stating at a minimum the following information:
 - (1) The date restrictions will begin; and
 - (2) The circumstances and/or reasons that triggered the restrictions.
- (c) Notice of the implementation and termination of mandatory restrictions will be given through press releases, cable television announcements, postings in public areas, on the city's web page and/or other electronic means. The notifications for implementation will contain, at a minimum, the following information:
 - (1) The date restrictions will begin;
 - (2) The circumstances that triggered the restrictions;
 - (3) The stages of response and explanation of the restrictions to be implemented;
 - (4) An explanation of the consequences for violations.
- (d) When the triggers for implementation of stages I, II, and III are no longer in effect, or the city manager determines that it is in the best interest of the city to terminate the restrictions, the city manager may do so by issuing a written order terminating the restrictions.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-238. - Reserved.

Sec. 44-239. - Variance; alternative compliance.

- (a) The director may grant any customer a temporary variance from the restrictions when failure to grant such variance would cause an emergency condition adversely affecting the public health, welfare or safety, and if one of the following conditions is met:
 - (1) Compliance with this article cannot be technically accomplished during the duration of the water supply shortage or other condition for which the restrictions in effect; or

- (2) Alternative methods can be implemented which will achieve the same or better level of reduction in water use.
- (b) The director shall inform the customer in writing concerning the granting or denial of such variance and any conditions that may accompany such variance, including any timetables for compliance with the restrictions. The city will treat all customers equally concerning variances, and shall not discriminate in granting variances. No variance shall be retroactive or otherwise justify any violation of restrictions occurring prior to the issuance of the variance.
- (c) Customers requesting a variance shall file a petition for variance with the director. All petitions shall include the following information:
 - (1) Name and address of the petitioner;
 - (2) Purpose of water use;
 - (3) Specific provisions of the restrictions from which the petition is requesting relief;
 - (4) Detailed statement as to how the specific restriction(s) adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with the restriction(s);
 - (5) Description of the relief requested;
 - (6) Period of time for which the variance is sought;
 - (7) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this article and the compliance date;
 - (8) Other pertinent information.
- (d) If approved, the customer shall keep a copy of the alternative water use requirements in the location accessible and visible to the public.
- (e) If granted, the variance shall expire when the then current stage of regulations is terminated or the city implements a different stage. A new petition must be submitted each time the city implements a new higher stage of regulations.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Sec. 44-240. - Enforcement and penalty.

- (a) For purposes of this article, the person or customer in whose name the utility billing office last billed or who is receiving the economic benefit of the water supply is presumed to have knowingly made, caused, used or permitted the use of water received from the city for residential, commercial, industrial, agricultural, governmental or any other purpose in a manner contrary to any provision of this article and proof that the violation occurred on the person's or customer's property shall constitute a rebuttal presumption that the person or customer committed the violation.
- (b) A person commits an offense if the person performs an act prohibited by this article or fails to perform an act required by this article. Each instance of a violation of this article is a separate offense.
- (c) Proof of a culpable mental state is not required for a conviction of an offense under this article.
- (d) Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parent's control shall constitute a rebuttal presumption that the parent committed the violation.
- (e) An offense under this article is a class C misdemeanor, punishable by a fine not to exceed \$2,000.00. Prosecution of an offense under any section does not preclude other enforcement remedies under this article. The enforcement of other remedies under this article does not prevent prosecution for a violation of this article.

- (f) If a person is convicted for three or more violations of this article within a 12-month period, water service may be disconnected or restricted.
- (g) If a customer is irrigating during a time period or on a day when irrigation is not permitted for that customer and a city worker cannot find any person at that street address to turn off the irrigation system, the city worker may enter the property and turn off the irrigation system.
- (h) The city's authority to seek injunctive or other civil relief available under the law is not limited by this article.

(Ord. No. G-12-07-12-G1, § I, 7-12-2012)

Secs. 44-241—44-269. - Reserved.

**MASTER CONTRACT FOR THE FINANCING,
CONSTRUCTION AND OPERATION OF THE BCRUA
REGIONAL WATER TREATMENT
AND DISTRIBUTION PROJECT**

Among

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC,

CITY OF CEDAR PARK

CITY OF LEANDER

AND

CITY OF ROUND ROCK

Dated: September 2, 2008

Master Agreement (FINAL)
August 28, 2008
00144946

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**MASTER CONTRACT FOR THE FINANCING, CONSTRUCTION AND OPERATION
OF THE BCRUA REGIONAL WATER TREATMENT
AND DISTRIBUTION PROJECT**

THIS MASTER CONTRACT FOR THE FINANCING, CONSTRUCTION AND OPERATION OF THE BCRUA REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT (the "Contract") is dated and entered into as of the 2nd day of September, 2008, by and among the Brushy Creek Regional Utility Authority, Inc. ("BCRUA"), a non-profit corporation of the State of Texas (the "State"), created and existing under the laws of the State, including Subchapter D of Chapter 431 as amended, Texas Transportation Code, and the City of Cedar Park, Texas ("Cedar Park"), the City of Leander, Texas ("Leander"), and the City of Round Rock, Texas ("Round Rock") all home-rule municipalities and political subdivisions of the State (individually, the "City"; collectively, the "Cities"). The BCRUA and the Cities are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, Subchapter D of Chapter 431 of the Texas Transportation Code, as amended (the "Act") authorizes municipalities to create one or more local government corporations to accomplish any governmental purpose of the Cities including to plan, finance, construct, own, operate, and/or maintain facilities necessary for the conservation, storage, transportation, treatment, and/or distribution of treated water, including a plant site, right-of-way, and property, equipment, and/or right of any kind useful in connection with the conservation, storage, transportation, treatment, and/or distribution of treated water that will ultimately provide an additional 105.8 million gallons per day of potable water supply to meet future water demands of the Cities based on current population projections and estimates (said facilities herein referred to as the "BCRUA System");

WHEREAS, the City Councils of Cedar Park, Leander, and Round Rock, respectively (collectively, the "Governing Bodies"), have authorized and approved the creation of the BCRUA as their constituted authority and instrumentality to accomplish the specific public purpose to plan, finance, construct, acquire, own, operate, or maintain facilities necessary for the conservation, storage, transportation, treatment, or distribution of treated water, including plant sites, rights-of-way, and property, equipment, or rights of any kind useful in connection with the conservation, storage, transportation, treatment, or distribution of treated water, pursuant to the provisions of the Act and other applicable law, including Section 791.026 Texas Government Code, as amended;

WHEREAS, the Cities, pursuant to the Act and other applicable law, have authorized the creation of the BCRUA, which affords the Cities and their ratepayers, respectively, the most efficient and cost-effective option for municipal water treatment;

WHEREAS, the Cities and the BCRUA anticipate that the BCRUA System will eventually supply 105.8 million gallons per day of potable water to the Cities as generally described in the Preliminary Engineering Report;

WHEREAS, the Cities and the BCRUA recognize that the establishment of the BCRUA system will occur in phases or stages that will occur over time and will depend on future growth and environmental conditions that are uncertain today;

WHEREAS, the Cities and the BCRUA have determined that the first phase of the ultimate 105.8 million gallons per day system, (the "BCRUA Project", as hereinafter defined,) such first phase being substantially the same as the "Phase 1" referenced in the Preliminary Engineering Report, as hereinafter defined, with the major exception being that the initial phase of the water treatment plant has been reduced from 30 million gallons per day to 17 million gallons per day;

WHEREAS, in furtherance of its purposes, the BCRUA will issue one or more series of bonds to finance the costs of the BCRUA Project,;

WHEREAS, the Cities and the Lower Colorado River Authority ("LCRA") have previously entered into multiple agreements in anticipation of the regional water system, including, but not limited to, (i) the "Interlocal Agreement Regarding Design of New Hope Regional Waterline" among Round Rock, Cedar Park and LCRA dated December 15, 2005, (ii) the "Interlocal Agreement Regarding Construction of Regional Water Line" among Round Rock, Cedar Park, and LCRA dated March 23, 2006, (iii) the "Interlocal Agreement for Interim Water Supply" between Round Rock and Cedar Park dated March 9, 2006, (iv) the "Interlocal Agreement Regarding Water Supply Agreement Obligations" between LCRA and Cedar Park, dated March 9, 2006 and (v) the "Wholesale Potable Water Service Agreement" among the Brazos River Authority, LCRA and Leander dated March 2, 1998;

WHEREAS, the BCRUA intends to own, design, finance, construct, acquire, maintain, and operate the BCRUA Project in a manner that will allow the BCRUA to deliver potable water to the Cities on a regional basis;

WHEREAS, the Cities and the BCRUA, exercising their respective mutual authorities, wish to enter into this Contract in order to most efficiently and quickly obtain the capability to deliver treated water to the Cities;

WHEREAS, it is necessary that BCRUA construct facilities, intake structures, storage tanks, lines, booster pumps, treatment facilities, and other appurtenances necessary and sufficient for the delivery, treatment, and transmission of the raw water for which the Cities, individually, have contracted with the LCRA, as well any additional raw water which one or more of the Cities may acquire in the future, and acquire easements, rights-of-way, and other interests in land or other facilities necessary for the withdrawal, diversion, delivery, transmission and/or treatment of such raw water;

WHEREAS, the Cities, respectively, have contracted with LCRA, directly or indirectly, to purchase raw water from Lake Travis in sufficient quantities to meet each City's anticipated treatment capacity for the BCRUA Project (as hereinafter defined,) and each City shall make available sufficient raw water to the BCRUA for its reserved treatment capacity in the BCRUA Project;

WHEREAS, after treatment, the BCRUA, will deliver the treated water to the Cities, respectively, for use within their respective corporate limits or applicable service areas;

WHEREAS, the governing bodies of the Cities and the Board of Directors of the BCRUA have determined that the provisions of this Contract and all of the actions contemplated herein are in compliance with the Texas State Water Plan and the Regional Water Plan adopted pursuant to Chapter 16, Subchapter C, Planning, of the Texas Water Code;

WHEREAS, the Cities, respectively, have adopted water conservation plans approved by the Texas Commission on Environmental Quality (“TCEQ”) prior to execution of this Contract;

WHEREAS, it is expected by the BCRUA and the Cities that as soon as practicable after the execution of this Contract the BCRUA will issue its Bonds in separate series (as hereinafter defined) for one or more of the Cities requesting financing through the BCRUA to pay for the BCRUA Project (as hereinafter defined);

WHEREAS, it is acknowledged by the BCRUA and the Cities that prior to the release of funds by the Texas Water Development Board for the construction of the BCRUA Project, it will be necessary for the parties to enter into an operating agreement to set forth in more detail the terms and provisions necessary to cover the day-to-day operations of the BCRUA Project;

WHEREAS, it is further acknowledged by the BCRUA and the Cities that this Contract covers only the first phase of the BCRUA System, and that any future phases of the BCRUA System may be accomplished by amending this Contract or by one or more separate future contracts among the BCRUA and one or more of the Cities, and by future series of bonds, which bonds may be payable from payments on parity with the payments under this Contract; and

WHEREAS, the BCRUA, to the best of its ability, shall in general do or cause to be done all such things as may be required or necessary for the proper acquisition, construction, and operation of the BCRUA Project;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the sufficiency of which are hereby conclusively acknowledged, and subject to the terms and conditions hereinafter set forth, the Cities and the BCRUA mutually undertake, promise, and agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.1 Definitions. In addition to the terms defined above, the following terms shall have the meanings assigned to them below wherever they are used in this Contract, unless the context clearly requires otherwise:

(a) “Additional Bonds” means one or more series of additional Bonds which are issued by the BCRUA to finance completion of the BCRUA Project pursuant to Section 3.9 hereof or for any other lawful purpose.

(b) "Annual Payments" means the amount of money constituting the Operation and Maintenance Expenses, Overhead Expenses, and to the extent the BCRUA issues a series of Bonds on behalf of a City, the Bond Payment to be paid to the BCRUA by each City, on a several and not a joint basis as described in Section 4.1 and Section 4.5 hereof from the revenues of each City's System as an operating and maintenance expense of each City's System at the times and in the amounts required by Sections 4.5 and 9.2 of this Contract.

(c) "Authorized Representative" means any person at the time delegated authority to act on behalf of the Cities or the BCRUA, as the case may be, and designated as such in a written certificate, containing a specimen signature of such person, which, for the Cities shall be the City Manager, of each City or such other officers or employees of the Cities authorized to act on behalf of the Cities during the respective City Manager's absence or incapacity, and for the BCRUA shall be the General Manager of the BCRUA or such other officer or employee of the BCRUA authorized to act on behalf of the BCRUA during the General Manager's absence or incapacity, unless a party notifies the other party in writing of a change in its Authorized Representative.

(d) "BCRUA" means the Brushy Creek Regional Utility Authority, Inc. and its lawful successors and assigns.

(e) "BCRUA Consulting Engineer(s)" means such engineering firm or firms as may be selected by the BCRUA.

(f) "BCRUA Project" means, collectively, the Land Interests and the improvements described in the recitals to this Contract and further described in the Preliminary Design Report, and as shown on Exhibit "D". Without limitation the BCRUA Project includes the facilities, lines, intake structures, storage tanks, booster pumps, and other appurtenances in the BCRUA Project as described in the Preliminary Design Report and owned by the BCRUA sufficient to treat the raw water and deliver the treated water to which the Cities, respectively, are entitled under this Contract.

(g) "BCRUA Project Costs" means and includes, without limitation, the following costs incurred for the BCRUA Project by or on behalf of the BCRUA or the Cities:

(i) the cost of acquisition of the Land Interests, including appraisals, closing costs and title insurance policies;

(ii) the cost of acquisition, construction, repair, replacement, improvement or decommissioning of the BCRUA Project, and any structure, item of equipment, or other item, used for, or in connection with, the BCRUA Project;

(iii) the cost of site preparation of the Land Interests, including demolition or removal of structures and improvements as necessary or incident to accomplishing the BCRUA Project;

(iv) the cost of engineering, legal, architectural or other related services;

(v) the preparation cost of plans, specifications, studies, surveys, cost estimates, and other expenses necessary or incident to planning, providing, or financing the BCRUA Project;

(vi) the cost of machinery, equipment, furnishings, and facilities necessary or incident to placing the BCRUA Project in operation;

- (vii) finance charges and interest before, during, and after construction as permitted by the laws of the State;
- (viii) costs incurred in connection with financing the BCRUA Project, including, without limitation:
 - (1) financing, legal, accounting, financial advisory, rating agency, and auditing fees, expenses and disbursements;
 - (2) the cost of printing, engraving, and reproduction services; and
 - (3) the cost of a trustee's or paying agent's initial or acceptance fee and subsequent fees;
- (ix) all costs, fees and expenses of litigation of all kinds;
- (x) the cost of property casualty and public liability insurance;
- (xi) the fees and costs of the underwriters as the anticipated purchasers of the Bonds;
- (xii) reimbursement of the costs previously incurred by and agreeable to the other Cities with respect to the BCRUA Project; and
- (xiii) other costs generally recognized as a part of BCRUA Project construction costs.

BCRUA Project Costs will be allocated among the Cities in accordance with Exhibit "D".

(h) "Bond Payment(s)" means the amount of money to be paid to the BCRUA by a City, for the debt service or to fund or replenish any debt service reserve fund or other special or contingency fund or the payment of Trustee or other fees related to one or more series of Bonds issued for that City, which Bonds are payable from the gross revenues of the City's System as an operating and maintenance expense of the City's System at the times and in the amounts required to pay debt service on a series of Bonds issued for that City, at such time as further provided in Section 4.5 of this Contract. A City is responsible for paying debt service on only the series of Bonds issued for that City, after taking into account any capitalized interest funded from the proceeds of any series of Bonds issued for that City. A City is not responsible for paying debt service on any series of Bonds issued for another City.

(i) "Bond Resolution" means any resolution and/or trust indenture of the BCRUA, authorizing the issuance of and securing a series of Bonds and all amendments and supplements thereto authorized by such resolution to establish certain terms of the Bonds authorized by such resolution. Since separate series of Bonds will be issued for each City requesting financing, any such reference in this Contract means the Bond Resolutions related to the City for which such series of Bonds are being issued.

(j) "Bonds" means all bonds, notes, or other obligations hereafter issued by the BCRUA, for each City requesting financing, the proceeds of which shall be used to pay such City's share of BCRUA Project Costs, (including any Additional Bonds) or to refund any Bonds or to refund any such refunding Bonds.

(k) "Cities" means, collectively, the City of Cedar Park, Texas, the City of Leander, Texas, and the City of Round Rock, Texas. "City" means, respectively, the City of Cedar Park, Texas, the City of Leander, Texas, or the City of Round Rock, Texas.

(l) "City System" means and includes a respective City's existing combined waterworks and wastewater disposal system, together with all future extensions, improvements, enlargements, and additions thereto, including, to the extent permitted by law, and/or reclaimed water systems which are integrated with the waterworks or wastewater disposal system, and all replacements thereof, provided that, notwithstanding the foregoing, and to the extent now or hereafter authorized or permitted by law, the term City System shall not include any waterworks or wastewater facilities which are declared by a City not to be a part of its City System of such City and which are hereafter acquired or constructed by a respective City with the proceeds from the issuance of "Special Project Bonds", which are hereby defined as being special revenue obligations of such City, which are not secured by or payable from the net revenues of a respective City System, but which are secured by and are payable solely from special contract revenues, or payments received by a City or any other legal entity, or any combination thereof, in connection with such facilities; and such revenues or payments shall not be considered as or constitute gross revenues of a respective City System, unless and to the extent otherwise provided in the ordinance or ordinances authorizing the issuance of such "Special Project Bonds."

(m) "Claim", as used in Section 12.13 of this Contract, means claims, demands, and expenses, including reasonable attorney's fees.

(n) "Code" means the Internal Revenue Code of 1986, and any amendments thereto, as in force and effect on the date of delivery of any series of Bonds.

(o) "Completion Date" means such term as it is defined in Section 3.9 of this Contract.

(p) "Construction Fund" means the fund created with that name pursuant to a Bond Resolution.

(q) "Credit Agreement" means any bond insurance policy or other credit agreement, as defined in and authorized by the provisions of Chapter 1371, as amended, Texas Government Code, which the BCRUA may execute relating to a series of Bonds.

(r) "Delivery Point" means the place, whether one or more, to which the BCRUA will deliver treated water to each City pursuant to this Contract.

(s) "Engineering Reports" means collectively the Preliminary Engineering Report ("PER") and the Preliminary Design Report ("PDR"). The Preliminary Design Report updates, and in some circumstances replaces and modifies, the Preliminary Engineering Report. In the event there is a conflict between the two reports, the Preliminary Design Report shall prevail. The Engineering Reports may be amended, modified and changed and superseded with the approval of the BCRUA and Cities, at any time prior to the execution of construction contracts for the BCRUA Project or as modified and changed by change orders issued after the execution of such construction contracts; provided, however, no such change order shall adversely affect any City without the unanimous consent of the Cities.

(t) "Fiscal Year" means the fiscal year, which currently begins on October 1 of each year and ends on September 30 of the following year.

- (u) "Force Majeure" means such term as it is defined in Section 12.3 of this Contract.
- (v) "General Manager" means the individual hired by the BCRUA to manage the affairs of the BCRUA.
- (w) "Insurance Policy" means the insurance policy, if any, issued by the Insurer guaranteeing the scheduled payment of principal of and interest on a particular series of Bonds when due.
- (x) "Insurer" means the company, if any, insuring a particular series of the Bonds, or any successor thereto or assignee thereof.
- (y) "Land Interests" means the fee simple interests and/or the easements, right-of-way, and other interests in real property necessary for the acquisition, construction, and operation of the BCRUA Project.
- (z) "MSRB" means the Municipal Securities Rulemaking Board and any successor to its duties.
- (aa) "NRMSIR" means each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.
- (bb) "Operation and Maintenance Expenses" means all direct costs and expenses, fixed and variable, incurred by the BCRUA for its operation and maintenance of the BCRUA Project, including (for greater certainty but without limiting the generality of the foregoing) the costs of utilities, supervision, treatment, engineering, accounting, auditing, legal services, insurance premiums, supplies, services, and administration of the BCRUA Project, Overhead Expenses, and costs of operating, repairing, maintaining, and replacing equipment for proper operation and maintenance of the BCRUA Project. The term "Operation and Maintenance Expenses" does not include depreciation charges or such portion of the above-described costs to the extent such costs are paid pursuant to an agreement other than this Contract.
- (cc) "Operations Committee" means the committee created in Article V of this Contract.
- (dd) "Overhead Expenses" means the BCRUA's reasonable and necessary costs and expenses incurred at any time directly related to the issuance and servicing of the Bonds, the acquisition of Land Interests required for the BCRUA Project, the design, permitting, financing, acquisition, construction, and ownership of the BCRUA Project and any other activities required of or involving the BCRUA in connection with or attributable to the BCRUA Project or the Bonds.
- (ee) "Permitted Liens" means
 - (i) minor irregularities, charges, liens, encumbrances, defects, easements, licenses, rights-of-way, servitudes, restrictions, mineral rights, and clouds on title which, in the opinion of counsel to the BCRUA, a copy of which shall be forwarded to each City, do not materially impair the use of the BCRUA Project for the purposes for which it is designed;
 - (ii) easements for roads (as used in this Contract, the term "roads" shall include, without limitation, streets, curbs, gutters, drains, ditches, sewers, conduits, canals,

mains, aqueducts, aerators, connections, ramps, docks, viaducts, alleys, driveways, parking areas, walkways, and trackage), utilities (which for purposes of this Contract shall include, without limitation, water, sewer, electricity, gas, telephone, pipeline, railroad, and other collection, transportation, light, heat, power, and communication systems) and similar easements and other easements, rights-of-way, rights of flowage, flooding, diversion or outfall, licenses, restrictions, and obligations relating to the operation and maintenance of the BCRUA Project which, in the opinion of counsel to the BCRUA, a copy of which shall be forwarded to each City, do not materially impair the use of the BCRUA Project for the purposes for which it is designed; and

(iii) rights of the United States or any state or political subdivision thereof, or other public or governmental authority or agency or any other entity vested with the power of eminent domain to take or control property or to terminate any right, power, franchise, grant, license, or permit previously in force.

(ff) “Plans and Specifications” means the plans and specifications prepared for the BCRUA Project by the BCRUA Consulting Engineer(s), as the same may be revised from time to time in accordance with this Contract.

(gg) “Preliminary Design Report” or “PDR” means collectively the following described documents:

(i) *Treatment Plant PDR*. “Brushy Creek Regional Water Treatment Plant; Preliminary Design Report prepared by Camp Dresser & McKee, Inc., dated July, 2008;

(ii) *Raw Water PDR*, “Brushy Creek Regional Water Supply Project – Phase 1 Raw Water Facilities – Floating Intake and Raw Water Pipeline; Preliminary Design Report” prepared by Carter & Burgess, Inc., dated October 2007;

(iii) *Treated Transmission Main, Segment 1 PDR*, “Brushy Creek Regional Utility Authority 78 inch Water Transmission Main Preliminary Engineering Report: prepared by Lockwood, Andrews & Newnam, Inc., dated May 24, 2007; and

(iv) *Treated Transmission Main, Segment 2C PDR*, “Preliminary Engineering Report – Treated Water Transmission Line Segment 2C” prepared by K. Friese & Associates, Inc., dated September 2007.

(hh) “Preliminary Engineering Report” or “PER” means the “Cedar Park – Round Rock – Leander Regional Water Supply Project Preliminary Engineering Report,” prepared by HDR Engineering, Inc., dated January 2007.

(ii) “Prudent Utility Practice” means any of the practices, methods, and acts, in the exercise of reasonable judgment, in the light of the facts, including but not limited to the practices, methods, and acts engaged in or approved by a significant portion of the public utility industry prior thereto, known at the time the decision was made, that would have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety, and expedition. It is recognized that Prudent Utility Practice is not intended to be limited to the optimum practice, method, or act at the exclusion of all others, but rather is a spectrum of possible practices, methods, or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety, and expedition. In the case

of any facility included in a City System which is owned in common with one or more other entities, the term “Prudent Utility Practice”, as applied to such facility, shall have the meaning set forth in the agreement governing the operation of such facility.

(jj) “Rule” means SEC Rule 15c2-12, as amended from time to time.

(kk) “Sale and Offering Documents” means any official notice of sale, official bid form, preliminary official statement, official statement, or other offering document for the Bonds.

(ll) “SEC” means the United States Securities and Exchange Commission and any successor to its duties.

(mm) “SID” means any entity designated by the State or an authorized department, officer, or agency thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule from time to time.

(nn) “State” means the State of Texas.

(oo) “TCEQ” means the Texas Commission on Environmental Quality or its successors or assigns.

(pp) “Trustee” means any trustee named under a trust indenture or the paying agent/registrant named in a paying agent/registrant agreement entered into by the BCRUA relating to the payment of a series of Bonds and authorized by a Bond Resolution.

(qq) “Utility Bond” means the bonds, notes and other obligations of a City outstanding from time to time secured by a lien on and pledge of the net revenues of that City’s System or any part thereof, regardless of lien priority.

(rr) “TWDB” means the Texas Water Development Board or any successor entity thereto.

(ss) “TWDB Program” means the applicable TWDB programs.

(tt) “Water Rights” means each City’s respective right to raw water under each City’s contract with LCRA. Each City’s right(s) to raw water are and shall remain the City’s sole property. The BCRUA holds no raw water rights and will not acquire any raw water rights by virtue of this Contract.

Section 1.2 Interpretation. The table of contents and caption headings of this Contract are for reference purposes only and shall not affect its interpretation in any respect. Unless the context otherwise requires, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa. Defined terms include the plural and singular versions of the words. This Contract and all the terms and provisions shall be liberally construed to effectuate the purpose set forth herein and to sustain the validity of this Contract.

ARTICLE II

PURPOSE AND DESCRIPTION OF THE BCRUA PROJECT

Section 2.1 Raw Water Contracts. Each City, individually, has contracted with LCRA and/or Brazos River Authority (“BRA”) to purchase raw water from Lake Travis in sufficient

quantities to meet the long-term projected demands for treated water for each City. Each City has conducted its own investigation and, based solely thereon, has determined that it has contracted for and acquired sufficient quantities of raw water to meet its own needs. Copies of the three contracts between the City of Round Rock and BRA for raw water from Lake Travis are attached hereto as Exhibits "A-1", "A-2", and "A-3." A copy of the contract between the City of Cedar Park and LCRA for raw water from Lake Travis is attached hereto as Exhibit "B." A copy of the contract, as amended, between the City of Leander and LCRA for raw water from Lake Travis is attached hereto as Exhibit "C."

Section 2.2 Regional Water Treatment and Distribution. In order to utilize the raw water from Lake Travis, in 2005, each City began independently studying and planning for its own water intake, treatment, and distribution system. In early 2006, the three Cities entered into discussions regarding the possibility of a joint regional intake, treatment, and distribution system. Shortly thereafter, the Cities determined that a joint regional intake, treatment, and distribution system would be the most efficient and cost-effective option for each of them and their respective rate-payers.

Section 2.3 Local Government Corporation. After determining that a joint regional intake, treatment, and distribution system was the best solution available to the Cities water needs, in 2007 the Cities continued their discussions to determine the best method of jointly acquiring, financing, constructing, and operating such system. After researching the various options for a regional system, the Cities determined that the best method would be to create a Local Government Corporation pursuant to Subchapter D of Chapter 431, Texas Transportation Code. In July 2007, the three Cities jointly created a Local Government Corporation which was named the Brushy Creek Regional Utility Authority, Inc. The express purpose for the creation of the BCRUA was to provide an efficient vehicle for the financing, construction, acquisition, ownership, maintenance, and operation of a regional water transmission, treatment, and distribution and/or a regional wastewater collection and treatment systems and/or a water reuse system.

Section 2.4 Purpose of this Contract. The purpose of this Contract is to set forth the terms and conditions under which the Cities, by and through the BCRUA, will finance, construct, acquire, own, maintain and operate the BCRUA Project. This Contract also sets forth in general terms the manner in which the Cities will share the costs of constructing, operating, and maintaining the BCRUA Project.

Section 2.5 Title to Raw Water. Title to and interest in each City's raw water supply shall remain with each City, respectively, at all times. The BCRUA shall not acquire any right or title to the Cities' respective raw water interests by virtue of this Contract and shall not otherwise assert any ownership interest in any City's raw water rights. However, the Cities hereby authorize and assign to the BCRUA the authority to take the raw water from Lake Travis and to exercise servicing authority over, and in all respects, to use the raw water for the sole purpose of treating said water in order to deliver potable water to the Cities. The BCRUA will be responsible for the operation of the BCRUA Project and the treatment of raw water, but shall not claim title to any of the raw water contracted for by the Cities, respectively, which passes through and is treated by the BCRUA Project. Each City is solely responsible to make available sufficient raw water to the BCRUA for its reserved treatment capacity in the BCRUA Project, and the BCRUA shall treat such raw water at its treatment plant.

Section 2.6 Other Contracts. The BCRUA shall not enter into contracts with other entities or persons for the supply of treated water without the prior written consent of all the Cities, which consent shall not be unreasonably withheld.

Section 2.7 Quality. The treated water to be delivered by the BCRUA and received by the Cities shall be potable water. The BCRUA will draw all or a portion, as the case may be, of each City's raw water from Lake Travis into the BCRUA Project for treatment and distribution in order to serve each City's need for treated water, and the BCRUA will treat such raw water using the BCRUA Project and equipment described in the Preliminary Design Report.

Section 2.8 Operation. The BCRUA covenants to operate the BCRUA Project in accordance with Prudent Utility Practices and in accordance with applicable regulatory requirements and standards.

Section 2.9 Conservation Plans. Each City has adopted a water conservation plan in accordance with the rules and regulations of the TCEQ. Each City agrees to provide the BCRUA a certified copy of its adopted plan. Each City covenants to the other Cities and to the BCRUA to fully comply with their respective conservation plans and to comply with all applicable rules and regulations of the TCEQ.

ARTICLE III

ACQUISITION AND CONSTRUCTION OF THE BCRUA PROJECT

Section 3.1 General. Subject to the remaining terms and provisions of this Contract, the BCRUA agrees to issue one or more series of the Bonds, as requested by any City, to acquire and construct the BCRUA Project as generally described in the Preliminary Design Report. The Parties anticipate that the BCRUA Project will be operational by April 1, 2011. It is expressly understood and agreed that any obligations on the part of the BCRUA to finance, acquire, construct, and complete the BCRUA Project and any future expansions of the BCRUA Project and to provide the water treatment capacity to the Cities shall be (i) conditioned upon the BCRUA's ability to obtain all necessary permits, Land Interests, material, labor, and equipment, and upon the ability of the BCRUA to finance the BCRUA Project Costs through the actual sale of the Bonds or receipt of funds from the Cities, including any Additional Bonds needed to complete the BCRUA Project, and (ii) subject to all present and future valid laws, orders, rules, and regulations of the United States of America, the State, and any regulatory body having jurisdiction. The BCRUA shall acquire and construct the BCRUA Project with all reasonable dispatch, and the BCRUA will diligently pursue such acquisition and construction in order that the BCRUA Project will be operational by April 1, 2011, delays incident to events of Force Majeure only excepted; but if for any reason there should be delays in or the entire failure of such acquisition, construction, and improvement, there shall be no diminution in or postponement of the Annual Payments to be made by the Cities hereunder and no resulting liability on the part of the BCRUA.

Section 3.2 Location of BCRUA Project; Acquisition of Land Interests. The BCRUA Project will be constructed and located on, across, within and through the Land Interests. The BCRUA (or one or more of the Cities) shall, as soon as possible after the delivery of this Contract, and subject to the receipt of the Bond proceeds or funds from the Cities, undertake the

acquisition of the Land Interests. The BCRUA shall be responsible for ensuring that proper filings of each such portion of the Land Interests are made in the deed records of the appropriate counties to ensure that all interested parties have proper notice of the BCRUA's interests in the Land Interests. As each deed, easement, or other evidence of an interest in real property comprising a portion of the Land Interests is acquired by the BCRUA, a copy of such instrument, together with evidence of its filing in the deed records of the counties in which such portion lies, shall, upon the written request of the Cities, be given to the Cities.

The BCRUA shall acquire a title insurance policy or a title opinion showing good and indefeasible title with respect to each Land Interest acquired. A copy of each such title insurance policy or title opinion shall be retained in the BCRUA's official records.

Section 3.3 Construction. The BCRUA shall, as soon as possible, undertake to make, execute, deliver, and prosecute all contracts, orders, receipts, writings, and instructions with or to other persons, and in general do or cause to be done all such other things, as may be required for the proper acquisition and construction of the BCRUA Project.

Section 3.4 Selection of BCRUA Consulting Engineer(s); Plans and Specifications. The BCRUA acknowledges that the Cities have previously contracted with several engineering firms to prepare the Preliminary Design Report for the BCRUA Project. Upon BCRUA's receipt of funding, the Cities shall assign to the BCRUA the aforesaid engineering contracts. Upon assignment, the BCRUA shall cause the aforesaid engineering firms to complete the Plans and Specifications and the other materials to be used in the construction of the BCRUA Project and to perform such other engineering tasks as shall be necessary for construction of the BCRUA Project.

Section 3.5 Award of Construction Contracts. Upon obtaining the approval of the Board of Directors of the BCRUA of the Plans and Specifications, the BCRUA will promptly advertise for sealed bids or comply with the requirements for an alternative delivery method for the BCRUA Project to the extent and as required by law. The BCRUA may break the BCRUA Project into several contracts or phases as it determines is best for the timely acquisition and construction of the BCRUA Project. The BCRUA shall not be obligated to award a construction contract unless the proceeds from the Bonds or other funding are available to pay the contract(s). The BCRUA shall ensure that all contracts for the construction of the BCRUA Project provide that the BCRUA Project will be operational by April 1, 2011.

Section 3.6 Liens. Neither the Cities nor the BCRUA will create or permit or suffer to exist any lien, encumbrance, or charge upon the BCRUA Project or any interest therein at any time, except Permitted Liens.

Section 3.7 Revisions of Plans. The BCRUA may revise the Plans and Specifications prior to the Completion Date with the unanimous approval of the Cities.

Section 3.8 Approvals. Unless otherwise required by law, each consent, approval, or other official action required of the Cities or the BCRUA by any provision of this Contract shall be deemed in compliance with this Contract when written evidence of such action, signed by the respective Authorized Representative, is delivered to the party who is to receive evidence of such action. All contracts to be entered into by the BCRUA shall be authorized by the BCRUA's Board of Directors. The Cities will cooperate with the BCRUA in the design, financing, acquisition, and construction of the BCRUA Project and, following the adoption of the Bond

Resolution by the BCRUA's Board of Directors, the Cities will not take any action or fail to take any action (including, without limitation, any exercise or denial of their consent or approval of any action proposed to be taken by the BCRUA or any of their agents hereunder), if taking or failing to take such action, respectively, would unreasonably delay or obstruct the completion of the BCRUA Project by the BCRUA.

Section 3.9 Completion. Upon completion of the BCRUA Project, the BCRUA shall deliver to the Cities a certificate of the BCRUA and the BCRUA Consulting Engineer(s) stating that, as of a specified date, the BCRUA Project has been completed (the date specified in such certificate being herein called the "Completion Date").

Section 3.10 Raw Water Supply. Each City has conducted its own investigation and, based solely thereon, has determined that it has contracted for and acquired sufficient quantities of raw water to meet its needs. Title to and interest in each City's raw water supply shall remain with each City, respectively, at all times. The BCRUA shall not acquire any right or title to the Cities' respective raw water interests by virtue of this Contract and shall not otherwise assert any ownership interest in any City's raw water rights. However, the Cities hereby authorize and assign to the BCRUA the authority to take the raw water from Lake Travis and to exercise servicing authority over and in all respects to use such raw water for the sole purpose of treating such raw water in order to deliver potable water to the Cities. The BCRUA will be responsible for the operation of the BCRUA Project and the treatment of raw water, but shall not claim title to any of the raw water contracted for by the Cities, respectively, which passes through and is treated by the BCRUA Project. Each City is solely responsible to make available to the BCRUA sufficient raw water for its reserved treatment capacity in the BCRUA Project, and the BCRUA shall treat such raw water at its treatment plant.

Section 3.11 Access to Cities. If any facility, pipeline, or appurtenance owned by the BCRUA is installed in any street, alley, or public way within the boundaries of a City, as same is now constituted or as may hereafter be extended, such City hereby grants to the BCRUA, upon complying with such City's franchise ordinances or other provisions, the right, privilege, and franchise of using such street, alley or public way for the purposes of maintaining, operating, laying, repairing, or removing such facility, pipeline, or appurtenance.

Section 3.12 Easements. Each City hereby agrees to grant to the BCRUA such easements as may be reasonably necessary for the purposes of placing, constructing, operating, repairing, maintaining, rebuilding, replacing, relocating, and removing water treatment facilities upon, over, across and through the City's property and giving to the BCRUA, and its successors and assigns, all of the rights and benefits necessary or appropriate for the full enjoyment and use of the easement, including but without limiting the same, to the free right of ingress and egress to and from the City's property.

Section 3.13 Delivery Point. The BCRUA Project will include the Land Interests required to deliver treated water to the Delivery Point for each City at the location depicted in the Engineering Reports. After completion of the BCRUA Project, each City shall have the sole responsibility, at its own cost and expense, for providing additional pipelines and other facilities required for transporting its share of the treated water from the BCRUA Project to a new or additional Delivery Point, but an additional or alternative Delivery Point will be allowed only with the consent of the Cities, which consent will not be unreasonably withheld.

Section 3.14 Other Contracts. The BCRUA shall not enter into contracts with other persons for the supply of treated water without the prior written consent of all the Cities, which consent shall not be unreasonably withheld.

Section 3.15 Quality. The treated water to be delivered by the BCRUA and received by the Cities shall be potable water. The BCRUA will draw all or a portion, as the case may be, of each City's raw water from Lake Travis into the BCRUA Project for treatment and distribution in order to serve each City's need for treated water, and the BCRUA will treat such raw water using the BCRUA Project and equipment described in the Engineering Reports.

ARTICLE IV

FINANCING OF THE BCRUA PROJECT

Section 4.1 Issuance of Bonds.

(a) The BCRUA's acquisition, construction, and completion of the BCRUA Project will be financed by

- (i) receipt of funds from the Cities, respectively,
- (ii) the BCRUA through the issuance of one or more series or issues of Bonds by the BCRUA for a City, which Bonds are payable solely from and secured, in part, by an assignment of the Bond Payments made under this Contract by the City for which such series of Bonds are issued, or
- (iii) any combination of funds from the Cities, respectively, and the issuance of Bonds for the Cities, respectively. It is expressly understood and agreed by the BCRUA and the Cities that the BCRUA shall issue Bonds as separate series for the applicable City.

Each City shall be solely responsible for Bond Payments on its series of Bonds. No City shall have any liability or responsibility for any Bond Payment on a series of Bonds issued for another City. In consideration of the covenants and agreements set forth in this Contract, and to enable the BCRUA to issue the Bonds to carry out the intents and purposes hereof, this Contract is executed to assure the issuance of the Bonds at the request of a City and to provide for and ensure the due and punctual payment by such City to the BCRUA, or to the Trustee relating to the series of Bonds issued for such City, of amounts not less than the Bond Payments. Each City hereby agrees to make, or cause to be made, its respective Bond Payments, as and when due, for the benefit of the owners of the Bonds, as provided in the Bonds and the Bond Resolution. The cost allocations for the BCRUA Project Cost are shown in Exhibit "D."

(b) The proceeds from the sale of the Bonds, together with any funds received from a City will be used for the payment of the BCRUA Project Costs. Upon request of a City, the Bonds will be issued by the BCRUA for such City's share of the amount anticipated to be required to acquire and construct the BCRUA Project, including payment of all BCRUA Project Costs advanced by such City and incurred by the BCRUA prior to the date of issuance of the Bonds, and to fund, to the extent deemed advisable by the BCRUA, a debt service reserve fund, if applicable, and interest on the Bonds during construction and for up to one year after the Completion Date. However, each City specifically reserves the right to pay cash to the BCRUA rather than have the BCRUA issue Bonds on its behalf.

(c) Each Bond Resolution of the BCRUA shall specify the maximum principal amount of the Bonds for each City's series of Bonds to be issued thereunder. The Bonds shall mature not more than forty (40) years from the date of such Bonds and shall bear interest at not to exceed the maximum legal rate then permitted by law, and the Bond Resolution may create and provide for the maintenance of a revenue fund, a debt service fund, a reserve fund, a construction fund, and any other funds deemed prudent by the BCRUA, all in the manner and amounts as provided in such Bond Resolution.

(d) Prior to the final adoption of a Bond Resolution or any amendment of a Bond Resolution by the BCRUA's Board of Directors for a City, a substantially final copy of the proposed Bond Resolution for such City and the Sale and Offering Documents, if any, for such City shall be presented to the governing body of such City for review and approval.

(e) Upon approval by the City's governing body of

(i) a substantially final copy of the Bond Resolution for the City hereafter adopted by the BCRUA for the applicable City, including any Credit Agreements,

(ii) any amendments to any Bond Resolution for the City, and

(iii) the Sale and Offering Documents for the City and the delivery to the BCRUA of a certification signed by the Authorized Representative of the City to the effect that the Bond Resolution and the Sale and Offering Documents comply with this Contract,

then upon the adoption and approval of the Bond Resolution in such final form by the BCRUA's Board of Directors or Authorized Representative, as the case may be, and the issuance and delivery of the Bonds to the purchaser thereof, the Bond Resolution shall for all purposes be considered approved by the City for its Bonds and deemed to be in compliance with this Contract in all respects, and the Bonds issued thereunder will constitute Bonds as defined in this Contract for all purposes. Any registered owner of Bonds is entitled to rely fully and unconditionally on any such approval.

(f) All covenants and provisions in the Bond Resolution affecting, or purporting to bind, the City shall, upon the delivery of the Bonds, become absolute, unconditional, valid, and binding covenants and obligations of the City so long as the Bonds and interest thereon are outstanding and unpaid, and may be enforced by the remedies of mandamus and specific performance in addition to any other legal or equitable remedies which may be available, as provided in Section 12.10 of this Contract and the Bond Resolution. Particularly, the obligation of the City to make, promptly when due, all Annual Payments specified in this Contract shall be absolute and unconditional, and said obligation may be enforced as provided in this Contract. In addition, subject to the approval of the City, the BCRUA may enter into Credit Agreements for the purpose of achieving the lowest financing costs for the BCRUA Project.

Section 4.2 Proceeds of Bonds. Subject to the terms and provisions of this Contract, the proceeds of the Bonds shall be used by the BCRUA for the purpose of financing and funding the BCRUA's acquisition and construction of the BCRUA Project as provided in Section 4.1. Upon request by a City, the BCRUA shall use its best efforts to issue its Bonds, in one or more separate series for each City requesting financing, in amounts which will be sufficient, together with any funds contributed by a City, to accomplish such purpose. The proceeds of the Bonds shall be deposited in the Construction Fund established pursuant to the terms of each Bond

Resolution. A trust indenture may be entered into between the BCRUA and a corporate trustee for the purpose of securing the payment of the Bonds. The trust indenture or each Bond Resolution, as appropriate, will establish procedures for the payment of BCRUA Project Costs out of one or more construction funds, or subaccount within the Construction Fund. It is anticipated that the Bonds will be issued pursuant to each Bond Resolution and that a paying agent/registrars agreement will be executed between the BCRUA and the Trustee concerning the payment procedures with respect to the Bonds.

Any funds contributed by a City for its share of BCRUA Project Costs shall be deposited into a separate subaccount of the Construction Fund of the BCRUA:

- (a) prior to the BCRUA pricing any series of Bonds for a City; or
- (b) simultaneous with the delivery of the proceeds of any series of Bonds so long as sufficient evidence is provided to the BCRUA and Cities prior to pricing of Bonds that their funds will be available at the closing of the Bonds.

Section 4.3 Refunding of Bonds. The BCRUA reserves the right to issue refunding bonds in accordance with the laws of the State and will provide notice to each applicable City, respectively, of the redetermined Bond Payment in accordance with Section 9.2 of this Contract.

Section 4.4 Redemption of Bonds. The BCRUA, in its sole discretion or upon the written request of a City (and provided that the affected series of Bonds for such City are subject to redemption or prepayment prior to maturity at the option of the BCRUA, and provided that such request is received in sufficient time prior to the date upon which such redemption or prepayment is proposed), forthwith shall take or cause to be taken all action that may be necessary under the applicable redemption provisions of the series of Bonds to redeem the Bonds or any part thereof, to the full extent of funds that are either made available for such purpose by the applicable City or already on deposit under the Bond Resolution and available for such purpose. The redemption of any outstanding Bonds prior to maturity at any time shall not relieve the applicable City of its absolute and unconditional obligation to pay each remaining Annual Payment with respect to any outstanding Bonds, as specified in the Bond Resolution.

Section 4.5 Debt Service on Bonds and Other Bond Funding Requirements. It is acknowledged and agreed that payments to be made under this Contract will be the primary source available to the BCRUA to provide the money necessary for the BCRUA to meet its obligations with respect to any series of Bonds and any Credit Agreements. Each City therefore agrees and accepts sole responsibility to pay the Bond Payments related to the series of Bonds issued for the respective City, as outlined in subsections (a) through (c) below, in full when due as provided in this Contract. However, no City shall have any liability or responsibility for any Bond Payments on a series of Bonds issued for another City. Bond Payments shall be due by the close of business on the business day prior to each date on which any of the following payments or deposits shall be due and shall be in an amount equal to all such payments and deposits due on such date:

- (a) debt service on its related series of Bonds for each respective City for which such series of Bonds were issued and related payments and deposits, as follows:
 - (i) principal of, redemption premium, if any, and interest on, its related series of Bonds for each respective City, less interest to be paid out of Bond proceeds or from other sources if permitted by any Bond Resolution, and the redemption price

of any Bonds to be redeemed prior to maturity when and as provided in any Bond Resolution plus the fees, expenses, and, to the extent permitted by law, indemnities of the Trustee, if any, for the Bonds, and those of the paying agent/registrar for paying the principal of and interest on the Bonds and for authenticating, registering, and transferring Bonds on the registration books;

(ii) deposits required to be made to any special, contingency, or reserve fund by the provisions of any Bond Resolution; and

(iii) any deposit in addition thereto required to restore any deficiency in any of such funds by the provisions of any Bond Resolution,

(b) amounts payable by the BCRUA under a Credit Agreement; and

(c) the fees, expenses, and indemnities (to the extent permitted by law) of the Trustee, remarketing agent, rate setting agent, authentication agent, arbitrage rebate compliance firm, and tender agent, if any, for the Bonds.

Section 4.6 Billing. The BCRUA will maintain rates and charges sufficient to meet the debt service requirements on outstanding Bonds, and each City shall maintain rates and charges for its City System sufficient to pay the City's obligations secured by and made payable from the revenues derived from the operation of its City System, as provided in Section 9.3(b) of this Contract. To the extent Annual Payments are due, the BCRUA will render a bill to each City not more than once each month, for the payments required by this Contract. The BCRUA shall, until further notice, render such bills on or before the 5th day of each month and such bills shall be due and payable on the 15th day of each month or ten (10) days after such bill is deposited into the United States mail, properly stamped and addressed to the Cities whichever is later and thereafter, to the extent permitted by law, interest shall accrue thereon at the rate of ten per cent (10%) per annum until paid in full. Notwithstanding the foregoing, Bond Payments shall be paid in accordance with Section 4.5 of this Contract. The BCRUA may, however, from time to time by sixty (60) days' written notice change the date by which it shall render bills, and all bills shall thereafter be due and payable fifteen (15) days after such dates as herein provided. Each City shall make all payments in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and shall make payment to the BCRUA at its office in Williamson County, Texas, or at such other place as the BCRUA may from time to time designate by sixty (60) days written notice.

Section 4.7 Delinquency in Payment. If any City fails to pay in full any bills when due and payable, the BCRUA shall give written notice of such delinquency to the City and if all bills due and unpaid, including interest thereon, are not paid in full within forty-five (45) days after delivery of such notice, then the City agrees that the BCRUA shall be authorized, at its sole option, to institute suit for collection thereof and to collect any amounts due and unpaid, together with interest thereon and reasonable attorneys' fees, and the City further agrees that the BCRUA shall, at its sole option, discontinue providing treated water to the City until all amounts due and unpaid are paid in full with interest as herein specified. Any such discontinuation of service shall not, however, relieve the City of its unconditional obligations to make the payments required by this Contract. It is also hereby expressly acknowledged and agreed that any nondefaulting City shall have no obligation to make any payments for the benefit of the defaulting City.

Section 4.8 BCRUA's Rights Assigned to Trustee. The Cities are advised and recognize that as security for the payment of a series of Bonds, the BCRUA may, subsequent to the issuance of the initial series of Bonds, assign to the Trustee, pursuant to one or more trust indentures (or paying agent/registrars agreements) to be authorized by a Bond Resolution, the BCRUA's rights under this Contract, including the right to receive the Annual Payments hereunder (but not the right to receive payments, if any, under Section 12.13 hereof). Each City assents to such assignment and will make the Annual Payments directly to the Trustee without defense or set-off by reason of any dispute between one or both of the Cities and the BCRUA or the Trustee. All rights against a City arising under this Contract or each Bond Resolution and assigned to the Trustee may be enforced by the Trustee, or the owners of the Bonds, to the extent provided in each Bond Resolution, and the Trustee, or the owners of the Bonds, shall be entitled to bring any suit, action, or proceeding against a City, to the extent provided in the Bond Resolution, for the enforcement of this Contract, and it shall not be necessary in any such suit, action, or proceeding to make the BCRUA or any other City a party thereto.

Section 4.9 Tax-Exempt Bonds. The Parties hereto understand and agree that the BCRUA will use reasonable efforts to provide for, but will not be liable for a failure to produce, the lowest overall debt service cost for any series of Bonds to be issued for the BCRUA Project. In connection therewith, each City understands that the BCRUA intends to issue Bonds the interest on which is excludable from the gross income of the owners thereof for federal income tax purposes. The Parties hereto acknowledge their understanding that the federal income tax laws impose certain restrictions on the use and investment of proceeds of such tax-exempt bonds and on the use of the property financed therewith and the output produced therefrom. Accordingly, each City agrees and covenants that if any series of Bonds are offered to investors with the understanding that the interest will be exempt from federal income taxation, then the Parties, their assigns and agents, will take such action to assure, and refrain from such action which will adversely affect the treatment of such Bonds as obligations described in section 103 of the Code. Should any party fail to comply with such covenant, the effect of which being that the Bonds no longer qualify as obligations described in the Code, such defaulting party shall be liable for all costs resulting from the loss of the tax-exempt status of the Bonds. The Parties hereby agree and covenant to comply with all of the representations and covenants relating to such exemption which are set out in any Bond Resolution. Each City and the BCRUA further agree and covenant that in the event any series of Bonds issued are to be tax-exempt, they will modify such agreements, make such filings, restrict the yield on investments, and take such other action necessary to fulfill the applicable provisions of the Code. For these purposes, the Parties may rely on the respective opinion of any firm of nationally-recognized bond attorneys selected by them. In the event that a conflict arises in the opinions of the respective firms of each of the Parties, the Parties will identify a different firm that is mutually acceptable to all Parties, in order to resolve the conflict of opinion.

Section 4.10 Payment to Rebate Fund. In the event that tax-exempt Bonds are issued as provided in Section 4.9, the BCRUA hereby covenants and agrees to make the determinations and to pay any deficiency into a rebate fund, at the times and as described in each Bond Resolution to comply with the provisions of section 148(f)(2) of the Code. In any event, if the amount of cash held in each rebate fund shall be insufficient to permit the BCRUA or the Trustee to make payment to the United States of America of any amount due on any date under section 148(f)(2) of the Code, each City forthwith shall pay the amount of such insufficiency for the series of Bonds issued for that City on such date to the Trustee in immediately available funds

for such purpose. The obligations of each City under this Section 4.10 are direct obligations of the City, acting under the authorization of, and on behalf of, the BCRUA and the BCRUA shall have no further obligation or duty with respect to the rebate fund.

Section 4.11 City's Obligations. In the event the BCRUA Project is not completed for any of the reasons contemplated herein or otherwise, or any proceeds from issuance of a series of Bonds are not used for completion of the BCRUA Project for any reason, any Bond proceeds and earnings thereon for such series not used for completion of the BCRUA Project shall be utilized to satisfy amounts due and owing on such Bonds as described in the related Bond Resolution, and herein, so as to reduce the Bond Payments which would otherwise be due hereunder, or be applied for the benefit of each City as provided in the related Bond Resolution. Each City has covenanted absolutely and unconditionally, in accordance with all other terms of this Contract, to make the Annual Payments, as provided herein, in consideration for such application of the money as well as the other covenants and obligations of the BCRUA and others set forth or contemplated herein.

Section 4.12 Interest on Money. All legally available money respecting a series of Bonds shall be invested in the manner set forth in each Bond Resolution. Any interest earnings on the Bond proceeds may be used to pay principal of and interest on the related Bonds or for the payment of any BCRUA Project Costs or other costs related to the BCRUA Project approved by the Cities, subject to Section 4.9.

Section 4.13 Sale and Offering Documents. At the request of the BCRUA, each City for which a series of Bonds is being issued shall provide to the BCRUA current and historical information concerning such City's System, the financial conditions results, and prospects of the City, and such other information concerning such City as the BCRUA shall deem advisable for inclusion in the Sale and Offering Documents, if any, for the Bonds to be issued for such City, and shall certify to the BCRUA and the underwriters of any offering of Bonds to be made by means of such Sale and Offering Documents when and if the City deems such Sale and Offering Documents to be complete and final for purposes of the Rule. Each City represents and warrants that all statements concerning it (including, without limitation, its financial condition, results, and prospects, and any demographic and economic information concerning the area served by the BCRUA Project) that are contained in any Sale and Offering Document approved by the City pursuant to Section 4.1 hereof shall be true in all material respects and shall not omit to state any material fact necessary to make the statements made in such Sale and Offering Document, in the light of the circumstances in which they are made, not misleading.

Section 4.14 Right to Prepay. Each City shall have the right at any time to prepay all or any portion of its Annual Payments. Subject to the provisions of Section 4.9, such prepaid Annual Payments, including any interest accruing, shall be used and invested by the BCRUA as directed by the City which made such prepayment

- (a) as a credit against future Annual Payment obligations of such City,
- (b) to redeem Bonds issued for such City pursuant to the provisions of Section 4.4, or
- (c) to provide for the defeasance of the Bonds pursuant to the provisions of the applicable Bond Resolution.

Any such prepayment will not cause a termination of this Contract until all other amounts owed or to be incurred by the BCRUA or any other person under the provisions of the applicable Bond Resolution have been paid in full or waived by such person.

ARTICLE V

OPERATION, FINANCE AND MAINTENANCE OF BCRUA PROJECT

Section 5.1 Operation. The BCRUA shall operate the BCRUA Project in accordance with accepted good business and engineering practices and in accordance with requirements of federal and state law, including without limitation the Texas Water Code, as amended, and as said laws may be amended in the future, and any rules and regulations issued and to be issued by appropriate agencies in the administration of said laws. The Operations Committee, as set forth below, shall assist the BCRUA by providing advice and recommendations on the operations of the BCRUA Project, as provided below.

Section 5.2 Payments for Operations and Maintenance Expenses. Each City shall pay to the BCRUA its Annual Payments, including Operations and Maintenance Expenses related to the operation of the BCRUA Project. However, controlling the costs paid by the Cities to the BCRUA for Operation and Maintenance Expenses shall be of primary importance to the BCRUA. The BCRUA shall use diligent efforts so that Operation and Maintenance Expenses incurred by the BCRUA and ultimately paid by the Cities are reasonable and justified. The BCRUA and the Cities agree that fixed Operation and Maintenance Expenses shall be allocated among the Cities based upon each City's reserved capacity in the BCRUA Project components, and that variable Operation and Maintenance Expenses shall be allocated among the Cities based upon the volume of treated water delivered to each City in relation to the volume of treated water delivered to all Cities.

Section 5.3 Composition of Operations Committee. The Cities and the BCRUA hereby create an Operations Committee to be composed of the following:

- (a) Two representatives appointed by Cedar Park;
- (b) Two representatives appointed by Round Rock; and
- (c) Two representatives appointed by Leander.

The City Manager of each City shall appoint appropriate city staff members as the City's representatives (and alternate representatives to serve in the absence of the City's representatives) to the Operations Committee promptly after execution of this Contract, and shall immediately notify the other Parties of such appointment. Each representative (or alternate representative) shall serve at the will of the City Manager who appointed such representative. Upon the death, resignation or revocation of the power of a City's representative (or alternate representative), the City Manager of such City shall promptly appoint a new representative (or alternate representative) to the Operations Committee.

Section 5.4 Responsibility of Operations Committee. The Operations Committee shall represent the individual and collective interests of the Cities and shall consult with and advise the

BCRUA Board of Directors and its respective General Manager or other designated representative with regard to the following matters pertaining to the BCRUA Project:

- (a) The operation and maintenance of the BCRUA Project;
- (b) The addition of new customers to the BCRUA Project and the terms and conditions of the agreements with such new customers consistent with the provisions of this Contract;
- (c) Review of the budgets, prior to submission to the Board of Directors of BCRUA;
- (d) Review of the annual reports of the BCRUA Project;
- (e) Improvements to and expansions of the BCRUA Project;
- (f) Review and make suggestions regarding proposals submitted to BCRUA for engineering services related to the BCRUA Project;
- (g) Review bids or proposals received for construction of BCRUA Project components, and make recommendations for contract award;
- (h) Review invoices received for the construction of BCRUA Project components, and make recommendations for the allocation and payment of such invoices;
- (i) Make recommendations for professional services consultants, including, but not limited to, engineering and financial services;
- (j) Changes to the Engineering Reports;
- (k) Review cash flow projections and provide input as to the assumptions contained therein; and
- (l) Any other pertinent matters relating to the management of the BCRUA Project.

The Board of Directors of the BCRUA shall not take any action with respect to any of the foregoing matters without a recommendation from the Operations Committee. The Operations Committee shall meet at regular intervals to review the progress of construction of the BCRUA Project and the ongoing operation of the BCRUA Project. The Operations Committee shall have access to and may inspect at any reasonable time all physical elements of the BCRUA Project and all records and accounts of BCRUA pertaining to the BCRUA Project. The Operations Committee shall be diligent, prompt, and timely in reviewing and commenting on matters submitted to it. The Cities recognize that the activities of the Operations Committee are an important function of the operation of the BCRUA Project and authorize payment of all reasonable expenses and charges associated therewith.

Section 5.5 BCRUA's Overhead Expenses. To the extent not paid out of the proceeds of a series of Bonds, or otherwise, each City shall pay and reimburse the BCRUA for its share of the Overhead Expenses incurred by or attributable to it throughout the term of this Contract within thirty (30) days of receipt of documentation therefor from the BCRUA. Each City also agrees, with the consent of the BCRUA, to enter into an interlocal agreement to provide for, among other matters, an annual adjustment of the Overhead Expenses paid by each City based upon certain formulas and taking into account each City's reserved capacity in the BCRUA Project and/or the quantity of treated water actually delivered to each City.

ARTICLE VI

RESERVED CAPACITIES

Section 6.1 Reserved Capacities in BCRUA Project Components. Each City, respectively, shall have the exclusive right to its reserved capacity in each BCRUA Project component as described in Exhibit D. No reserved capacity may be allocated to or used by anyone other than the City on whose behalf that capacity has been reserved, unless the affected City specifically agrees in writing to the allocation or use.

Section 6.2 Reserved Capacities for Treated Water in the BCRUA Project. Each City, respectively, shall have the exclusive right to take, and the BCRUA shall have the obligation to deliver, treated water at the Delivery Points in the amounts shown in Exhibit D.

Section 6.3 Transfer of Reserved Capacity. Any City may transfer any portion of its reserved capacity in one or more BCRUA Project components to another City, in exchange for such consideration as such Cities shall deem appropriate. The Cities making such transfer shall provide written notice to the BCRUA and the other City, signed by the Cities making the transfer, specifying the amount of transferred reserved capacity and the affected BCRUA Project component(s), and providing that the Cities otherwise ratify and confirm their pre-existing obligations under this Contract. No such transfer shall be effective until and unless such notice is provided. A transfer of reserved capacity shall not change any Bond Payment, other payment, or other obligations of the Cities pursuant to this Contract.

Section 6.4 Documentation of Transferred Reserved Capacity. In the event that reserved capacity is transferred, the BCRUA and the Cities shall cause a written amendment to be made to Exhibit D describing such transfer and setting forth the revised reserved capacity of each City in the BCRUA Project or component(s) thereof.

ARTICLE VII

DELIVERY POINT(S)

Section 7.1 Delivery Point(s). Each City shall receive its treated water at a Delivery Point designated for each City in the Engineering Reports, or as mutually agreed upon by all Cities.

Section 7.2 Rate and Quantity at Delivery Point(s). The rate and quantity of treated water delivered to each City at its Delivery Point shall be metered. Each City shall cooperate in good

faith to design the Delivery Point(s) to be at appropriate sizes and in appropriate locations to deliver the City's reserved capacity. Each Delivery Point shall be designed to deliver treated water at a maximum rate to be agreed upon by the Cities as design of the BCRUA Project progresses and stated in an amendment to the Engineering Reports, and no City shall take delivery of treated water from the BCRUA Project at such Delivery Point at a rate exceeding such agreed design rate.

ARTICLE VIII

METERING AND MEASUREMENT

Section 8.1 Unit of Measurement. The unit of measurement for water delivered hereunder shall be 1,000 gallons of water, U. S. Standard Liquid Measure.

Section 8.2 Measuring Equipment at the Intake Point. In compliance with the regulations and requirements of the LCRA, the BCRUA shall furnish, install, operate and maintain for the intake point on Lake Travis the necessary meters, including electronic or other equipment and devices of standard type for measuring properly the quantity of water taken from Lake Travis. Each City also agrees, with the consent of the BCRUA, to enter into an interlocal agreement to provide for, among other matters, the appropriate amount of water taken from Lake Travis to be allocated to each City based upon certain formulas and taking into account the quantity of treated water actually delivered to each City.

Section 8.3 Measuring Equipment at Delivery Points. The BCRUA shall furnish, install, operate and maintain at its own expense for each Delivery Point the necessary meters, including electronic or other equipment and devices of standard type for measuring properly the quantity of treated water delivered under this Contract. Such meter or meters and other equipment so installed shall remain the property of the BCRUA. Each City shall have access to such metering equipment at all reasonable times, but the reading, calibration, and adjustment thereof shall be done only by the employees or agents of the BCRUA. For the purpose of this Contract the original record or reading of the meter or meters shall be the journal or other record book of BCRUA in its office in which the records of the employees or agents of the BCRUA who take readings are or may be transcribed. Upon written request of a City, the BCRUA will give the City a copy of such journal or record book, or permit the City to have access to the same in the office of the BCRUA during reasonable business hours.

The BCRUA shall calibrate its meters periodically, but not less often than every three (3) years, in the presence of a representative of each City. The BCRUA and the Cities shall jointly observe any necessary adjustments which are made to the meters. If any check meter(s) hereinafter provided for have been installed, the same shall also be calibrated by each City in the presence of a representative of the BCRUA and a representative of the other Cities, who shall jointly observe any necessary adjustment. The BCRUA shall give the Cities reasonable notice of the time when any such calibration is to be made. In the event that a representative of a City is not present at the time set, the BCRUA may proceed with calibration and adjustment in the absence of any such representative.

If any party at any time observes a variation between the delivery meter or meters and the check meter or meters, if any such check meter or meters shall be installed, such party will promptly notify the other Parties, and the Parties hereto shall then cooperate to procure an immediate

calibration test and joint observation of any adjustment, and said meter or meters shall then be adjusted to accuracy. Each party shall give the other Parties not less than forty-eight (48) hours notice of the time of all tests of meters so that the other Parties may have a representative present.

If upon any test, the percentage of inaccuracy of any metering equipment is found to be in excess of two percent (2%), registration thereof shall be corrected for a period extending back to the time when such inaccuracy began, if such time is ascertainable, and if such time is not ascertainable, then for a period extending back one-half (½) of the time elapsed since the last date of calibration, but in no event further back than a period of six (6) months. If for any reason any meters are out of service or out of repair so that the amount of treated water delivered cannot be ascertained or computed from the reading thereof, the treated water delivered during the period such meters are out of service or out of repair shall be estimated and agreed upon by the Parties hereto upon the basis of the best data available. For such purpose, the best data available shall be deemed to be the registration of any check meter or meters if the same have been installed and are accurately registering. Otherwise the amount of treated water delivered during such period may be estimated (i) by correcting the error if the percentage of the error is ascertainable by calibration tests or mathematical calculation, or (ii) by estimating the quantity of delivery by deliveries during the preceding periods under similar conditions when the meter or meters were registering accurately.

Each City may, at its sole option and its own expense, install and operate a check meter to verify the operation of each meter installed by the BCRUA, but the measurement of treated water for the purpose of this Contract shall be determined solely by the BCRUA's meters, except in the cases hereinabove specifically provided to the contrary. All such check meters shall be of standard make and shall be subject at all reasonable times to inspection and examination by any employee or agent of the BCRUA, but the reading, calibration and adjustment thereof shall be made only by the City that installed the check meter, except during any period when a check meter may be used under the provisions hereof for measuring the amount of treated water delivered, in which case the reading, calibration and adjustment thereof shall be made by BCRUA with like effect as if such check meter or meters had been furnished or installed by BCRUA.

ARTICLE IX

ANNUAL PAYMENTS, CITY COVENANTS

Section 9.1 Annual Estimate of Annual Payments. Not less than ninety (90) days prior to each Fiscal Year, the BCRUA shall furnish to the Cities an estimate and schedule of the Annual Payments required to be paid by each City in such Fiscal Year.

Section 9.2 Annual Payments by the Cities.

(a) Each City hereby agrees that it will make payment of its Bond Payment to the extent BCRUA issues a series of Bonds for such City and its proportionate share of the Operation and Maintenance Expenses and Overhead Expenses to the BCRUA, or to the Trustee on behalf of the BCRUA, as provided in each Bond Resolution in accordance with the procedures established in Section 4.6 hereof. If a City at any time disputes the amount to be paid by it to the BCRUA, such City shall nevertheless promptly make such payment or payments, but

if it is subsequently determined by agreement or court decision that such disputed payments made by the such City should have been less, or more, the BCRUA shall promptly revise the charges for such City in such manner that a City will recover its overpayment or the BCRUA will recover the amount due it. The BCRUA shall pursue all legal remedies, including the remedies of mandamus and specific performance in addition to any other legal or equitable remedies (other than termination) which may also be available to it, against any City to enforce and protect the rights of the BCRUA and the owners of the Bonds, and the City shall not be relieved of the liability to the BCRUA for the payment of all amounts which are due by them hereunder. However, no City shall have any liability or responsibility for any Annual Payment attributable to another City.

(b) Except to the extent otherwise provided by a Bond Resolution, all amounts due under this Contract shall be paid and are due in Williamson County, Texas, which is the County in which the principal administrative offices of the BCRUA are located.

(c) The BCRUA shall redetermine the estimate and schedule of Annual Payments due in any Fiscal Year at any time during such Fiscal Year, as and to the extent deemed necessary or advisable by the BCRUA to accurately forecast the amount and date of Annual Payments to be made by each City, if (i) the BCRUA issues Bonds to complete the BCRUA Project or to refund any Bonds or enters into, amends, or terminates a Credit Agreement, (ii) actual interest rates on any variable interest rate Bonds differ from those projected by the BCRUA, or (iii) any other event occurs which results in an increase or decrease in the Annual Payments required to be made by any City in such Fiscal Year.

(d) If, during any Fiscal Year, the Annual Payment is redetermined in any manner as provided or required in this Section, the BCRUA will promptly furnish the Cities with an updated schedule of payments reflecting such redetermination.

(e) Notwithstanding anything herein to the contrary, no failure of the BCRUA to estimate, and no mistake by the BCRUA in any estimate of, the amount of or schedule for Annual Payments due from the Cities in any Fiscal Year shall relieve any City from (or defer) its absolute and unconditional obligation to make all Annual Payments in full when due.

Section 9.3 Source of Payment.

(a) Each City represents and covenants that all payments to be made by it under this Contract shall constitute reasonable and necessary "operating expenses", as defined in Chapter 1502, as amended, Texas Government Code, of its City System, but only to the extent of the Annual Payment, and the Cities shall not be obligated to make the payments under this Contract from any source other than the gross revenues of its City System. Each City further represents that its Governing Body has determined that the services to be provided by the BCRUA Project are absolutely necessary and essential to provide the treated water to such City.

(b) Each City agrees throughout the term of this Contract to fix and collect such rates and charges for services to be supplied by its City System as will produce gross revenues at all times during the term of this Contract in an amount at least equal to (i) all of the expenses of operation and maintenance of its City System, including specifically its Annual Payments under this Contract and (ii) all other amounts as required by law and the provisions of the ordinances or resolutions authorizing its Utility Bonds or other obligations now or hereafter outstanding

payable, in whole or in part, from the net revenues of the its City System, including the amounts required to pay all principal of and interest on such City's Utility Bonds and other obligations.

(c) No ad valorem tax revenues of any City shall be pledged to the payment of any amounts to be paid by the City to the BCRUA under this Contract, nor shall the BCRUA have the right to demand payment of any amounts to be paid by the City under this Contract be paid from funds raised or to be raised from ad valorem taxation from the City and the obligations under this Contract shall never be construed to be a debt or pecuniary obligation of the City of such kind as to require the City to levy and collect an ad valorem tax to discharge its obligations.

Section 9.4 Annual Budgeting by the Cities. Each City shall make provision in each of its annual budgets and shall appropriate an amount sufficient, at a minimum, for the payment of all amounts required to be paid by the City under this Contract.

Section 9.5 Revenue Sources Pledged. Each City hereby pledges the gross revenues of its City System to the payment of its obligations under this Contract and recognizes that the BCRUA will, and authorizes the BCRUA to, pledge the Bond Payments owing to it by each City under this Contract to the payment of the applicable series of Bonds and Credit Agreements issued for that particular City. The BCRUA agrees to make the payments for such series of Bonds and Credit Agreements when and as required by each Bond Resolution, each Credit Agreement, and this Contract, from and to the extent of proceeds of a series of Bonds not expended for the BCRUA Project and Bond Payments made by each City.

Section 9.6 General Covenants by Cities. Each City further represents, covenants and agrees that in accordance with and to the extent permitted by law, it will comply with the covenants listed below.

(a) Performance. It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in each ordinance or resolution authorizing the issuance of the series of Bonds issued for it by the BCRUA; and it will, at the time and in the manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the fund and accounts created by said ordinances, but only from and to the extent of the sources of funds described in such ordinances.

(b) Legal Authority. It is a duly created and existing home rule city of the State and is duly authorized under the laws of the State to enter into this Contract. By execution hereof, it represents that all actions on its part for the execution and delivery of this Contract have been duly and effectively taken; and that this Contract is a valid and enforceable special obligation of the City in accordance with its terms.

(c) Acquisition and Construction; Operation and Maintenance. (i) It shall use its best efforts in accordance with Prudent Utility Practice to acquire and construct, or cause to be acquired and constructed, any capital improvements to its City System, which shall mean and include any capital extensions, improvements, and betterments, in accordance with the plans and specifications therefor, as modified from time to time with due diligence and in a sound and economical manner; and (ii) it shall at all times use its best efforts to operate or cause to be operated its City System properly and in an efficient manner, consistent with Prudent Utility Practice, and shall use its best efforts to maintain, preserve, reconstruct and keep the same or cause the same to be so maintained, preserved, reconstructed and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from

time to time make, or use its best efforts to cause to be made, all necessary and proper repairs, replacements, and renewals so that at all times the operation of its City System may be properly and advantageously conducted.

(d) Title. It has or will obtain lawful title, whether such title is in fee or lesser interest, to the lands, buildings, structures, and facilities constituting its City System; it will defend the title to all the aforesaid lands, buildings, structures, and facilities, and every part thereof, for the benefit of the BCRUA and the owners of each series of Bonds, against the claims and demands of all persons whomsoever; and it is lawfully qualified to pledge the gross revenues of its City System to the payment of the payments required by this Contract in the manner prescribed herein, and has lawfully exercised such rights.

(e) Liens. It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon its City System; it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge thereon, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the lien granted hereunder shall be fully preserved in the manner provided herein; and it will not create or suffer to be created any mechanic's, laborer's, materialman's, or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the lien hereof might or could be impaired; provided however, that no such tax, assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's, or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Cities.

(f) Books, Records, and Accounts. It shall keep proper books, records, and accounts separate and apart from all other records and accounts, in which complete and correct entries shall be made of all transactions relating to its City System and each series of Bonds, and it shall cause said books and accounts to be audited annually as of the close of each Fiscal Year. At the request of the BCRUA, the Cities shall allow the BCRUA to audit such books, records, and accounts at any reasonable time and from time to time.

(g) Insurance.

(i) Except as otherwise permitted in clause (ii) below, it shall cause to be insured such parts of its City System as would usually be insured by governmental entities operating like properties, with a responsible insurance company or companies, against risks, accidents, or casualties against which and to the extent insurance is usually carried by governmental entities operating like properties, including, to the extent reasonably obtainable, fire and extended coverage insurance, insurance against damage by floods, and use and occupancy insurance. Public liability and property damage insurance shall also be carried unless the City Attorney gives a written opinion to the effect that the City is not liable for claims which would be protected by such insurance. At any time while any contractor engaged in construction work shall be fully responsible therefor, the Cities shall not be required to carry insurance on the work being constructed if the contractor is

required to carry appropriate insurance. All such policies shall be open to the inspection of the BCRUA at all reasonable times.

(ii) In lieu of obtaining policies for insurance as provided above, the Cities may self-insure against risks, accidents, claims, or casualties described in clause (i) above.

(iii) The annual audit hereinafter required shall contain a section commenting on whether or not the City has complied with the requirements of this Section with respect to the maintenance of insurance, and listing the areas of insurance for which the City is self-insuring, all policies carried, and whether or not all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.

(h) Audits. After the close of each Fiscal Year while this Contract is in effect, an audit will be made by each City of the books and accounts relating to its City System and the revenues of the its City System. As soon as practicable after the close of each such Fiscal Year, and when said audit has been completed and made available to the Cities, a copy of such audit for the preceding Fiscal Year shall be mailed to the BCRUA. Such annual audit reports shall be open to the inspection of the BCRUA, its agents and representatives, the Trustee, and the owners of the Bonds at all reasonable times at the BCRUA's office.

(i) Governmental Agencies. It will comply with all of the terms and conditions of any and all franchises, permits, and authorizations applicable to or necessary with respect to a respective City System, and which have been obtained from any governmental entity, and the Cities have or will obtain and keep in full force and effect all franchises, permits, authorizations, and other requirements applicable to or necessary with respect to the acquisition, construction, equipment, operation, and maintenance of a respective City System.

(j) No Competition. To the extent it legally may, each City hereby covenants solely with the owners of its series of Bonds issued by the BCRUA, if any, that such City will not grant any franchise or permit for the acquisition, construction, or operation of any competing facilities which might be used as a substitute for a City System, to the extent such competing facility would impair the City System's ability to pay under this Contract, and, to the extent that it legally may, each City will prohibit any such competing facilities.

(k) Rights of Inspection. The BCRUA, the Trustee, and the owners of 10% or more in principal amount of the Bonds of any series shall have the right at all reasonable times to inspect each City System and all records, accounts, and data of the respective City relating thereto, and upon request, each City shall furnish to the BCRUA, the Trustee, and such owners of Bonds such financial statements, reports, and other information relating to a respective City and a respective City System as any such person may from time to time reasonably request.

(l) Sale, Lease, or Disposal of Property by the Cities. No part of a City System shall be sold, leased, mortgaged, demolished, removed, or otherwise disposed of, except as follows:

(i) To the extent permitted by law, a City may sell or exchange at any time and from time to time any property or facilities constituting a part of its City System only if (a) it shall determine such property or facilities are not useful in the operation of its City

System, (b) the proceeds of such sale are \$250,000 or less, or it shall have received a certificate executed by the City Manager stating, in his/her opinion, that the fair market value of the property or facilities exchanged is \$250,000 or less, (c) if such proceeds or fair market value exceeds \$250,000 it shall have received a certificate executed by the City Manager stating his/her opinion that the sale or exchange of such property or facilities will not impair the ability of the Cities to comply during the current or any future year with the provisions of Section 9.3(b) of this Contract, or (d) the sale or exchange will not adversely affect the excludability of interest on the Bonds from the gross income of the owners thereof. The proceeds of any such sale or exchange not used to acquire other property necessary or desirable for the safe or efficient operation of its City System shall forthwith, at the option of the City be used as provided in the ordinances of the City authorizing its Utility Bonds.

(ii) To the extent permitted by law, a City may lease or make contracts or grant licenses for the operation of, or make arrangements for the use of, or grant easements or other rights with respect to, any part of its City System, provided that any such lease, contract, license, arrangement, easement or right (a) does not impede the operation by such City of its City System and (b) does not in any manner impair or adversely affect the rights or security of the BCRUA under this Contract; and provided, further, that if the depreciated cost of the property to be covered by any such lease, contract, license, arrangement, easement, or other right is in excess of \$500,000, the affected City shall have received a certificate executed by the City Manager that the action of the such City with respect thereto does not result in a breach of the conditions under this subsection (ii). Any payments received by the affected City under or in connection with any such lease, contract, license, arrangement, easement or right in respect of one or more City System or any part thereof shall constitute gross revenues of the respective City System or Systems.

ARTICLE X

CONTINUING DISCLOSURE

Section 10.1 Annual Reports. Following the issuance of Bonds of any series by the BCRUA for the benefit of the appropriate City, the offer or sale of which is not exempt from the Rule and, until the City is no longer obligated, contingently or otherwise, to make Bond Payments in respect of the Bonds of such series issued for such City, each City undertakes to and shall provide annually to each NRMSIR and any SID, within six months after the end of each Fiscal Year, (i) financial information and operating data of the general type included in the Sale and Offering Documents for the Bonds of such series, as specified in its approval of such Sale and

Offering Documents pursuant to Section 4.1 hereof and (ii) audited general purpose financial statements of the City, if then available. Any financial statements so to be provided shall be (i) prepared in accordance with generally accepted accounting principles for governmental agencies or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which it must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide unaudited financial statements within the required period, and shall provide audited financial statements for the applicable Fiscal Year to each NRMSIR and any SID, when and if the audit report on such statements become available.

If a City changes its Fiscal Year, the City will notify the Trustee, each NRMSIR, and any SID in writing of the change (and of the date of the new Fiscal Year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be incorporated by specific reference to any document or specific part thereby (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to each NRMSIR and any SID or filed with the SEC. Copies of such information and operating data shall be furnished to the BCRUA at the same time the information and data are furnished to any NRMSIR or SID.

Section 10.2 Material Event Notices.

(a) The following are the events with respect to any series of Bonds which the BCRUA must agree to disclose in a timely manner pursuant to the Rule, if “material” under applicable federal securities laws and regulations promulgated thereunder.

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of holders of the Bonds;
- (viii) Bond calls;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds; and
- (xi) Rating changes.

(b) Each City shall, promptly after obtaining actual knowledge of the occurrence of any of the events enumerated in (a) above, notify the BCRUA of such event and provide all information in the format required to satisfy the requirements of the Rule. Further, each City shall provide, in a timely manner, notice of any failure to provide audited financial statements, financial information, and operating data in accordance with Section 10.1 hereof to each NRMSIR and each SID.

Section 10.3 Limitations, Disclaimers, and Amendments.

(a) Each City shall be obligated to observe and perform the covenants specified in this Contract in respect to its Bonds of any series for so long as, but only for so long as, the City remains an “obligated person” with respect to the Bonds of such series within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with the Bond Resolution that causes Bonds of such series no longer to be outstanding.

(b) The provisions of this Article are for the sole benefit of (and may be enforced by) the owners and beneficial owners of the Bonds of such City, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. Each City undertakes to provide only the financial information, operating data, financial statements, and notices which they have expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the its financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. Each City makes no representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(c) UNDER NO CIRCUMSTANCES SHALL A CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY A CITY WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(d) No default by a City in observing or performing its obligations under this Article shall comprise a breach of or default under this Contract for purposes of any other provision of this Contract.

(e) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the BCRUA or each City under federal and state securities laws.

(f) The provisions of this Article may be amended by the BCRUA and the Cities from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the BCRUA or the appropriate Cities, but only if

(i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Bonds of the applicable series in the primary offering of the Bonds of such series in compliance with the Rule, taking into

account any amendments or interpretations of the Rule since such offering as well as such changed circumstances, and

(ii) either

(1) the owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Contract that authorizes such an amendment) of the outstanding Bonds of each such series affected consent to such amendment or

(2) an entity that is unaffiliated with the BCRUA or the appropriate Cities (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the owners and beneficial owners of the Bonds of such series and is permitted by the terms of the Article.

If the BCRUA and the Cities so amend the provisions of this Article in connection with the financial or operating data which the Cities are required to disclose under Section 10.1 hereof, the appropriate Cities shall provide a notice of such amendment to be filed in accordance with Section 10.2(b) hereof, together with an explanation, in narrative form, of the reason for the amendment and the impact of any change in the type of financial information or operating data to be so provided. The BCRUA and the appropriate Cities may also amend or repeal the provisions of this Article if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of each series of Bonds.

ARTICLE XI

COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS

Section 11.1 Compliance with Federal, State and Local Laws. In addition to the provisions of Section 9.6 hereof, this Contract is subject to all applicable federal and State laws and any applicable permits, ordinances, rules, orders, and regulations of any local, state or federal government authority having or asserting jurisdiction. The Contract is specifically subject to the rules of the TCEQ, and the BCRUA shall have the right to terminate this Contract upon a City's non-compliance with the rules promulgated by the TCEQ, but such termination shall only affect the non-complying City; provided however, such termination shall not affect the non-complying City's obligation to pay Bond Payments in accordance with this Contract.

Section 11.2 Recordkeeping and Reporting. The BCRUA shall maintain records on site in accordance with applicable State laws.

- (a) Records to be maintained by the BCRUA include:
- (i) copies of notifications made to the TCEQ concerning water systems;
 - (ii) as applicable, copies of contracts made with each water user;

- (iii) records of volume of treated water delivered to each water user per delivery; and
- (iv) water quality analyses.

(b) The BCRUA shall report to the TCEQ as required by law. All costs of compliance with the rules of the TCEQ shall be paid by the BCRUA, but such costs shall be considered an Operation and Maintenance Expense.

ARTICLE XII

GENERAL PROVISIONS

Section 12.1 Participation by the Parties. The BCRUA and each City represents to the others that it is empowered by law to participate in the acquisition, construction, and financing of the BCRUA Project, and to execute this Contract and other agreements and documents as are or may hereafter be required to accomplish the same; and that its participation in the BCRUA Project and execution of this Contract have been duly authorized by action of its governing body at a meeting conducted in accordance with the Texas Open Meetings Act, as amended, Chapter 551, Texas Government Code. The BCRUA and each City agree to furnish to each other such documentation or evidence of its authority to so participate and execute the contracts and other agreements as the other party may reasonably request, and to take and perform such other and further actions and execute such other agreements and documents as may be reasonably required to carry out the provisions of this Contract.

Section 12.2 Insurance.

(a) The BCRUA agrees to carry public liability insurance on the BCRUA Project for purposes and in amounts which ordinarily would be carried by a privately owned utility company owning and operating such facilities, except that the BCRUA shall not be required to carry liability insurance except to insure itself against risk of loss due to claims for which it can, in the opinion of the BCRUA's legal counsel, be potentially liable considering relevant governmental immunities of the Cities and the BCRUA. The BCRUA shall also carry property casualty insurance in the amount of the replacement value of all improvements and personal property connected with the BCRUA Project (less a deductible comparable to the deductible on the Cities' property insurance for Cities property generally).

All premiums for such insurance shall constitute an expense of the BCRUA Project but may be paid out of the proceeds of the Bonds to the extent that such proceeds are available. In the event the BCRUA is required to pay a deductible with respect to a claim under any such policy, the amount of such deductible shall constitute an expense and shall be paid by the Cities.

(b) The BCRUA shall require the contractor or contractors employed for construction of the BCRUA Project to carry insurance coverage throughout the construction period in at least the following amounts:

- (i) Workers' Compensation: State law limits;
- (ii) General Liability (including contractual liability) and Automobile Liability: One million dollars (\$1,000,000.00) per person and per occurrence for bodily injury and One million dollars (\$1,000,000.00) for property damage;

- (iii) Builder's Risk: full replacement value of improvements;
- (iv) Performance and Payment Bond: full value of contract;
- (v) Cost Overrun Insurance; and
- (vi) Timely Completion Insurance.

The Cities shall be furnished with a certified copy of such effective policy of insurance prior to commencement of construction. Such insurance policies shall name the BCRUA and the Cities as additional insureds, and the BCRUA shall be provided with a certificate of insurance showing the required coverage and providing that the policies may not be canceled, changed, or not renewed until the BCRUA has been given thirty (30) days prior written notice of such event.

(c) The insurance required by this section may be modified by written agreement of the Cities and the BCRUA, in accordance with good business practice. Any questions about the scope of coverage required hereunder shall be resolved by written agreement between the Cities and the BCRUA. The Parties can agree to substitute an owner controlled insurance program for any of the above specified insurance requirements.

Section 12.3 Force Majeure. If by reason of Force Majeure any party hereto shall be rendered unable wholly or in part to carry out its obligations under this Contract, other than the obligation of each City to make the payments required under Sections 4.5 and 9.2 of this Contract, which payments will continue irrespective of a Force Majeure event, then if such party shall give notice and full particulars of such Force Majeure in writing to the other party within a reasonable time after the occurrence of the event or cause relied on, the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "Force Majeure" as employed herein shall mean acts of God, war, strikes, fires, explosions or other causes that are beyond the reasonable control of the party claiming such inability and that by exercise of due foresight such party could not reasonably have been expected to avoid and which by exercise of all reasonable due diligence such party is unable to overcome.

Section 12.4 Unconditional Obligation to Make Payment. Recognizing the fact that the Cities urgently require the facilities and services of the BCRUA Project, and that such facilities and services are essential and necessary for actual use and for standby purposes, and recognizing the fact that the Bond Payments to be received from each City will be the primary source of funds available to the BCRUA and the Trustee to pay the Bonds and other BCRUA Project Costs, and recognizing the fact that purchasers of Bonds will rely on the obligation of the Cities to make Annual Payments with respect to their series of Bonds in accordance with the provisions of this Contract, each City hereby waives all rights of set-off, recoupment, counterclaim, suspension, deferment, reduction, and amendment, with respect to making its Annual Payments against the BCRUA, the Trustee, and any other direct or indirect recipients of Annual Payments, and each City agrees that it shall make its appropriate Annual Payment even if no Bonds are issued for its benefit by the BCRUA and if any Bonds are issued, each City shall be unconditionally obligated to pay its Annual Payments as provided and determined by this Contract, regardless of whether or not the BCRUA actually acquires, constructs, or completes the BCRUA Project, or the portions thereof designated for its use, or breaches any obligation on its part hereunder, and whether or not each City actually uses the BCRUA Project, or the portions thereof designated for

its use, whether due to Force Majeure or any other reason whatsoever, regardless of any other provisions of this Contract, any other contract or agreement between any of the Parties hereto. This covenant by each City shall be for the benefit of and enforceable by the owners of the Bonds and/or by the BCRUA.

By entering into this Contract and performing its obligations under any Section of this Contract, each City does not release any persons from or waive any claims against such persons that the City may have resulting from actions by such persons contrary to that person's legal obligations.

Section 12.5 Term of Contract. This Contract shall be effective from and after its date, and this Contract shall continue in force and effect until the principal of and interest on all Bonds shall have been paid or provision for the payment of all of the Bonds has been made in accordance with the terms of each Bond Resolution and thereafter continue in force and effect during the entire useful life of the BCRUA Project. When the principal of and interest on all Bonds shall have been paid or provision for the payment of all of the Bonds has been made in accordance with the terms of the Bond Resolution and all amounts owed to the BCRUA, the Trustee, or any other person hereunder have been paid, all money held by the Trustee or the BCRUA pursuant to the terms of the Bond Resolution shall be paid to the BCRUA. Upon the termination of this Contract, the BCRUA will charge each City a per gallonage charge (or other published rate) for treated water delivered to the Cities in accordance with the BCRUA's then existing rate schedule.

Section 12.6 Amendment and Modification. This Contract shall not be amended except in writing of all Parties hereto. No change, amendment, or modification of this Contract shall be made or be effective which will affect adversely the prompt payment when due of all money required to be paid by each City under the terms of this Contract and no such change, amendment, or modification shall be made or be effective which would cause a violation of any provisions of any Bond Resolution.

Section 12.7 Addresses and Notice. Unless otherwise provided herein, any notice, communication, request, reply, or advice (herein severally and collectively, for convenience, called "Notice") herein provided or permitted to be given, made, or accepted by any party to the other parties must be in writing and may be given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party, or by prepaid telegram when appropriate, addressed to the party to be notified. Notice deposited in the mail in the manner hereinabove described shall be conclusively deemed to be effective, unless otherwise stated herein, from and after the expiration of three days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the Parties shall, until changed as hereinafter provided, be as follows:

If to the BCRUA:

President, Board of Directors
Brushy Creek Regional Utility Authority, Inc.
221 E. Main St.
Round Rock, Texas 78664

If to Cedar Park:

City Manager
600 North Bell Blvd.
Cedar Park, Texas 78613

If to Leander:

City Manager
P.O. Box 319
Leander, Texas 78646-0319

If to Round Rock:

City Manager
221 E. Main St.
Round Rock, Texas 78664

The BCRUA and the Cities hereto shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least fifteen (15) days' written notice to the other Parties.

Section 12.8 State or Federal Laws, Rules, Orders, or Regulations. This Contract is subject to all applicable federal and State laws and any applicable permits, ordinances, rules, orders, and regulations of any local, state, or federal governmental authority having or asserting jurisdiction but nothing contained herein shall be construed as a waiver of any right to question or contest any such law, ordinance, order, rule, or regulation in any forum having jurisdiction and the Cities and the BCRUA represent that, to the best of their knowledge, no provisions of any applicable federal or State law, including the City Charters of the Cities, nor any permit, ordinance, rule, order, or regulation of either party will limit or restrict the ability of either party to carry out their respective obligations under or contemplated by this Contract.

Section 12.9 Severability. The Parties hereto specifically agree that in case any one or more of the sections, subsections, provisions, clauses, or words of this Contract or the application of such sections, subsections, provisions, clauses, or words to any situation or circumstance should be, or should be held to be, for any reason, invalid or unconstitutional, under the laws or constitutions of the State or the United States of America, or in contravention of any such laws or constitutions, such invalidity, unconstitutionality, or contravention shall not affect any other sections, subsections, provisions, clauses, or words of this Contract or the application of such actions, subsections, provisions, clauses, or words to any other situation or circumstance, and it is intended that this Contract shall be severable and shall be construed and applied as if any such invalid or unconstitutional section, subsection, provision, clause, or word had not been included herein, and the rights and obligations of the Parties hereto shall be construed and remain in force accordingly.

Section 12.10 Remedies Upon Default. It is not intended hereby to specify (and this Contract shall not be considered as specifying) an exclusive remedy for any default, but all such other remedies (other than termination) existing at law or in equity may be availed of by any party hereto and shall be cumulative. Recognizing that failure in the performance of the Cities'

obligations hereunder could not be adequately compensated in money damages alone, each City agrees in the event of any default on its part that the BCRUA and the owners of the Bonds as third-party beneficiaries shall have available to them the remedies of mandamus and specific performance in addition to any other legal or equitable remedies (other than termination) which may also be available to them. As long as an Insurer is not in default on the related Insurance Policy for a series of Bonds, the Insurer of a series of Bonds shall be deemed to be the Owner of such Bonds insured by it for purposes of enforcing the provisions of this Contract, so long as no event of default exists. Notwithstanding anything to the contrary contained in this Contract, any right or remedy or any default hereunder, except the right of the BCRUA to receive the Annual Payments and the provision of Section 4.9 hereof, which shall never be determined to be waived, shall be deemed to be conclusively waived unless asserted by a proper proceeding at law or in equity within two (2) years plus one (1) day after the occurrence of such default. No waiver or waivers of any breach or default (or any breaches or defaults) by any party hereto or of the performance by any other party of any duty or obligation hereunder shall be deemed a waiver thereof in the future, nor shall any such waiver or waivers be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, character or description, under any circumstances.

Section 12.11 Venue. All amounts due under this Contract, including, but not limited to, payments due under this Contract or damages for the breach of this Contract, shall be paid and be due in Williamson County, Texas, which is the County in which the principal administrative offices of the BCRUA are located. It is specifically agreed among the Parties to this Contract that Williamson County, Texas, is the place of performance of this Contract; and in the event that any legal proceeding is brought to enforce this Contract or any provision hereof, the same shall be brought in Williamson County, Texas.

Section 12.12 Statutory Authority. In entering into this Contract and performing all duties and obligations hereunder, the Cities and the BCRUA exercise their authority under and in accordance with the State Constitution and laws including, but not limited to, the Act, Chapter 402, as amended, Texas Local Government Code; Chapter 1502, as amended, Texas Government Code, each City's respective Home Rule Charter; Chapter 1371, as amended, Texas Government Code and all other laws which may authorize this Contract, all of which provisions and laws, cited or not cited herein, shall cumulatively provide the authority for this Contract.

Section 12.13 Indemnification. FOR SO LONG AS THE BONDS ARE OUTSTANDING AND UNPAID, AND ALSO WITH RESPECT TO ANY CLAIM THAT MAY ARISE OUT OF THE OFFER AND SALE OF THE BONDS OF ANY SERIES OR THE ALLEGED MISSTATEMENT OR OMISSION OF A MATERIAL FACT IN OR FROM ANY SALE AND OFFERING DOCUMENT RELATING TO ANY OF THE CITIES USED IN CONNECTION THEREWITH, TO THE EXTENT PERMITTED BY LAW, EACH CITY AGREES TO INDEMNIFY, TO THE EXTENT PERMITTED BY LAW, AND SAVE AND HOLD HARMLESS THE BCRUA, AND THE OTHER CITIES, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, AGENTS, FINANCIAL ADVISORS, ATTORNEYS, AND EMPLOYEES, AND THE UNDERWRITERS OF ANY SUCH OFFERING AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS, AND ALL PERSONS WHO CONTROL THE SAME WITHIN THE MEANING OF THE FEDERAL SECURITIES LAWS, FROM AND AGAINST ALL CLAIMS THAT MAY ARISE AS A RESULT OF ANY UNDERTAKING, ACT, OR OMISSION, WHETHER NEGLIGENT OR

NOT, WHICH IS DONE OR OMITTED TO BE DONE BY THE CITIES OR ANY OF THEIR OFFICERS, COUNCILMEN, AGENTS, ATTORNEYS, AND EMPLOYEES, RELATING TO THE BCRUA PROJECT OR PROVIDING INFORMATION FOR INCLUSION IN THE SALE AND OFFERING DOCUMENTS. IF ANY SUCH CLAIM IS BROUGHT AGAINST ANY SUCH INDEMNIFIED PERSON, THE CITIES SHALL PAY ALL COSTS INCURRED BY SUCH PERSON IN DEFENDING AND (SUBJECT TO APPLICABLE RULES OF ATTORNEY CONDUCT) MAY CONTROL THE DEFENSE OF SUCH CLAIM.

Section 12.14 Contract for Benefit of the Cities. This Contract is made for the exclusive benefit of the Cities (except with respect to Section 9.6(j) which is solely for the benefit of the owners of the Bonds issued by the BCRUA for a particular City), the BCRUA, the Trustee, the owners of the Bonds, the parties to any Credit Agreements, the underwriters of any offering of and remarketing agent and tender agent, if any, for any Bonds, and their respective successors and assigns herein permitted, and not for any third party or parties other than the BCRUA (including its officers, directors, employees, agents, and attorneys), the Trustee, the owners of the Bonds, the Cities, and the parties to any Credit Agreements, the underwriters of any offering of and remarketing agent and tender agent, if any, for any Bonds, the other persons indemnified by Section 12.13 hereof, and their respective successors and assigns herein permitted, any rights or remedies under or by reason of this Contract.

Section 12.15 Succession and Assignment. This Contract is binding on and inures to the benefit of the Parties hereto and their respective successors, representatives, and assigns. This Contract may not be assigned by any party hereto without (i) complying with any provisions relating to the right of the Parties to assign this Contract contained in the Bond Resolution and (ii) prior written notice to and approval by the other Parties, which consent may be withheld without cause. The provisions of this Section do not affect the assignment of the BCRUA's rights under this Contract to a Trustee pursuant to Section 4.8.

Section 12.16 Incorporation of Preamble Recitals. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Contract for all purposes and are adopted as a part of the judgment and findings of the BCRUA and the Cities.

Section 12.17 Independent Contractor. As among the Parties, the BCRUA shall be solely responsible for the operation of the BCRUA Project to produce and treat raw water and to deliver treated water to the Cities pursuant to this Contract (except to the extent the BCRUA and the Cities enter into agreements for the Cities to operate parts of the BCRUA Project); and the BCRUA shall be an independent contractor in the operation of the BCRUA Project.

Section 12.18 Financing Statement. Each City agrees at the request of the BCRUA to execute a financing statement in a form satisfactory to the BCRUA and meeting the requirements of the Texas Business and Commerce Code to perfect any security interest created hereby. The Cities further agree to execute such continuation statements or other documents as may be necessary to maintain any such security interest.

Section 12.19 Entire Agreement. This Contract constitutes the entire agreement among the Parties with respect to the matters described herein.

Section 12.20 Applicable Law. This Contract shall be governed by and construed in accordance with the laws of the State, and the obligations, rights, and remedies of the Parties hereunder shall

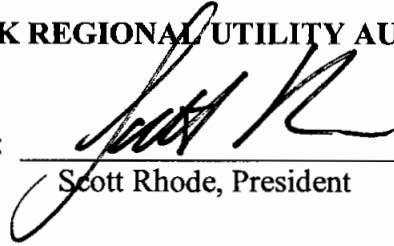
be determined in accordance with such laws without reference to the laws of any other state or jurisdiction, except for applicable federal laws, rules, and regulations.

Section 12.21 Counterparts. This Contract may be executed in counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this Contract to be duly executed as of the day and year first above written.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

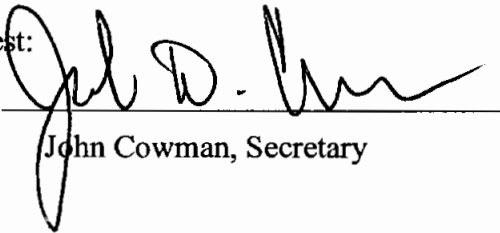
By: _____



Scott Rhode, President


Attest:

By: _____

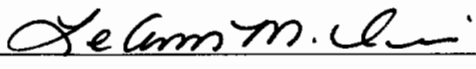


John Cowman, Secretary

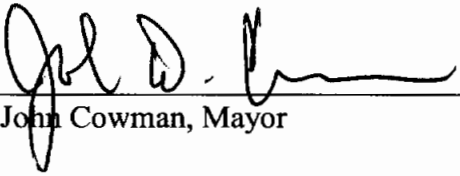
CITY OF CEDAR PARK, TEXAS

By: 
Bob Lemon, Mayor

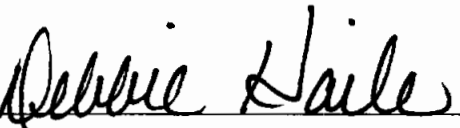
Attest:

By: 
LeAnn Quinn, City Secretary

CITY OF LEANDER, TEXAS

By: 
John Cowman, Mayor

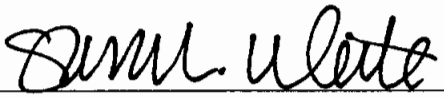
Attest:

By: 
Debbie Haile, City Secretary

CITY OF ROUND ROCK, TEXAS

By: 
Alan McGraw, Mayor

Attest:

By: 
Sara White, City Secretary

Resolution No. 09-02-11-5A

RESOLUTION APPROVING THE FIRST AMENDMENT TO THE MASTER CONTRACT FOR THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC., AND OTHER MATTERS IN CONNECTION THEREWITH.

THE STATE OF TEXAS

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

WHEREAS, there has been presented and approved by the City Council of each of the participating and founding members of the Brushy Creek Regional Utility Authority, Inc. ("BCRUA") namely, the City of Leander, Texas ("Leander"), the City of Round Rock, Texas ("Round Rock") the City of Cedar Park, Texas ("Cedar Park"), (collectively, the Member Cities and the "Parties") a draft of the First Amendment to the Master Contract for the financing, construction and operation of the BCRUA Regional Water Treatment and Distribution Project (the "First Amendment to the Master Contract") between the Member Cities and the BCRUA, pursuant to which the BCRUA will construct, finance, operate and maintain water treatment and distribution facilities for the benefit of the Member Cities; and

WHEREAS, the Parties wish to clarify their agreement to allow for a limited delay in the issuance of bonds and commencement of construction of the BCRUA Project and provide for a release and withdrawal from the Contract under certain conditions;

WHEREAS, it is hereby further officially found and determined that public notice of the time, place, and purpose of this meeting was given, all as required by Texas Government Code, Chapter 551.

NOW, THEREFOR, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.:

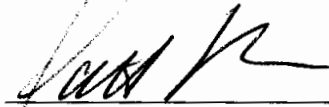
SECTION 1. RECITALS. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section.

SECTION 2. FIRST AMENDMENT TO THE MASTER CONTRACT. This First Amendment to the Master Contract is hereby approved and the President and Secretary of the Board are hereby authorized and directed to execute the First Amendment to the Master Contract in substantially the form and substance attached hereto as Exhibit "B", with such changes as may be approved by general counsel and bond counsel to the BCRUA.

SECTION 3. IMMEDIATE EFFECT. This Resolution shall take effect immediately from and after its adoption in accordance with the law

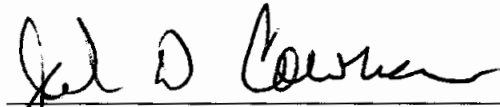
SECTION 4. OPEN MEETINGS. It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, *Chapt. 551, Tex. Gov't. Code.*

PASSED AND APPROVED THIS 11th day of Feb, 2009.



President
Brushy Creek Regional Utility Authority, Inc.

ATTEST:



Secretary
Brushy Creek Regional Utility Authority, Inc.
[SEAL]

**FIRST AMENDMENT TO THE MASTER CONTRACT FOR THE FINANCING,
CONSTRUCTION AND OPERATION OF THE BCRUA
REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT**

THIS FIRST AMENDMENT TO THE MASTER CONTRACT FOR THE FINANCING, CONSTRUCTION AND OPERATION OF THE BCRUA REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT (the "First Amendment") is dated and entered into as of the 22nd day of January, 2009, by and among Brushy Creek Regional Utility Authority, Inc. ("BCRUA"), a non-profit corporation of the State of Texas (the "State"), created and existing under the laws of the State, including Subchapter D of Chapter 431 as amended, Texas Transportation Code, and the City of Cedar Park, Texas ("Cedar Park"), the City of Leander, Texas ("Leander"), and the City of Round Rock, Texas ("Round Rock") all home-rule municipalities and political subdivisions of the State (individually, the "City"; collectively, the "Cities"). The BCRUA and the Cities are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, for several years the Cities have planned for the development and construction of a new regional water treatment system to meet the potable water needs of each City; and

WHEREAS, in order to facilitate a regional approach among the Cities, Leander and Round Rock have agreed to accelerate their plans for additional water treatment plant capacity, and Cedar Park has delayed the expansion of its existing water treatment plant and related facilities;

WHEREAS, the Parties created the BCRUA for the purpose of constructing, owning and operating the new regional water treatment system; and

WHEREAS, on the 2nd day of September, 2008 the Parties entered into that one certain Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (the "Contract"), that provides terms and conditions for the financing, construction and operation of the first phase of the new regional system consisting generally of upgrades to Cedar Park's raw water intake, a raw water intake line, new water treatment plant, and water transmission mains; and

WHEREAS, when the Contract was executed, the Parties intended that the BCRUA Project would be operational by April 1, 2011; and

WHEREAS, the Cities desire to delay the issuance of bonds and the commencement of construction of the Project by several months; and

WHEREAS, the Parties wish to clarify their agreement to allow for a limited delay in the issuance of bonds and commencement of construction of the BCRUA Project and provide for a release and withdrawal from the Contract under certain conditions;

WHEREAS, at this time the Parties believe that it would be beneficial to all of the Parties to postpone the date on which the BCRUA Project is to be operational from April 1, 2011 to April 1, 2012; and

WHEREAS, the Parties wish to amend the Contract to reflect this new date; NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the sufficiency of which are hereby conclusively acknowledged, and subject to the terms and conditions hereinafter set forth, the Cities and the BCRUA mutually agree as follows:

ARTICLE 1 **DEFINITIONS**

Section 1.1 All terms used herein shall have the meanings assigned to them in the Contract, unless the context clearly requires otherwise.

ARTICLE II **AMENDMENTS**

Section 2.1 Section 3.1, General of the Contract is hereby amended to read as follows:

Subject to the remaining terms and provisions of this Contract, the BCRUA agrees to issue one or more series of the Bonds, as requested by any City, to acquire and construct the BCRUA Project as generally described in the Preliminary Design Report. The Parties anticipate that the BCRUA Project will be operational by April 1, 2012. It is expressly understood and agreed that any obligations on the part of the BCRUA to finance, acquire, construct, and complete the BCRUA Project and any future expansions of the BCRUA Project and to provide the water treatment capacity to the Cities shall be (i) conditioned upon the BCRUA's ability to obtain all necessary permits, Land Interests, material, labor, and equipment, and upon the ability of the BCRUA to finance the BCRUA Project Costs through the actual sale of the Bonds or receipt of funds from the Cities, including any Additional Bonds needed to complete the BCRUA Project, and (ii) subject to all present and future valid laws, orders, rules, and regulations of the United States of America, the State, and any regulatory body having jurisdiction. The BCRUA shall acquire and construct the BCRUA Project with all reasonable dispatch, and the BCRUA will use best efforts to pursue such acquisition and construction in order that (i) the notice to proceed will be issued to the contractor, which will be deemed the commencement of construction, on the Phase I Raw Water Facilities as defined in the PDR by August 15, 2009; (ii) the notice to proceed will be issued to the contractor, which will be deemed the

commencement of construction on the water treatment plant component of the BCRUA Project by October 1, 2009, and (iii) the BCRUA Project will be operational by April 1, 2012, delays incident to events of Force Majeure only excepted.

Section 2.2 Section 3.5, Award of Construction Contracts of the Contract is hereby amended so that where it says "April 1, 2011," it shall hereafter state "April 1, 2012."

Section 2.4 Section 12.22, Withdrawal by and Release of a City is hereby added to the Contract as follows:

Section 12.22. Withdrawal by and Release of a City. Regardless of anything contained herein to the contrary, but prior to the issuance of bonds or other obligations by either a City or the BCRUA for the BCRUA Project, any of the three Cities, in its sole discretion, may elect to withdraw from this Contract (hereinafter referred to as the "Withdrawing City") and the non-withdrawing Cities (hereinafter referred to as the "Non-withdrawing City(ies)"), specifically agree that the Withdrawing City is and shall be fully released from the Contract,

- (i) for any reason prior to May 1, 2009; or
- (ii) if the BCRUA has not sold bonds, or any Non-withdrawing City has not otherwise provided for funding for its total allocations of the BCRUA Project Costs through a separate bond issue on or before July 15, 2009.

The Withdrawing City's withdrawal from the Contract shall be effective upon the Withdrawing City's written notice to the other Parties of its withdrawal as provided in Section 12.7 of this Contract. Upon notice of such withdrawal, the Non-withdrawing City(ies) and the BCRUA agree to release the Withdrawing City from this Contract and upon such withdrawal and release, the Withdrawing City shall no longer be a party to and shall be released from all obligations and liabilities of this Contract, including but not limited to any obligations to make Annual Payments to the BCRUA. The Non-withdrawing City(ies) agree that upon the provision of such notice by the Withdrawing City pursuant to this section, the Withdrawing City's withdrawal and the Non-withdrawing City(ies) release of the Withdrawing City shall be effective as provided herein and shall not require further action by any Party. In addition, within ninety (90) days of the notice of the Withdrawing City's withdrawal and release, the Withdrawing City shall convey all of its interests in the Engineering Reports, Land Interests acquired in the acquisition contracts listed herein below as (i) and (ii) by delivering to the Non-withdrawing City(ies) all necessary and appropriate conveyance documents, deeds, bill of sales, assignments, etc. that may be reasonably required by the Non-withdrawing City(ies). Likewise, within said ninety (90) day period, the Non-withdrawing City(ies) shall reimburse the Withdrawing City for the costs incurred by the Withdrawing City as defined in and made pursuant to the following agreements: (i) the Easement Acquisition Costs pursuant to the First Amended Interlocal Agreement Regarding Acquisition of

Easements for Construction of a Raw Water Transmission Line Along Trails End Road effective July 24, 2008; and (ii) the Real Estate Acquisition Costs pursuant to the Interlocal Agreement Regarding Acquisition of Real Property for a Regional Water Treatment Plant Site effective January 3, 2008. The Withdrawing City is also released from any further costs associated with the Interlocal Agreement Regarding Ancillary Consulting Services For Regional Water System dated February 28, 2007 and any operation and maintenance expenses associated with the New Hope waterline constructed pursuant to the Interlocal Agreement Regarding Construction Of Regional Waterline dated March 23, 2006.

In the event that Cedar Park is the Withdrawing City, Cedar Park specifically agrees to the following:

- (i) that despite its election to withdraw from the Master Contract Cedar Park agrees to continue to be bound by the terms and provisions of the Interlocal Agreement Regarding Construction of Regional Water Line, dated March, 2006; and
- (ii) that Cedar Park agrees not to oppose, but to reasonably cooperate with the BCRUA's, Leander's and/or Round Rock's efforts to obtain legal rights from LCRA or any other necessary person or entity to construct a floating barge and intake point on the tract owned by LCRA which is also the location of Cedar Park's existing floating barge and intake point.

ARTICLE III **MISCELLANEOUS**

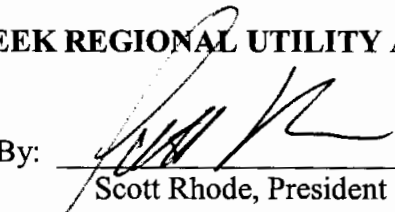
Section 3.1 To the extent necessary to effect the terms and provisions of this First Amendment, the Contract is hereby amended and modified. In all other respects, the aforesaid Contract is hereby ratified and confirmed.

Section 3.2 This First Amendment may be executed in counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

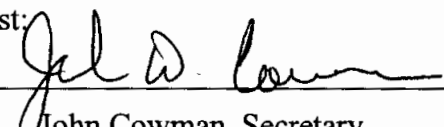
IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this First Amendment to be duly executed as of the day and year first above written.

(SIGNATURES ON FOLLOWING PAGES)

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

By: 

Scott Rhode, President

Attest:
By: 

John Cowman, Secretary

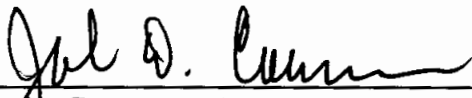
CITY OF CEDAR PARK, TEXAS

By: Robert D. Lemon
Bob Lemon, Mayor

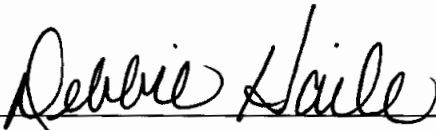
Attest:

By: LeAnn Quinn
LeAnn Quinn, City Secretary

CITY OF LEANDER, TEXAS

By: 
John Cowman, Mayor

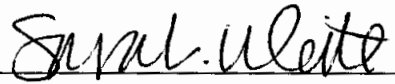
Attest:

By: 
Debbie Haile, City Secretary

CITY OF ROUND ROCK, TEXAS

By: 
Alan McGraw, Mayor

Attest:

By: 
Sara White, City Secretary

RESOLUTION NO. R-10-10-20-7C


WHEREAS, the Brushy Creek Regional Utility Authority (“BCRUA”) desires to enter into a Second Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project, Now Therefore

BE IT RESOLVED BY THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY,

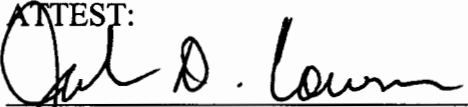
That the Board President is hereby authorized and directed to execute on behalf of the BCRUA a Second Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project, a copy of same being attached hereto as Exhibit “A” and incorporated herein for all purposes.

The Board hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 20th day of October, 2010.



MITCH FULLER, President
Brushy Creek Regional Utility Authority

ATTEST:


John Cowman, Secretary

**SECOND AMENDMENT TO THE MASTER CONTRACT FOR THE FINANCING,
CONSTRUCTION AND OPERATION OF THE BCRUA
REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT**

THIS SECOND AMENDMENT TO THE MASTER CONTRACT FOR THE FINANCING, CONSTRUCTION AND OPERATION OF THE BCRUA REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT (the "Second Amendment") is dated and entered into as of the ___ day of _____, 2010, by and among Brushy Creek Regional Utility Authority, Inc. ("BCRUA"), a non-profit corporation of the State of Texas (the "State"), created and existing under the laws of the State, including Subchapter D of Chapter 431 as amended, Texas Transportation Code, and the City of Cedar Park, Texas ("Cedar Park"), the City of Leander, Texas ("Leander"), and the City of Round Rock, Texas ("Round Rock") all home-rule municipalities and political subdivisions of the State (individually, the "City"; collectively, the "Cities"). The BCRUA and the Cities are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, on the 2nd day of September, 2008 the Parties entered into that one certain Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (the "Contract"), that provides terms and conditions for the financing, construction and operation of the first phase of the new regional system consisting generally of upgrades to Cedar Park's raw water intake, a raw water intake line, new water treatment plant, and water transmission mains; and

WHEREAS, on the 22nd day of January, 2009 the Parties entered into that one certain First Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project to postpone the date on which the BCRUA Project is to be operational from April 1, 2011 to April 1, 2012; and

WHEREAS, Exhibit D to the Contract sets out the estimated cost of the components of the Project, the allocation of said costs among the Cities, and the Cities' reserved capacity in the Project components; and

WHEREAS, Cities now wish to update the estimated costs shown in Exhibit D with actual cost numbers, as well as revised estimated costs;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the sufficiency of which are hereby conclusively acknowledged, and subject to the terms and conditions hereinafter set forth, the Cities and the BCRUA mutually agree as follows:



ARTICLE 1
DEFINITIONS

Section 1.1 All terms used herein shall have the meanings assigned to them in the Contract, unless the context clearly requires otherwise.

ARTICLE II
AMENDED EXHIBIT D

Section 2.1 The document entitled "Revised Exhibit D, August 2010" attached to and incorporated herein replaces the original Exhibit D attached to the Contract. Everywhere the Contract refers to "Exhibit D," it is agreed that henceforth it will be understood to refer to the attached "Revised Exhibit D, August 2010."

ARTICLE III
MISCELLANEOUS

Section 3.1 To the extent necessary to effect the terms and provisions of this Second Amendment, the Contract is hereby amended and modified. In all other respects, the aforesaid Contract is hereby ratified and confirmed.

Section 3.2 This Second Amendment may be executed in counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this Second Amendment to be duly executed as of the day and year first above written.

(SIGNATURES ON FOLLOWING PAGES)

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

By: _____
Mitch Fuller, President

Attest:

By: _____
John Cowman, Secretary

CITY OF CEDAR PARK, TEXAS

By: _____
Bob Lemon, Mayor

Attest:

By: _____
LeAnn Quinn, City Secretary

CITY OF LEANDER, TEXAS

By: _____
John Cowman, Mayor

Attest:

By: _____
Debbie Haile, City Secretary

CITY OF ROUND ROCK, TEXAS

By: _____
Alan McGraw, Mayor

Attest:

By: _____
Sara White, City Secretary

EXECUTED

DOCUMENT

FOLLOWS

**SECOND AMENDMENT TO THE MASTER CONTRACT FOR THE FINANCING,
CONSTRUCTION AND OPERATION OF THE BCRUA
REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT**

THIS SECOND AMENDMENT TO THE MASTER CONTRACT FOR THE FINANCING, CONSTRUCTION AND OPERATION OF THE BCRUA REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT (the "Second Amendment") is dated and entered into as of the 20th day of Oct, 2010, by and among Brushy Creek Regional Utility Authority, Inc. ("BCRUA"), a non-profit corporation of the State of Texas (the "State"), created and existing under the laws of the State, including Subchapter D of Chapter 431 as amended, Texas Transportation Code, and the City of Cedar Park, Texas ("Cedar Park"), the City of Leander, Texas ("Leander"), and the City of Round Rock, Texas ("Round Rock") all home-rule municipalities and political subdivisions of the State (individually, the "City"; collectively, the "Cities"). The BCRUA and the Cities are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, on the 2nd day of September, 2008 the Parties entered into that one certain Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (the "Contract"), that provides terms and conditions for the financing, construction and operation of the first phase of the new regional system consisting generally of upgrades to Cedar Park's raw water intake, a raw water intake line, new water treatment plant, and water transmission mains; and

WHEREAS, on the 22nd day of January, 2009 the Parties entered into that one certain First Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project to postpone the date on which the BCRUA Project is to be operational from April 1, 2011 to April 1, 2012; and

WHEREAS, Exhibit D to the Contract sets out the estimated cost of the components of the Project, the allocation of said costs among the Cities, and the Cities' reserved capacity in the Project components; and

WHEREAS, Cities now wish to update the estimated costs shown in Exhibit D with actual cost numbers, as well as revised estimated costs;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the sufficiency of which are hereby conclusively acknowledged, and subject to the terms and conditions hereinafter set forth, the Cities and the BCRUA mutually agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 All terms used herein shall have the meanings assigned to them in the Contract, unless the context clearly requires otherwise.

ARTICLE II
AMENDED EXHIBIT D

Section 2.1 The document entitled “Exhibit D, BCRUA Regional Water Project, Capacity and Cost Allocation, Phase 1A, Amended: October 20, 2010,” attached to and incorporated herein replaces the original Exhibit D attached to the Contract. Everywhere the Contract refers to “Exhibit D,” it is agreed that henceforth it will be understood to refer to the attached “Exhibit D, BCRUA Regional Water Project, Capacity and Cost Allocation, Phase 1A, Amended: October 20, 2010.”

ARTICLE III
MISCELLANEOUS

Section 3.1 To the extent necessary to effect the terms and provisions of this Second Amendment, the Contract is hereby amended and modified. In all other respects, the aforesaid Contract is hereby ratified and confirmed.

Section 3.2 This Second Amendment may be executed in counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this Second Amendment to be duly executed as of the day and year first above written.

(SIGNATURES ON FOLLOWING PAGES)

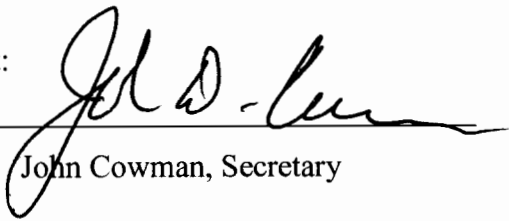
BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

By: _____


Mitch Fuller, President

Attest:

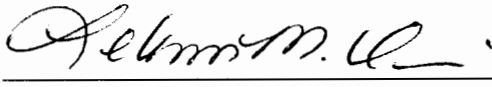
By: _____


John Cowman, Secretary

CITY OF CEDAR PARK, TEXAS

By: 
Bob Lemon, Mayor

Attest:

By: 
LeAnn Quinn, City Secretary

CITY OF LEANDER, TEXAS

By: John D. Cowman
John Cowman, Mayor

Attest:

By: Debbie Haile
Debbie Haile, City Secretary

CITY OF ROUND ROCK, TEXAS

By: 
Alan McGraw, Mayor

Attest:


By: 
Sara White, City Secretary

Exhibit D
BCRUA Regional Water Project
Capacity and Cost Allocation, Phase 1A
Amended: October 20, 2010

DESCRIPTION	CONSTRUCTED CAPACITY (MGD)	ESTIMATED COST	CEDAR PARK RESERVED CAPACITY (%)	CEDAR PARK COST	LEANDER RESERVED CAPACITY (%)	LEANDER COST	ROUND ROCK RESERVED CAPACITY (%)	ROUND ROCK COST
BCRUA PROJECT (Operational April 1, 2012)								
FLOATING INTAKE BARGE								
Preliminary Engineering	30.9	\$ 287,709	14.18	\$ 40,797	47.26	\$ 135,971	38.56	\$ 110,941
Final Engineering (thru Bidding)	30.9	\$ 458,610	14.18	\$ 65,031	47.26	\$ 216,739	38.56	\$ 176,840
Construction	30.9	\$ 3,807,500	28.8	\$ 1,096,560	45.31	\$ 1,725,178	25.89	\$ 965,762
Construction - Contingency	30.9	\$ 837,480	28.8	\$ 241,194	45.31	\$ 379,482	25.89	\$ 216,824
Total Construction (Includes Construction and Contingency)	30.9	\$ 4,644,980	28.8	\$ 1,337,754	45.31	\$ 2,104,641	25.89	\$ 1,202,595
Construction Phase Services	30.9	\$ 128,414	28.8	\$ 36,983	45.31	\$ 58,184	25.89	\$ 33,246
FLOATING INTAKE BARGE SUB-TOTAL		\$ 5,519,713		\$ 1,480,585		\$ 2,515,535		\$ 1,523,612
Cost Allocation Percentages				26.82%		45.57%		27.60%
RAW WATER LINE: FROM BARGE, UP TRAILS END ROAD TO REGIONAL WATER TREATMENT PLANT								
Preliminary Engineering	105.8	\$ 570,089	14.18	\$ 80,839	47.26	\$ 269,424	38.56	\$ 219,826
Final Engineering (thru Bidding)	105.8	\$ 2,784,016	14.18	\$ 394,773	47.26	\$ 1,315,726	38.56	\$ 1,073,517
Environmental, Permit, and Habitat Mitigation	105.8	\$ 413,000	14.18	\$ 58,563	47.26	\$ 195,184	38.56	\$ 159,253
Construction - Contract 1	105.8	\$ 19,371,138	14.18	\$ 2,746,827	47.26	\$ 9,154,800	38.56	\$ 7,469,511
Construction - Contract 2	105.8	\$ 5,511,774	26.67	\$ 1,469,990	46.67	\$ 2,572,345	26.67	\$ 1,469,990
Contingency	105.8	\$ 3,649,300	14.18	\$ 517,471	47.26	\$ 1,724,659	38.56	\$ 1,407,170
Total Construction (Includes Construction and Contingency)	105.8	\$ 28,532,212	14.18	\$ 4,734,298	47.26	\$ 13,451,804	38.56	\$ 10,346,671
Essentials	105.8	\$ 1,481,798	14.18	\$ 210,119	47.26	\$ 700,298	38.56	\$ 571,381
Construction Phase Services	105.8	\$ 802,846	14.18	\$ 113,844	47.26	\$ 379,425	38.56	\$ 309,577
RAW WATER LINE SUB-TOTAL		\$ 34,583,961		\$ 5,582,428		\$ 16,311,861		\$ 12,680,225
Cost Allocation Percentages				16.17%		47.17%		36.67%
REGIONAL WATER TREATMENT PLANT								
WTP Land Acquisition	105.8	\$ 3,324,022	14.18	\$ 471,346	47.26	\$ 1,570,933	38.56	\$ 1,281,743
Preliminary Engineering	105.8	\$ 703,112	14.18	\$ 99,701	47.26	\$ 332,291	38.56	\$ 271,120
Final Engineering	17	\$ 3,457,493	14.18	\$ 480,273	47.26	\$ 1,634,011	38.56	\$ 1,333,209
Supplemental Engineering	17	\$ 581,395	14.18	\$ 82,442	47.26	\$ 274,767	38.56	\$ 224,186
Construction Phase Services	17	\$ 1,185,500	14.18	\$ 218,398	47.26	\$ 557,878	38.56	\$ 409,225
1.0 Raw Water Conveyance								
1.01 72"/54" Raw Water Line, Isolation Valves, and Chemical Injection Vaults	105.8	\$ 1,081,911	14.18	\$ 153,415	47.26	\$ 511,311	38.56	\$ 417,185
2.0 Treatment Structure								
2.01 54" Raw Water, Raw Water Pipe Gallery	43	\$ 215,897	26.67	\$ 57,573	46.67	\$ 100,752	26.67	\$ 57,573
2.02 30" Raw Water Venturi Meter and Rate of Flow Control Valve, and Hydraulic Rapid Mix IC	22	\$ 222,366	26.67	\$ 59,298	46.67	\$ 103,771	26.67	\$ 59,298
2.03 Hydroclators 1A-1C thru 4A-4C (12 total) and Focculated Water Channel	22	\$ 1,309,128	26.67	\$ 349,101	46.67	\$ 610,926	26.67	\$ 349,101
Basin Inlet Channels, Sedimentation Basins 1 and 2 with Sludge Channel with Valves and Gates	22	\$ 3,029,835	26.67	\$ 807,956	46.67	\$ 1,413,923	26.67	\$ 807,956
2.05 Sludge Vault IC and 12" Sludge Pipe	22	\$ 593,515	26.67	\$ 158,271	46.67	\$ 276,973	26.67	\$ 158,271
2.06 Filter Inlet Channel	43	\$ 833,670	26.67	\$ 222,312	46.67	\$ 389,046	26.67	\$ 222,312
Filters 1-4 (underdrains, media, troughs, effluent venturi meters, rate of flow control valves, piping and miscellaneous valves) and Filters 5-8 (structure, wall spoons and blind flanges only)	12.8	\$ 2,045,765	26.67	\$ 545,537	46.67	\$ 954,690	26.67	\$ 545,537
2.08 Filter 5 (underdrains, media, troughs, effluent venturi meters, rate of flow control valves, piping and miscellaneous valves)	4.2	\$ 233,686	26.67	\$ 62,324	46.67	\$ 109,061	26.67	\$ 62,324
2.09 24" Backwash Water Venturi Meter and Rate of Flow Control Valve, and 30" Backwash Water Piping	105.8	\$ 216,706	14.18	\$ 30,729	47.26	\$ 102,415	38.56	\$ 83,562
2.1 36" Waste Backwash Water Piping and Valving	105.8	\$ 276,542	14.18	\$ 39,214	47.26	\$ 130,694	38.56	\$ 106,635
2.11 2 AV Scour Blowers	105.8	\$ 110,779	14.18	\$ 15,708	47.26	\$ 52,354	38.56	\$ 42,716

Exhibit D
BCRUA Regional Water Project
Capacity and Cost Allocation, Phase 1A
Amended: October 20, 2010

DESCRIPTION	CONSTRUCTED CAPACITY (MGD)	ESTIMATED COST	CEDAR PARK RESERVED CAPACITY (%)	CEDAR PARK COST	LEADER RESERVED CAPACITY (%)	LEADER COST	ROUND ROCK RESERVED CAPACITY (%)	ROUND ROCK COST
2.12 Air Scour/Backwash/Waste Backwash piping and valves	22	\$ 110,779	26.67	\$ 29,541	46.67	\$ 51,697	26.67	\$ 29,541
2.13 84" Filtered Water Pipe	90	\$ 269,265	14.18	\$ 36,182	47.26	\$ 127,255	38.56	\$ 103,828
2.14 Administration Level, Mezzanine (Electrical Room, and Storage), and Maintenance Room	105.8	\$ 6,324,892	14.18	\$ 896,870	47.26	\$ 2,989,144	38.56	\$ 2,438,878
3.0 Chemical Feed Facility								
3.01 Chemical Feed Area	105.8	\$ 77,626	14.18	\$ 11,007	47.26	\$ 36,686	38.56	\$ 29,933
3.02 2 Alum Metering Pumps, 2 Alum Storage Tanks, Valves and Piping	22	\$ 168,998	26.67	\$ 45,066	46.67	\$ 78,866	26.67	\$ 45,066
3.03 2 Fluoride Metering Pumps, 1 Fluoride Storage Tank, Valve and Piping	43	\$ 97,032	26.67	\$ 25,875	46.67	\$ 45,292	26.67	\$ 25,875
3.04 2 Polymer Metering Pumps, 1 Drum Scale, Valves and Piping	22	\$ 88,946	26.67	\$ 23,719	46.67	\$ 41,508	26.67	\$ 23,719
3.05 Bulk Chemical Secondary Containment Structure	105.8	\$ 130,185	14.18	\$ 18,460	47.26	\$ 61,525	38.56	\$ 50,199
4.0 Distraction Facility								
4.01 Distraction Facility Building	105.8	\$ 1,470,849	14.18	\$ 208,566	47.26	\$ 695,123	38.56	\$ 567,159
4.02 3 Sodium Hypochlorite Metering Pumps, 2 Sodium Hypochlorite Storage Tanks, Control Valve and Piping	22	\$ 304,035	26.67	\$ 81,076	46.67	\$ 141,883	26.67	\$ 81,076
4.03 Bulk Sodium Hypochlorite Chemical Secondary Containment Structure	105.8	\$ 61,454	14.18	\$ 8,714	47.26	\$ 29,043	38.56	\$ 23,697
4.04 2 LAS Metering Pumps, 2 LAS Storage Tanks, Control Valves and Piping	22	\$ 158,486	26.67	\$ 42,263	46.67	\$ 73,960	26.67	\$ 42,263
4.05 Bulk LAS Chemical Secondary Containment Structure	105.8	\$ 61,454	14.18	\$ 8,714	47.26	\$ 29,043	38.56	\$ 23,697
4.06 2 Potassium Permanganate Metering Pumps, 1 Feed Unit	43	\$ 139,888	26.67	\$ 37,304	46.67	\$ 65,261	26.67	\$ 37,304
5.0 Distraction Basin								
5.01 Distraction Basin, Weir Plate, Sample Pump, Isolation Valves and Piping	43	\$ 692,973	26.67	\$ 184,793	46.67	\$ 323,387	26.67	\$ 184,793
6.0 Ground Storage Tank								
6.01 78" Inlet/Outlet Piping and Valves	43	\$ 186,787	26.67	\$ 49,810	46.67	\$ 87,167	26.67	\$ 49,810
6.02 2 MG Precast Storage Tanks with Ballie Walls	43	\$ 2,508,286	26.67	\$ 668,876	46.67	\$ 1,170,534	26.67	\$ 668,876
7.0 Booster Pump Station								
7.01 78" Discharge and Suction Piping and Isolation Valves	105.8	\$ 2,475,133	14.18	\$ 350,974	47.26	\$ 1,169,748	38.56	\$ 954,411
7.02 3 Booster Pumps & Motors, Cans, Discharge Piping, Control and Isolation Valves, and 3 Cans with Covers	43	\$ 1,613,971	26.67	\$ 430,392	46.67	\$ 753,187	26.67	\$ 430,392
7.03 2 Plant Water Pumps & Motors, Cans, Discharge Piping, and Valves	43	\$ 186,787	26.67	\$ 49,810	46.67	\$ 87,167	26.67	\$ 49,810
7.04 2 Backwash Water Pumps & Motors, Cans, Discharge Piping, and Valves	105.8	\$ 831,244	14.18	\$ 117,870	47.26	\$ 392,848	38.56	\$ 320,528
8.0 Sludge Dewatering Facility								
8.01 Sludge Dewatering Facility Building	67	\$ 1,215,330	14.18	\$ 172,334	47.26	\$ 574,365	38.56	\$ 468,631
8.02 1 Belt Filler Press, 2 Belt Press Feed Pumps, 2 Polymer Feed Systems, 2 Screw Conveyors, Valves and Piping	67	\$ 760,302	14.18	\$ 110,647	47.26	\$ 368,771	38.56	\$ 300,894
9.0 Sludge Thickening and Handling Facilities								
9.01 1 Sludge Thickener with Collector, Piping, Valves	31	\$ 449,583	26.67	\$ 119,889	46.67	\$ 209,805	26.67	\$ 119,889
9.02 Sludge Pump Station Wet Well	105.8	\$ 214,280	14.18	\$ 30,385	47.26	\$ 101,269	38.56	\$ 82,626
9.03 2 Sludge Pumps, with Valves and Piping	43	\$ 73,953	26.67	\$ 19,622	46.67	\$ 34,339	26.67	\$ 19,622
10.0 Washwater Recovery & Recycle								
10.01 2 Washwater Settling/Decant Basins with Sludge Collectors	105.8	\$ 2,225,275	14.18	\$ 315,544	47.26	\$ 1,051,865	38.56	\$ 858,066
10.02 Recycle Pump Station Wet Well	105.8	\$ 178,701	14.18	\$ 25,340	47.26	\$ 84,454	38.56	\$ 69,907
10.03 3 Recycle Pumps, with Valves and Discharge Piping	43	\$ 121,290	26.67	\$ 32,344	46.67	\$ 56,602	26.67	\$ 32,344
11.0 Electrical Building								
11.01 Electrical Building	105.8	\$ 542,573	14.18	\$ 76,937	47.26	\$ 256,420	38.56	\$ 209,216
11.02 6KV Motor Control Center & 480V Motor Control Center with Switch Board, Transformer and Circuit Breaker	43	\$ 414,813	26.67	\$ 110,617	46.67	\$ 193,590	26.67	\$ 110,617
12.0 Yard Piping								
12.01 96"/84"/60" Filtered Water Piping with Valves and Chemical Injection Vaults	105.8	\$ 1,024,500	14.18	\$ 145,274	47.26	\$ 484,179	38.56	\$ 395,047
12.02 72" Finished Water Piping with Valves, Finished Water Meter Vault with 48" Venturi and Valves	105.8	\$ 1,921,240	14.18	\$ 272,432	47.26	\$ 907,978	38.56	\$ 740,830
12.03 36" Waste Backwash Piping with Valves, and Chemical Injection Vault	105.8	\$ 625,859	14.18	\$ 88,747	47.26	\$ 295,781	38.56	\$ 241,331
12.04 30" Backwash Water Piping with Valves	105.8	\$ 253,093	14.18	\$ 35,889	47.26	\$ 119,612	38.56	\$ 97,593

Exhibit D
BCRUA Regional Water Project
Capacity and Cost Allocation, Phase 1A
Amended: October 20, 2010

DESCRIPTION	CONSTRUCTED CAPACITY (MGD)	ESTIMATED COST	CEDAR PARK RESERVED CAPACITY (%)	CEDAR PARK COST	LEANDER RESERVED CAPACITY (%)	LEANDER COST	ROUND ROCK RESERVED CAPACITY (%)	ROUND ROCK COST
12.05 36" Waste Wastewater Piping with Valves	105.8	\$ 308,078	14.18	\$ 43,685	47.26	\$ 145,598	38.56	\$ 118,795
12.06 20" Wastewater Recycle Piping with Valves, and Recycle Meter	105.8	\$ 306,460	14.18	\$ 43,456	47.26	\$ 144,833	38.56	\$ 118,171
12.07 12" Sludge Line, Drain Line and Potable Water Line with Valves	105.8	\$ 884,612	14.18	\$ 125,438	47.26	\$ 418,087	38.56	\$ 341,106
12.08 8" Fire Water Line, Double Check Valves	105.8	\$ 190,830	14.18	\$ 27,080	47.26	\$ 90,186	38.56	\$ 73,584
12.09 Additional Piping and Appurtenances	105.8	\$ 740,680	14.18	\$ 105,028	47.26	\$ 350,045	38.56	\$ 285,606
13.0 Wastewater Lift Station								
13.01 Wastewater Lift Station Wet Well, 480VAC Utility Service	105.8	\$ 151,209	14.18	\$ 21,441	47.26	\$ 71,461	38.56	\$ 58,306
13.02 2 Submersible Motors, Force Main, Piping, Valves and Relocation	43	\$ 484,353	26.67	\$ 129,161	48.67	\$ 226,031	26.67	\$ 129,161
14.0 Civil / Site								
14.01 Rock Berm, Silt Fence, Tree Protection, Seeding and Topsoil	105.8	\$ 48,516	14.18	\$ 6,880	47.26	\$ 22,929	38.56	\$ 18,708
14.02 Water Quality Pond	105.8	\$ 444,732	14.18	\$ 63,063	47.26	\$ 210,180	38.56	\$ 171,488
14.03 Roads - 2' HMAAC with 10 Base Concrete Pavement	105.8	\$ 1,779,735	14.18	\$ 252,366	47.26	\$ 841,103	38.56	\$ 686,266
14.04 8" Coated Chain Link Fence, 8" Concrete Fence and Gates	105.8	\$ 462,521	14.18	\$ 65,585	47.26	\$ 218,587	38.56	\$ 178,348
14.05 Landscaping and Irrigation with Lines and Sprinklers	105.8	\$ 388,938	14.18	\$ 55,151	47.26	\$ 183,812	38.56	\$ 149,974
14.06 Yard Electrical	105.8	\$ 3,569,982	14.18	\$ 506,223	47.26	\$ 1,687,173	38.56	\$ 1,376,585
Total Construction Cost		\$ 47,929,935		\$ 8,829,858		\$ 22,555,074		\$ 16,545,026
Cost Allocation Percentages-Construction Only				18.42%		47.06%		34.52%
Construction		\$ 47,929,935		\$ 8,829,858		\$ 22,555,074		\$ 16,545,026
Contingency		\$ 4,864,861		\$ 886,189		\$ 2,289,233		\$ 1,679,242
O & M Manual		\$ 523,975		\$ 96,529		\$ 246,574		\$ 180,872
REGIONAL WTP SUBTOTAL		\$ 62,570,093		\$ 11,184,735		\$ 29,460,761		\$ 21,924,623
Cost Allocation Percentages				17.88%		47.08%		35.04%
TRANSMISSION WATER LINES								
Segment 1								
Preliminary Engineering	105.8	\$ 211,215	14.18	\$ 29,950	47.26	\$ 99,820	38.56	\$ 81,445
Final Engineering	105.8	\$ 1,173,931	14.18	\$ 166,463	47.26	\$ 554,800	38.56	\$ 452,668
Essentials	105.8	\$ 250,000	14.18	\$ 35,450	47.26	\$ 118,150	38.56	\$ 96,400
Construction	105.8	\$ 8,134,941	14.18	\$ 1,153,535	47.26	\$ 3,844,573	38.56	\$ 3,136,833
Contingency	105.8	\$ 1,633,254	14.18	\$ 231,585	47.26	\$ 771,876	38.56	\$ 629,783
Total Construction (Includes Construction plus Contingency)	105.8	\$ 9,768,195	14.18	\$ 1,385,130	47.26	\$ 4,616,449	38.56	\$ 3,766,616
Construction Phase Services	105.8	\$ 359,316	14.18	\$ 50,951	47.26	\$ 169,813	38.56	\$ 136,552
SEGMENT 1 SUB-TOTAL		\$ 11,762,657		\$ 1,667,545		\$ 5,559,032		\$ 4,535,681
Cost Allocation Percentages				14.18%		47.26%		38.56%
SEGMENT 2A								
<i>Transmission Water Line, Segment 2A, construction is complete. Cost allocations based on Interlocal Agreement Regarding Construction of Regional Water Line dated March 2006 and amended April 2006.</i>								
Engineering/Project Management/Inspection/Administration	105.8	\$ 55,971	3.90	\$ 2,183	46.34	\$ 25,937	49.76	\$ 27,851
Essentials	105.8	\$ -	14.18	\$ -	47.26	\$ -	38.56	\$ -
Construction	105.8	\$ 838,980	14.18	\$ 121,803	47.26	\$ 405,954	38.56	\$ 331,223
Construction - Cedar Park Additional Connection Payment		\$ 38,690		\$ 38,690				
Construction - Leander Additional Valve Payment		\$ 22,207		\$ 22,207				
SEGMENT 2A SUB-TOTAL		\$ 975,848		\$ 162,676		\$ 454,096		\$ 359,074
Cost Allocation Percentages				16.67%		46.53%		36.80%
SEGMENT 2B								
<i>Transmission Water Line, Segment 2B, construction is complete. Cost allocations based on Interlocal Agreement Regarding Construction of Regional Water Line dated March 2006 and amended April 2006.</i>								
Engineering/Project Management/Inspection/Administration	78.8	\$ 754,029	0	\$ -	48.22	\$ 363,593	51.78	\$ 390,436
Essentials	78.8	\$ -	0	\$ -	48.22	\$ -	51.78	\$ -
Construction	78.8	\$ 8,678,440	0	\$ -	48.22	\$ 4,184,744	51.78	\$ 4,493,696
SEGMENT 2B SUB-TOTAL		\$ 9,432,469		\$ -		\$ 4,548,337		\$ 4,884,132
Cost Allocation Percentages				0.00%		48.22%		51.78%

Exhibit D
BCRUA Regional Water Project
Capacity and Cost Allocation, Phase 1A
Amended: October 20, 2010

DESCRIPTION	CONSTRUCTED CAPACITY (MGD)	ESTIMATED COST	CEDAR PARK RESERVED CAPACITY (%)	CEDAR PARK COST	LEADER RESERVED CAPACITY (%)	LEADER COST	ROUND ROCK RESERVED CAPACITY (%)	ROUND ROCK COST															
SEGMENT 2C																							
Preliminary Engineering	78.8	\$ 191,919	14.18	\$ 27,214	47.26	\$ 90,701	38.56	\$ 74,004															
Final Engineering	78.8	\$ 627,561	0	-	48.22	\$ 302,610	51.78	\$ 324,951															
Easements (Based on 25% of Free Simple Value for 50' Perm. Easmt.)	78.8	\$ 330,000	0	-	48.22	\$ 159,126	51.78	\$ 170,874															
Construction-Estimate	78.8	\$ 6,800,000	0	-	48.22	\$ 3,278,960	51.78	\$ 3,521,040															
Contingency	78.8	\$ 477,507	0	-	48.22	\$ 230,254	51.78	\$ 247,253															
Allowance for Materials and Labor Fluctuations	78.8	\$ 955,015	0	-	48.22	\$ 460,508	51.78	\$ 494,507															
Total Construction (Includes Const. Contingency, & Allowance)	78.8	\$ 8,232,522	0	-	48.22	\$ 3,989,722	51.78	\$ 4,262,800															
Construction Phase Services	78.8	\$ 219,653	0	-	48.22	\$ 105,917	51.78	\$ 113,737															
SEGMENT 2C SUB-TOTAL		\$ 9,601,656		\$ 27,214		\$ 4,628,076		\$ 4,946,386															
Cost Allocation Percentages				0.28%		48.20%		51.52%															
CONSTRUCTION MANAGEMENT SERVICES AND INSPECTION																							
<i>Includes estimated construction cost for Floating Barge, Raw Water Line, WTP, and Transmission Mains 1 and 2C</i>																							
CONSTRUCTION MGMT./INSPECT. SUB-TOTAL		\$ 4,043,593		\$ 630,283		\$ 1,906,784		\$ 1,506,526															
Cost Allocation Percentages				15.59%		47.16%		37.26%															
ANCILLARY SERVICES																							
Environmental Consultant - Barry Allison		\$ 471,155	14.18	\$ 66,810	47.26	\$ 222,668	38.56	\$ 181,677															
Real Estate Acquisition Consultant - LAN		\$ 470,570	14.18	\$ 66,727	47.26	\$ 222,391	38.56	\$ 181,452															
Condensation Counsel - Kent Sick		\$ 150,000	14.18	\$ 21,270	47.26	\$ 70,890	38.56	\$ 57,940															
Public Relations - Staats Falkenburg		\$ 200,000	14.18	\$ 28,360	47.26	\$ 94,520	38.56	\$ 77,120															
Public Relations Firm - Group Solutions RJW		\$ 320,000	14.18	\$ 45,376	47.26	\$ 151,232	38.56	\$ 123,382															
Ancillary Services Sub-Total		\$ 1,611,725		\$ 228,543		\$ 761,701		\$ 621,481															
OPERATIONAL AND MAINTENANCE EXPENSES																							
General Manager Salary and Supplies (5 years)		\$ 425,917	14.18	\$ 60,395	47.26	\$ 201,288	38.56	\$ 164,234															
Preliminary Engineering Report Services		\$ 152,300	15.75	\$ 23,987	41.39	\$ 63,037	42.86	\$ 65,276															
Surveying - The Wallace Group - New Hope Line		\$ 17,551	15.99	\$ 2,806	40.51	\$ 7,110	43.50	\$ 7,635															
Administration Fees - Preliminary/Final Design		\$ 84,000	14.18	\$ 11,911	47.26	\$ 39,698	38.56	\$ 32,390															
O&M Sub-Total		\$ 679,768		\$ 99,100		\$ 311,134		\$ 269,534															
ANCILLARY SVCS/O&M EXPENSES SUB-TOTAL		\$ 2,291,493		\$ 327,642		\$ 1,072,835		\$ 891,016															
Cost Allocation Percentages				14.30%		46.82%		38.88%															
UPDATED BCRUA PHASE 1A PROJECT TOTAL COST																							
Cost Allocation Percentages		\$ 140,781,483		\$ 21,073,488		\$ 68,457,318		\$ 53,251,255															
ORIGINAL BCRUA PHASE 1A PROJECT TOTAL COST		\$ 171,596,451		\$ 24,877,637		\$ 81,031,380		\$ 65,667,430															
TWOB Adjustment for Phase 2 Costs		\$ (525,000)		\$ (74,445)		\$ (248,115)		\$ (202,440)															
ADJUSTED ORIGINAL BCRUA PHASE 1A PROJECT COST		\$ 171,071,451		\$ 24,803,192		\$ 80,783,265		\$ 65,464,990															
Construction Cost Savings from Phase 1A		\$ 30,289,968		\$ 3,729,704		\$ 14,325,947		\$ 12,233,735															
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Capacity (MGD)</th> <th>% of Capacity</th> </tr> </thead> <tbody> <tr> <td>Cedar Park</td> <td>4.53</td> <td>26.67</td> </tr> <tr> <td>Leander</td> <td>7.94</td> <td>46.67</td> </tr> <tr> <td>Round Rock</td> <td>4.53</td> <td>26.67</td> </tr> <tr> <td>Total</td> <td>17.00</td> <td>100</td> </tr> </tbody> </table>										Capacity (MGD)	% of Capacity	Cedar Park	4.53	26.67	Leander	7.94	46.67	Round Rock	4.53	26.67	Total	17.00	100
	Capacity (MGD)	% of Capacity																					
Cedar Park	4.53	26.67																					
Leander	7.94	46.67																					
Round Rock	4.53	26.67																					
Total	17.00	100																					

Note: Upon completion of the Project, the BCRUA is obligated to deliver up to the following quantities of treated water to each City at the Points of Delivery:

DATE: October 15, 2010

SUBJECT: BCRUA Board Meeting – October 20, 2010

ITEM: 7C. Consider a resolution authorizing the President to execute a Second Amendment to the Master Contract for the Financing, Construction, and Operation of the BCRUA Regional Water Treatment and Distribution Project.

Presenter: Michael Thane
Director of Infrastructure Management
City of Round Rock

Justification:

On September 9, 2008, the Cities entered into a Master contract which provides the terms and conditions for the financing, construction, and operation of Phase 1A of the Brushy Creek Regional Utility Authority (BCRUA) regional water project. On December 18, 2008, the Cities amended the Master Contract to delay the issuance of bonds and the commencement of construction of the project.

This Amendment No. 2 to the Master Contract is necessary to revise the actual cost necessary to complete Phase 1A of the regional water project. There are six construction contracts to be awarded as part of Phase 1A. Five of these projects have already awarded construction contracts to the lowest responsible bidder. Because these construction contracts are coming in lower than the construction cost estimate that was included in Exhibit D of the Master Contract, the BCRUA is updating Exhibit D to show these construction cost savings. To date, the BCRUA has saved \$30,389,968 in cost for the five projects that have been recently awarded or are under construction.

RESOLUTION NO. R-12-02-22-6B

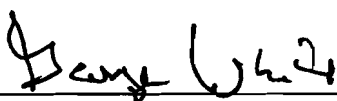
WHEREAS, the Brushy Creek Regional Utility Authority (“BCRUA”) desires to enter into a Third Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project, Now Therefore

BE IT RESOLVED BY THE BRUSHY CREEK REGIONAL UTILITY AUTHORITY,

That the Board President is hereby authorized and directed to execute on behalf of the BCRUA a Third Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project, a copy of same being attached hereto as Exhibit “A” and incorporated herein for all purposes.

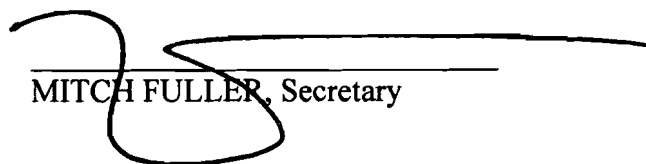
The Board hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 22nd day of February, 2012.



GEORGE WHITE, President
Brushy Creek Regional Utility Authority

ATTEST:



MITCH FULLER, Secretary

**THIRD AMENDMENT TO THE MASTER CONTRACT FOR THE
FINANCING, CONSTRUCTION AND OPERATION OF THE
BCRUA WATER TREATMENT AND DISTRIBUTION PROJECT**

THIS THIRD AMENDMENT TO THE MASTER CONTRACT FOR THE FINANCING, CONSTRUCTION AND OPERATION OF THE BCRUA REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT (the "Third Amendment") is dated and entered into as of the __ day of _____, 2012, by and among the Brushy Creek Regional Utility Authority, Inc., (the "BCRUA"), a non-profit corporation of the State of Texas (the "State"), created and existing under the laws of the State, including Subchapter D of Chapter 431, as amended, Texas Transportation Code, and the City of Cedar Park, Texas ("Cedar Park"), the City of Leander, Texas ("Leander"), and the City of Round Rock, Texas ("Round Rock"), all home-rule municipalities and political subdivisions of the State (individually, the "City"; collectively, the "Cities"). The BCRUA and the Cities are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, on the 2nd day of September, 2008 the Parties entered into that one certain Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (the "Contract"); and

WHEREAS, on the 22nd day of January, 2009, the Parties entered into that one certain First Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project to postpone the date on which the BCRUA Project is to be operational from April 1, 2011 to April 1, 2012; and

WHEREAS, on the 20th day of October, 2010, the Parties entered into that one certain Second Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project to update and replace Exhibit D to the Contract; and

WHEREAS, the Parties now wish to again postpone the date on which the BCRUA Project is to be operation from April 1, 2012 to June 1, 2012; and

WHEREAS, the Parties wish to amend the Contract to reflect this new date; NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the sufficiency of which are hereby conclusively acknowledged, and subject to the terms and conditions hereinafter set forth, the Cities and the BCRUA mutually agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1 All terms used herein shall have the meanings assigned to them in the Contract, unless the context clearly requires otherwise.

ARTICLE II
AMENDMENTS

Section 2.1 Section 3.1, General of the Contract is hereby amended to read as follows:

Subject to the remaining terms and provisions of this Contract, the BCRUA agrees to issue one or more series of the Bonds, as requested by any City, to acquire and construct the BCRUA Project as generally described in the Preliminary Design Report. The Parties anticipate that the BCRUA Project will be operational by ~~April~~ June 1, 2012. It is expressly understood and agreed that any obligations on the part of the BCRUA to finance, acquire, construct, and complete the BCRUA Project and any future expansions of the BCRUA Project and to provide the water treatment capacity to the Cities shall be (i) conditioned upon the BCRUA's ability to obtain all necessary permits, Land Interests, material, labor, and equipment, and upon the ability of the BCRUA to finance the BCRUA Project Costs through the actual sale of the Bonds or receipt of funds from the Cities, including any Additional Bonds needed to complete the BCRUA Project, and (ii) subject to all present and future valid laws, orders, rules, and regulations of the United States of America, the State, and any regulatory body having jurisdiction. The BCRUA shall acquire and construct the BCRUA Project with all reasonable dispatch, and the BCRUA will use best efforts to pursue such acquisition and construction in order that (i) the notice to proceed will be issued to the contractor, which will be deemed the commencement of construction, on the Phase I Raw Water Facilities as defined in the PDR by August 15, 2009; (ii) the notice to proceed will be issued to the contractor, which will be deemed the commencement of construction on the water treatment plant component of the BCRUA Project by October 1, 2009, and (iii) the BCRUA Project will be operational by ~~April~~ June 1, 2012, delays incident to events of Force Majeure only excepted.

Section 2.2 Section 3.5, Award of Construction Contracts of the Contract is hereby amended so that the last sentence of said Section 3.5 shall read as follows: "The BCRUA shall ensure that all contracts for the construction of the BCRUA Project provide that the BCRUA Project will be operational by it shall hereafter state "June 1, 2012."

ARTICLE III
MISCELLANEOUS

Section 3.1 To the extent necessary to effect the terms and provisions of this Third Amendment, the Contract is hereby amended and modified. In all other respects, the aforesaid Contract is hereby ratified and confirmed.

Section 3.2 This Third Amendment may be executed in counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this Third Amendment to be duly executed as of the day and year first above written.

(Signatures on Following Pages)

**BRUSHY CREEK REGIONAL UTILITY
AUTHORITY, INC.**

By: _____
George White, President

Attest:

By: _____
Mitch Fuller, Secretary

CITY OF CEDAR PARK, TEXAS

By: _____
Bob Lemon, Mayor

Attest:

By: _____
LeAnn Quinn, City Secretary

CITY OF LEANDER, TEXAS

By: _____
John Cowman, Mayor

Attest:

By: _____
Debbie Haile, City Secretary

CITY OF ROUND ROCK, TEXAS

By: _____
Alan McGraw, Mayor

Attest:

By: _____
Sara White, City Clerk

**THIRD AMENDMENT TO THE MASTER CONTRACT FOR THE
FINANCING, CONSTRUCTION AND OPERATION OF THE
BCRUA WATER TREATMENT AND DISTRIBUTION PROJECT**

THIS THIRD AMENDMENT TO THE MASTER CONTRACT FOR THE FINANCING, CONSTRUCTION AND OPERATION OF THE BCRUA REGIONAL WATER TREATMENT AND DISTRIBUTION PROJECT (the "Third Amendment") is dated and entered into as of the 24 day of July, 2012, by and among the Brushy Creek Regional Utility Authority, Inc., (the "BCRUA"), a non-profit corporation of the State of Texas (the "State"), created and existing under the laws of the State, including Subchapter D of Chapter 431, as amended, Texas Transportation Code, and the City of Cedar Park, Texas ("Cedar Park"), the City of Leander, Texas ("Leander"), and the City of Round Rock, Texas ("Round Rock"), all home-rule municipalities and political subdivisions of the State (individually, the "City"; collectively, the "Cities"). The BCRUA and the Cities are collectively referred to herein as the "Parties."

RECITALS

WHEREAS, on the 2nd day of September, 2008 the Parties entered into that one certain Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (the "Contract"); and

WHEREAS, on the 22nd day of January, 2009, the Parties entered into that one certain First Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project to postpone the date on which the BCRUA Project is to be operational from April 1, 2011 to April 1, 2012; and

WHEREAS, on the 20th day of October, 2010, the Parties entered into that one certain Second Amendment to the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project to update and replace Exhibit D to the Contract; and

WHEREAS, the Parties now wish to again postpone the date on which the BCRUA Project is to be operation from April 1, 2012 to June 1, 2012; and

WHEREAS, the Parties wish to amend the Contract to reflect this new date; NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the sufficiency of which are hereby conclusively acknowledged, and subject to the terms and conditions hereinafter set forth, the Cities and the BCRUA mutually agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1 All terms used herein shall have the meanings assigned to them in the Contract, unless the context clearly requires otherwise.

ARTICLE II
AMENDMENTS

Section 2.1 Section 3.1, General of the Contract is hereby amended to read as follows:

Subject to the remaining terms and provisions of this Contract, the BCRUA agrees to issue one or more series of the Bonds, as requested by any City, to acquire and construct the BCRUA Project as generally described in the Preliminary Design Report. The Parties anticipate that the BCRUA Project will be operational by June 1, 2012. It is expressly understood and agreed that any obligations on the part of the BCRUA to finance, acquire, construct, and complete the BCRUA Project and any future expansions of the BCRUA Project and to provide the water treatment capacity to the Cities shall be (i) conditioned upon the BCRUA's ability to obtain all necessary permits, Land Interests, material, labor, and equipment, and upon the ability of the BCRUA to finance the BCRUA Project Costs through the actual sale of the Bonds or receipt of funds from the Cities, including any Additional Bonds needed to complete the BCRUA Project, and (ii) subject to all present and future valid laws, orders, rules, and regulations of the United States of America, the State, and any regulatory body having jurisdiction. The BCRUA shall acquire and construct the BCRUA Project with all reasonable dispatch, and the BCRUA will use best efforts to pursue such acquisition and construction in order that (i) the notice to proceed will be issued to the contractor, which will be deemed the commencement of construction, on the Phase I Raw Water Facilities as defined in the PDR by August 15, 2009; (ii) the notice to proceed will be issued to the contractor, which will be deemed the commencement of construction on the water treatment plant component of the BCRUA Project by October 1, 2009, and (iii) the BCRUA Project will be operational by June 1, 2012, delays incident to events of Force Majeure only excepted.

Section 2.2 Section 3.5, Award of Construction Contracts of the Contract is hereby amended so that the last sentence of said Section 3.5 shall read as follows:

"The BCRUA shall ensure that all contracts for the construction of the BCRUA Project provide that the BCRUA Project will be operational by it shall hereafter state "June 1, 2012."

ARTICLE III
MISCELLANEOUS


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Section 3.2 This Third Amendment may be executed in counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

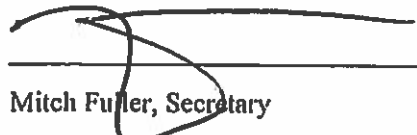
IN WITNESS WHEREOF, the Parties hereto acting under authority of their respective governing bodies have caused this Third Amendment to be duly executed as of the day and year first above written.

(Signatures on Following Pages)

BRUSHY CREEK REGIONAL UTILITY
AUTHORITY, INC.

By: 
George White, President

Attest:

By: 
Mitch Fuller, Secretary

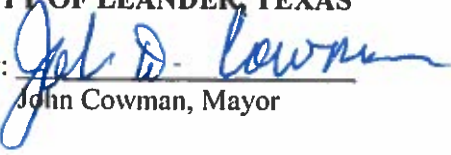
CITY OF CEDAR PARK, TEXAS

By: 
Bob Lemon, Mayor

Attest:

By: 
LeAnn Quinn, City Secretary

CITY OF LEANDER, TEXAS

By: 
John Cowman, Mayor

Attest:

By: 
Debbie Haile, City Secretary

CITY OF ROUND ROCK, TEXAS

By: 
Alan McGraw, Mayor

Attest:

By: 
Sara White, City Clerk

Part C-45 Bond Proforma

Brushy Creek Regional Utility Authority, Inc.

Case: Bond Proforma

Base Case (5% customer growth for 5 years)



Interest Rate On 2018 SWIFT Low Interest Bonds

2.50% (TIC - Preliminary)

Interest Rate On 2018 SWIFT Deferred Bonds

3.73% (TIC - Preliminary)

Fiscal Year	Water Customers	Customer Growth %	Water Revenue per Customer/Year	Capital Contributions & Contract	Operating Expenses (1)	Net Operating Income	Combined Cities' Existing Debt Service	Leander Proforma	Cedar Park Proforma	Total Projected Debt Service	Projected Debt Service Coverage
				Water Revenue (1)				\$ 8,770,000	\$ 6,970,000		
2017	69,642	NA	206	14,368,575	1,740,263	12,628,312	10,913,588	-	-	10,913,588	1.16
2018	73,124	5.00%	206	15,063,565	1,827,276	13,236,288	11,890,572	-	-	11,890,572	1.11
2019	76,780	5.00%	206	15,816,743	1,918,640	13,898,103	11,967,933	-	443,911	12,411,845	1.12
2020	80,619	5.00%	206	16,607,580	2,014,572	14,593,008	12,146,833	-	446,250	12,593,083	1.16
2021	84,650	5.00%	206	17,437,959	2,115,301	15,322,658	12,202,443	-	444,250	12,646,693	1.21
2022	88,883	5.00%	206	18,309,857	2,221,066	16,088,791	12,249,387	-	442,125	12,691,512	1.27
2023	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,305,812	-	444,875	12,750,687	1.26
2024	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,360,884	-	442,375	12,803,259	1.26
2025	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,407,094	-	444,750	12,851,844	1.25
2026	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,427,253	853,984	441,875	13,723,112	1.17
2027	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,466,569	853,994	443,875	13,764,437	1.17
2028	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,493,835	853,232	445,625	13,792,691	1.17
2029	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,525,352	856,531	442,125	13,824,007	1.16
2030	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,547,406	853,123	443,500	13,844,028	1.16
2031	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,566,768	857,795	444,625	13,869,187	1.16
2032	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,579,544	855,304	445,500	13,880,347	1.16
2033	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,592,307	855,734	446,125	13,894,165	1.16
2034	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,614,617	854,476	441,500	13,910,593	1.16
2035	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,633,134	856,686	441,750	13,931,570	1.15
2036	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,652,683	857,267	441,750	13,951,700	1.15
2037	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	12,664,598	856,335	446,500	13,967,433	1.15
2038	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	11,681,563	853,866	445,875	12,981,304	1.24
2039	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
2040	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
2041	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
2042	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
2043	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
2044	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
2045	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
2046	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
2047	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
2046	88,883	0.00%	206	18,309,857	2,221,066	16,088,791	-	-	-	-	NA
							270,890,170	11,118,323	8,879,161	290,887,655	

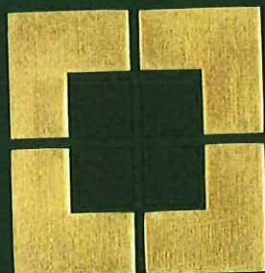
(1) FY2017 data is audited. Capital contributions and water revenue forecast to increase 5%/year for 5 years. Operating expenses exclude depreciation expense and debt service; inflated 5%/year for 5 years.

(2) Proposed bonds assumed to be issued NOVEMBER 15 of year shown.

**Brushy Creek Regional
Utility Authority, Inc.**

September 30, 2013

**Part C-46 2013 Audit
Financial Statements**



**BROCKWAY
GERSBACH
FRANKLIN &
NIEMEIER, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

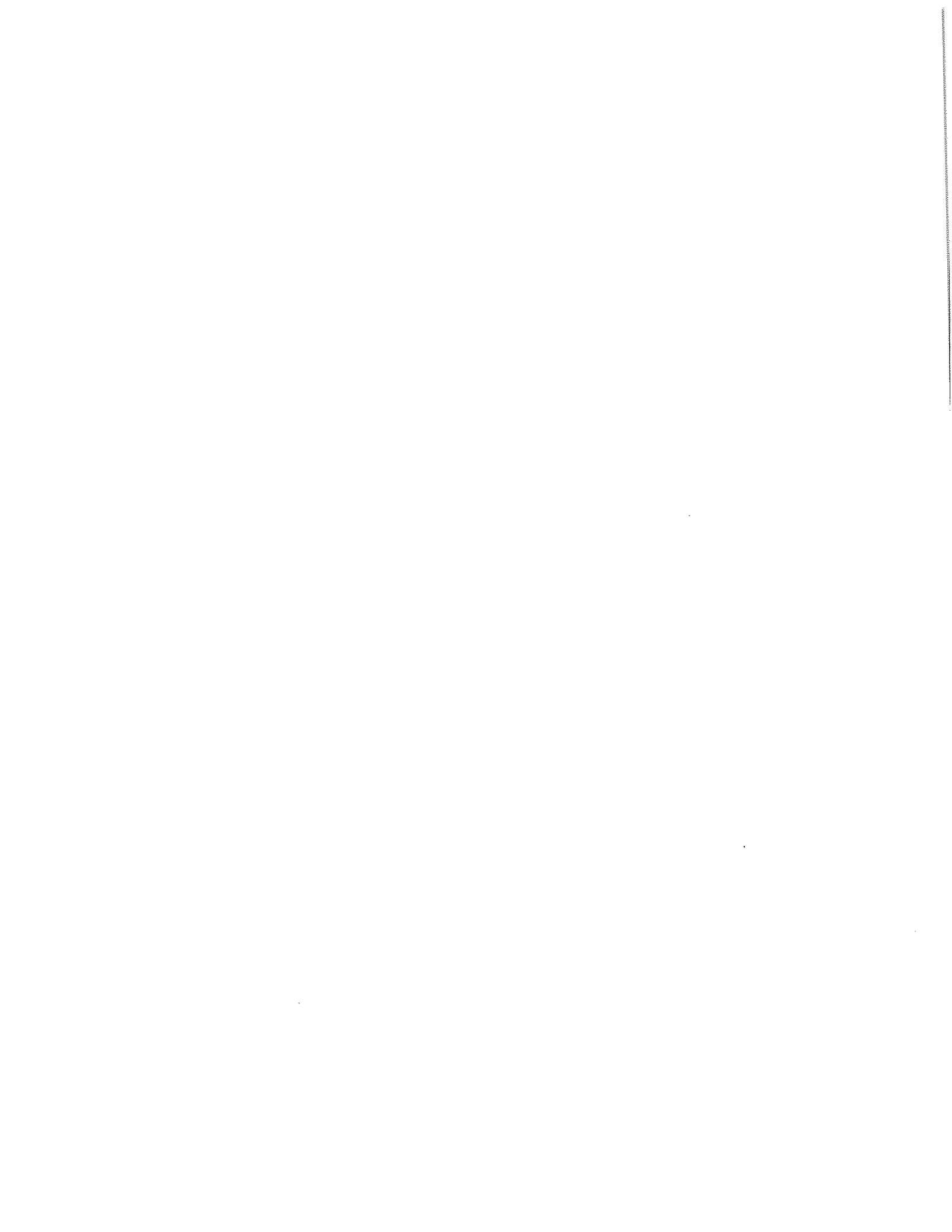
FINANCIAL STATEMENTS AS OF

September 30, 2013

TOGETHER WITH INDEPENDENT AUDITORS' REPORT THEREON

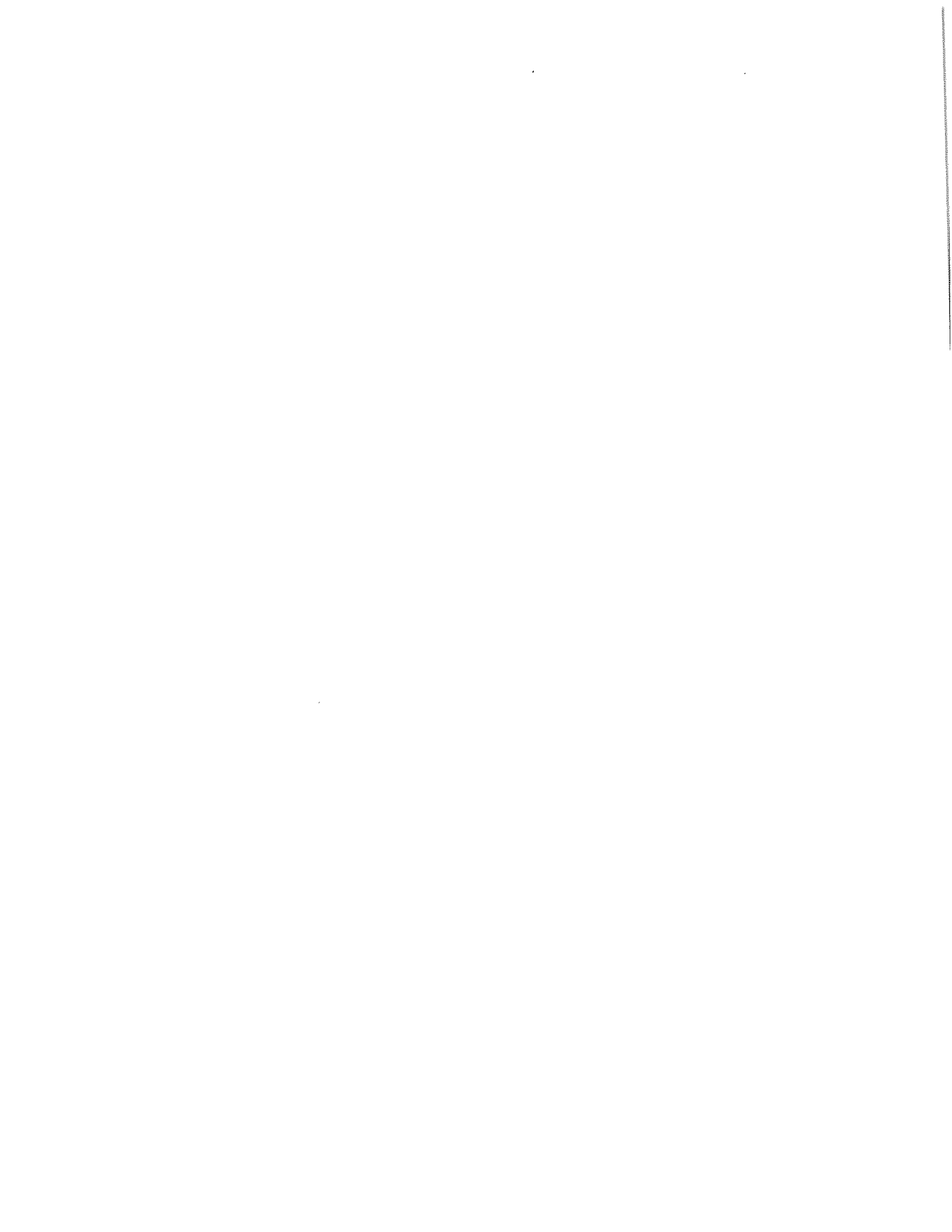
AND

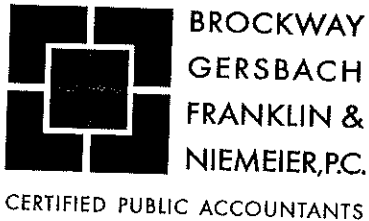
SUPPLEMENTARY INFORMATION



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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Brushy Creek Regional Utility Authority, Inc.
Round Rock, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (BCRUA), as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the BCRUA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

INDEPENDENT AUDITORS' REPORT
(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the BCRUA, as of September 30, 2013, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 5 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the BCRUA's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

As discussed in Note 6 to the financial statements, the Brushy Creek Regional Utility Authority, Inc. is dependent on the Cities of Cedar Park, Leander, and Round Rock, Texas for the continued funding of its operating activities. The Cities annually budget funds for operational expenses and debt service requirements of the Brushy Creek Regional Utility Authority, Inc.

INDEPENDENT AUDITORS' REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2014, on our consideration of the BCRUA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering BCRUA's internal control over financial reporting and compliance.

Erochney, Dordach, Franklin & Nimmo, P.C.

January 5, 2014

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BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2013

ABOUT BCRUA

The Brushy Creek Regional Utility Authority (BCRUA) is a joint venture between the Cities of Cedar Park, Leander and Round Rock, Texas to design and construct a regional water system that will supply treated water to the three communities.

Cedar Park, Leander and Round Rock are among the fastest growing cities in Texas. Their combined service area population, based on current U.S. census estimates, is over 194,000. It is projected to grow to 609,000 by the year 2040.

This project provides facilities to access, treat and deliver water from Lake Travis to each partner city's customers. When completed, the project will meet the needs of Cedar Park and Round Rock to their ultimate build-out and the needs of Leander for at least the next 20 to 25 years.

The regional concept ensures the responsible use of resources and the least impact on both the environment and neighboring communities. Rather than three communities building three separate water supply projects—with three pipelines, three intakes, and three treatment plants, the BCRUA project streamlines the effort for minimum impact and maximum efficiency. The regional option affords the three cities the opportunity to realize "economy of scale" savings of 30 percent, or more than \$ 90 million.

The regional water treatment plant will have an ultimate capacity of 106 million gallons per day (mgd) and will be built in three phases to better match the capacity with near-term needs. The initial Phase 1 was substantially completed in July 2012 and includes the full sized 106 mgd raw water and treated water pipelines, and a 17 mgd water treatment plant, readily expandable to 42 mgd. Phase 1 operates with an interim 30 mgd floating barge intake on Lake Travis, but a permanent deep water intake with ultimate capacity will be required as part of Phase 2.

Plant operations officially began July 1, 2012. Operations for the project have been divided into three categories: plant staffing; General Manager/administrative support; and, financial support/accounting services, with each city taking responsibility for one of the categories. Plant staffing is provided by Leander consisting of one plant superintendent and three plant operators. The General Manager and administrative support are provided by Round Rock. Finance and Accounting is provided by Cedar Park. While each city maintains responsibility for their own category, the Operations Committee (composed of engineering and finance staff from each city) provides oversight of each city's contribution in order to ensure appropriate controls are in place.

While substantial completion and start-up of the Phase 1 Project occurred in 2012, final project close-out has been delayed, due to several construction related issues that became evident late in the year. The BCRUA has been working with the construction contractor and design engineers to analyze the issues, and make the necessary corrections. Pending elimination of all identified defects, the BCRUA is withholding project construction retainage. Final completion and project close-out is anticipated in early/mid 2014.

With substantial completion of the Phase I Project in 2012, staff began working on planning, environmental studies and real-estate acquisition for Phase II. In 2013, two sites were identified for the permanent deep water intake structure (in the Village of Volente), and the permanent raw water pumping station (in Sandy Creek Park). Purchase negotiations for both parcels are underway and progressing toward completion in 2014. Planning level design of the overall Phase 2 project also progressed during the year, and formal authorization to begin predesign of this multi-year construction project is anticipated to occur in 2014.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2013

The BCRUA Board of Directors is composed of six members, two from each of the city councils of the partnering cities. A General Manager directs the day to day business of the BCRUA, and a Plant Superintendent oversees the operation of the system. The previous General Manager, Chris Lippe, retired in December, 2012. The Board then initiated a national search, and in March, 2013, selected Tom Gallier as the new General Manager.

What follows is a discussion and analysis of BCRUA's financial performance for the fiscal year ended September 30, 2013. Please read it in conjunction with the Independent Auditors' Report on page 1 and the BCRUA's Basic Financial Statements which begin on page 14.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: (1) management's discussion and analysis (this section), (2) basic financial statements, and (3) notes to the financial statements. This report also contains combining statements as supplementary information in addition to the basic financial statements.

The basic financial statements include the Statement of Net Position (pages 14 - 15), the Statement of Revenues, Expenses, and Changes in Net Position (page 16) and the Statement of Cash Flows (page 17). The BCRUA operates as an enterprise activity and consists of one proprietary fund.

The notes to the financial statements (starting on page 19) provide narrative explanations or additional data needed for full disclosure in the basic financial statements.

BASIC FINANCIAL STATEMENTS

The basic financial statements are designed to provide readers with a broad overview of the BCRUA's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the BCRUA's assets and liabilities, with the difference between the two reported as net position. The BCRUA's net position provides one measure of the BCRUA's financial health, or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the BCRUA is improving or deteriorating. To fully assess the overall health of the BCRUA, however, you should consider nonfinancial factors as well, such as the condition of assets, and the total economic impact of the entity on the Cities of Cedar Park, Leander and Round Rock, Texas.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the BCRUA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* presents cash receipts, cash disbursements and net changes in cash resulting from operating, financing and investing activities. This statement provides information such as where cash originated, how it was used and the net change in cash balances during the reporting period.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2013

NOTES TO THE FINANCIAL STATEMENTS

The notes provide required disclosures and other additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements present information about the accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any. The notes to the financial statements can be found on pages 19 through 28 of this report.

SUPPLEMENTARY INFORMATION

The combining statements are presented for purposes of additional analysis and to provide an overview of the financial position and results of operations related to each partner City. The combining statements can be found on pages 30 through 32 of this report.

FINANCIAL ANALYSIS

FINANCIAL HIGHLIGHTS

- The BCRUA's net position decreased by \$ 12,210,756 as a result of current year operations.
- Partner city contributions to net position for the year ended September 30, 2013 were \$ 10,697,987.
- Total net position at September 30, 2013 was \$ 16,929,047, a decrease of \$ 1,512,769 from September 30, 2012.
- Total capital assets, net of depreciation, were \$ 153,408,693 as of September 30, 2013. This is a decrease of \$ 1,902,767 from the prior year and reflects the completion of Phase 1 of the project and the start up cost for Phase 2.
- Total long-term liabilities were \$ 176,025,000 and \$ 178,605,000 as of September 30, 2013 and 2012, respectively. Principal payments on this debt began in fiscal year 2012.

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2013**

FINANCIAL ANALYSIS (continued)

FINANCIAL HIGHLIGHTS (continued)

The following condensed financial statements (Tables I and II) provide key financial data as of and for the years ended September 30, 2013 and 2012.

Table I

NET POSITION

	2013	2012
Current assets	\$ 19,646,177	\$ 15,027,661
Restricted assets	26,208,772	32,435,783
Capital assets, net	153,566,942	155,311,460
Other	770,872	801,913
Total assets	200,192,763	203,576,817
Current liabilities	3,130,752	3,151,729
Current liabilities payable from restricted assets	3,949,716	3,378,272
Noncurrent liabilities	176,025,000	178,605,000
Total liabilities	183,105,468	185,135,001
Net position:		
Unrestricted	17,087,295	18,441,816
Total net position	\$ 17,087,295	\$ 18,441,816

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2013

FINANCIAL ANALYSIS (continued)

FINANCIAL HIGHLIGHTS (continued)

Table II

CHANGE IN NET POSITION

	2013	2012
Operating Revenues	\$ 985,682	\$ 892,950
Operating Expenses		
Interest expense	8,336,059	-
Depreciation	3,854,964	973,240
Personnel	393,893	91,801
Power	366,010	104,844
Chemicals	100,642	8,925
Office supplies	33,210	34,150
Accounting services	32,883	3,412
Repairs and maintenance	25,916	65,125
Insurance	25,658	-
Audit expense	23,500	24,398
Investment consultant	20,000	23,500
Miscellaneous expense	14,985	26,500
Legal fees	14,268	52
Bank service charges	5,942	551
Contract services	2,368	3,192
Plant dedication	-	12,395
Total Operating Expenses	13,250,298	1,372,085
Operating Loss	(12,264,616)	(479,135)
Other Income		
Change in net position	212,108	7,901
	(12,052,508)	(471,234)
Net position - beginning of year	18,441,816	10,363,106
Capital contributions from partner cities	10,697,987	9,654,944
Capital distributions to partner cities	-	(1,105,000)
Net position - end of year	\$ 17,087,295	\$ 18,441,816

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2013

FINANCIAL ANALYSIS (continued)

CAPITAL ASSETS

Capital assets at September 30, 2013 amounted to \$ 153,408,693 and consisted of land, easements, buildings, improvements, infrastructure and construction in progress. Construction in progress is made up of costs attributed to Phase 2 of the BCRUA Project and consists primarily of engineering costs. The cost of constructing Phase 1 was closed out of construction in progress during fiscal year 2012 for a total cost of \$ 145,800,187. Capitalized interest of \$ 25,347,535 (net of investment income of \$ 2,075,409) was included in the cost of Phase 1.

The construction phasing and estimated costs for the project are planned as follows:

Phase 1:

- Construction of an interim, floating intake structure near Cedar Park's existing plant on the Sandy Creek arm of Lake Travis
- New raw water pipeline within right-of-way along Trails End Road
- New treatment plant to serve all three cities with an initial capacity of 17 million gallons per day (mgd) and a final Phase 1 capacity of 42 mgd
- Treated water transmission pipeline across the north side of Cedar Park
- Construction began in late 2009 and was substantially complete in July 2012
- Cost to complete the project is approximately \$ 755,000
- The full retainage amount of approximately \$ 2.35 million is also being withheld, pending resolution of outstanding construction issued and final project close-out

Phase 2:

Phase 2a:

- Permanent, deep-water intake structure on Lake Travis and raw water pipeline connecting the intake to the Phase 1 pipeline
- Construction estimated to begin as late as 2016, depending on lake levels
- Cost estimated at approximately \$ 160 million

Phase 2b:

- Expansion of the water treatment plant to 84 mgd
- Cost estimated at approximately \$ 41 million

Total estimated cost for Phase 2: \$ 201 million

Phase 3:

- Final expansion of water treatment plant to 106 mgd.
- Estimated cost: \$ 29 million

Total cost: The total project cost is estimated at \$ 365 million

RESTRICTED ASSETS

Restricted assets at September 30, 2013 were \$ 26,208,772, a decrease from the September 30, 2012 balance of \$ 32,435,783. Restricted assets consist of debt service, escrow and reserve funds arising from the proceeds of long-term debt. The decrease reflects the release of escrow funds to finance current construction and investment purchases.

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2013**

FINANCIAL ANALYSIS (continued)

LONG-TERM DEBT

In 2009, the BCRUA issued three series of contract revenue bonds totaling \$ 182,020,000 for construction and other costs related to Phase 1 of the BCRUA Project. Additional information on long-term debt can be found in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The economy in the local area continues to grow, and the service areas which will be supplied by the BCRUA at project completion are positioned for continued customer growth. The BCRUA's board adopted an administrative operating budget for fiscal year 2013 in the amount of \$ 1,596,000, an additional annual reserve of \$ 336,000 in 2013 and a debt service budget for fiscal year 2013 in the amount of \$ 10,453,000.

CONTACTING THE BCRUA'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens of the partner cities, customers and creditors with a general overview of the BCRUA's finances and to show the BCRUA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the BCRUA at 450 Cypress Creek, Bldg 1, Cedar Park, Texas 78613.

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BASIC FINANCIAL STATEMENTS

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF NET POSITION
September 30, 2013

ASSETS

Current assets:	\$ 11,200,985
Cash and cash equivalents	7,738,891
Investments	
Receivables, net:	447,161
Accounts	12,515
Accrued interest	246,625
Due from other funds	19,646,177
Total current assets	
Noncurrent assets:	
Restricted cash and cash equivalents	
and investments:	1,269,460
Debt Service	24,873,739
Escrow	65,573
Reserve	770,872
Deferred charges, net of accumulated amortization of \$ 131,928	
Capital assets:	12,344,158
Land, easements and construction in progress	
Capital assets being depreciated, net of accumulated depreciation of \$ 4,837,209	141,222,784
Total noncurrent assets	180,546,586
Total Assets	\$ 200,192,763

The accompanying notes are an integral part of the financial statements.

LIABILITIES

Current liabilities:

Accounts payable	\$ 253,396
Retainage payable	2,345,205
Due to partner cities	285,526
Due to other funds	<u>246,625</u>

Total current liabilities 3,130,752

Current liabilities payable from restricted assets:

Current portion of revenue bonds payable	2,580,000
Accrued interest	<u>1,369,716</u>
Total current liabilities payable from restricted assets	3,949,716

Noncurrent liabilities:

Revenue bonds payable	<u>176,025,000</u>
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Total noncurrent liabilities 176,025,000

Total Liabilities 183,105,468

NET POSITION

Net position:

Unrestricted	<u>17,087,295</u>
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Total Net Position \$ 17,087,295

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2013

Operating Revenues		\$ 985,682
Operating Expenses		
Interest expense	\$ 8,336,059	
Depreciation	3,854,964	
Personnel	393,893	
Power	366,010	
Chemicals	100,642	
Office supplies	33,210	
Accounting services	32,883	
Repairs and maintenance	25,916	
Insurance	25,658	
Audit expense	23,500	
Investment consultant	20,000	
Miscellaneous expense	14,985	
Legal fees	14,268	
Bank service charges	5,942	
Contract services	<u>2,368</u>	
Total Operating Expenses		<u>13,250,298</u>
Operating Loss		<u>(12,264,616)</u>
Other Income		<u>212,108</u>
Change in net position		<u>(12,052,508)</u>
Net position - beginning of year		18,441,816
Capital contributions from partner cities		<u>10,697,987</u>
Net position - end of year		<u><u>\$ 17,087,295</u></u>

The accompanying notes are an integral part of the financial statements.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2013

Cash Flows from Operating Activities	
Service revenues received from partner cities	\$ 1,061,479
Payments to suppliers for goods and services	(9,310,061)
Net cash provided by operating activities	<u>(8,242,595)</u>
Cash Flows from Capital and Related Financing Activities	
Construction of capital assets	5,636,715
Interest payments	(8,453,402)
Capital contributions from partner cities	10,697,987
Net cash used by capital and related financing activities	<u>7,881,300</u>
Cash Flows from Investing Activities	
Purchase of investments	(6,166,458)
Proceeds from sales and maturities of investments	12,632,545
Principal payments on bonds	(2,000,000)
Interest income	206,121
Net cash provided by investing activities	<u>4,672,208</u>
Net decrease in cash and cash equivalents	4,310,913
<u>Cash and cash equivalents - Beginning of Year</u>	<u>6,890,072</u>
<u>Cash and cash equivalents - End of Year</u>	<u>\$ 11,200,985</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Assets	
Cash and cash equivalents	\$ 11,200,985
Restricted cash and cash equivalents and investments	26,208,771
Less restricted investments	(26,208,771)
Total cash and cash equivalents	<u>\$ 11,200,985</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating loss	\$ (12,052,508)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Interest income to investing activities	(206,121)
Amortization-bond issuance costs	31,041
Depreciation	3,854,964
Increase in accrued interest receivable	53,312
Decrease in accounts payable	(200,253)
Increase in due to partner cities	285,526
Accrued interest payable	(8,556)
Total Adjustments	<u>3,809,913</u>
Net cash used by operating activities	<u>\$ (8,242,595)</u>

The accompanying notes are an integral part of the financial statements.

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BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

1. Nature of Activities

Brushy Creek Regional Utility Authority, Inc. (the BCRUA) was incorporated in Texas in July 2007 as a local government corporation pursuant to Subchapter D of Chapter 431, Texas Transportation Code. The BCRUA was organized by the Cities of Cedar Park, Leander and Round Rock, Texas (the cities) for the purpose of providing an efficient vehicle for the financing, construction, acquisition, ownership, maintenance, and operation of a regional water and wastewater collection, transmission, treatment, and distribution system on behalf of the cities in performance of their governmental functions.

2. Summary of Significant Accounting Policies

The financial statements of the BCRUA have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

Reporting Entity

The BCRUA is a joint venture between the Cities of Cedar Park, Leander and Round Rock, Texas. The BCRUA operates as an enterprise activity. These financial statements present only the BCRUA activities and are not intended to present the financial position, results of operations or cash flows of any of the Cities of Cedar Park, Leander and Round Rock, Texas.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of the BCRUA (a proprietary fund) are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net assets. Revenues are recorded when earned and become measurable and expenses are recorded when a liability is incurred and measurable, regardless of the timing of related cash flows.

The Statement of Revenues, Expenses and Changes in Net Position distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The proprietary fund follows GAAP prescribed by GASB and all Financial Accounting Standards Board's standards issued prior to November 30, 1989. Subsequent to this date, the BCRUA accounts for its proprietary fund as prescribed by the GASB.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2013

2. Summary of Significant Accounting Policies (continued)

Implementation of New Accounting Principles

For the fiscal year ended September 30, 2013, the Governmental Accounting Standards Board issued a new pronouncement that the BCRUA has reviewed for application to their accounting and reporting. GASB Statement No. 63, Financial Reporting of Deferred Outflow of Resources, and Net Position, is effective for periods beginning after December 15, 2011. The components of net position were renamed to reflect the requirements of this statement.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include demand deposits, investments with investment pools, and other short-term liquid investments with an original maturity of three months or less. Cash and cash equivalents from restricted assets are also included.

Restricted Assets

Restricted funds consist of escrow funds derived from bond proceeds, debt service funds, reserve funds, and revenues that have been designated for specific purposes by the Board, or other funds with legal or contractual constraints. When both restricted and unrestricted resources are available for use, it is BCRUA's policy to use restricted resources first, then unrestricted resources as they are needed.

Bond Issuance Costs

Bond issuance costs are amortized on a straight-line basis over the period of the related debt maturities.

Capital Assets

Capital assets are stated at historical cost. To the extent construction is performed by the BCRUA, the cost includes certain general and administrative expenses. Maintenance and repairs are charged to operations as incurred. Improvements and betterments, which extend the useful lives of assets, are capitalized. Depreciation is recorded on a straight-line basis over estimated service lives ranging from 5-40 years. When capital assets are retired or otherwise disposed of, a gain or loss on disposal of assets is recognized.

Interest is normally capitalized on construction costs. The amount of interest cost capitalized for assets constructed with tax-exempt borrowings is equal to the cost of borrowing, less interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowings. However, for the current year, interest costs totaling \$ 8,336,059 were expensed rather than capitalized.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2013

3. Cash and Cash Equivalents and Investments

All BCRUA cash is deposited in accounts that receive interest credit or is invested in permissible securities pursuant to the BCRUA's investment policy. Investments are stated at fair value based on quoted market prices provided by the custodian.

Deposits

At September 30, 2013, the carrying amount of the BCRUA's deposits was \$ 6,913,918 and the bank balance was \$ 5,757,011. The BCRUA's cash deposits at September 30, 2013 were entirely covered by FDIC insurance or by pledged collateral held by the BCRUA's agent bank in the BCRUA's name.

Investments

All investments are presented at fair value. The fair value of the positions in state investment pools is the same as the value of the pool shares.

Cash and cash equivalents and investments are summarized as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Construction funds-		
Cash in banks	\$ 6,913,918	\$ 6,913,918
Municipal coupon securities	1,536,071	1,536,060
Investment in governmental pool	4,287,149	4,287,149
Debt service- investment in governmental pool	1,269,459	1,269,459
Escrow Funds-		
Municipal coupon securities	880,771	882,517
Investment in government pool	24,086,522	24,086,522
Reserve fund-		
Municipal coupon securities	6,166,458	6,124,050
Investment in government pool	48,973	48,973
Total cash and cash equivalents and investments	<u>\$ 45,189,321</u>	<u>\$ 45,148,648</u>

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2013

3. Cash and Cash Equivalents and Investments (continued)

A reconciliation of cash and cash equivalents and investments to the presentation on the Statement of Net Position is as follows:

Statement of Net Position presentation:	
Cash and cash equivalents	\$ 11,200,985
Investments	7,738,891
Restricted cash and cash equivalents and investments:	
Debt Service	1,269,460
Escrow	24,873,739
Reserve	<u>65,573</u>
Total cash and cash equivalents and investments	<u>\$ 45,148,648</u>

Legal and Contractual Provisions Governing Deposits and Investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the BCRUA to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the BCRUA to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the BCRUA to have independent auditors perform test procedures related to investment practices as provided by the Act. The BCRUA is in substantial compliance with the requirements of the Act.

Additional Contractual Provisions governing deposits and investments are as follows:

The funds of the BCRUA must be deposited and invested under the terms of a contract, the contents of which include securities for safekeeping and trust with the BCRUA's agent bank in an amount sufficient to protect BCRUA funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2013

3. Cash and Cash Equivalents and Investments (continued)

Policies Governing Deposits and Investments

1. Foreign Currency Risk – The BCRUA’s deposits and investments are not exposed to foreign currency risk.
2. Custodial Credit Risk – To control custody and safekeeping risk State law and the Brushy Creek Regional Utility Authority's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the BCRUA and held in the City's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions including market value. Repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. Depository agreements are executed under the terms of FIRREA. The counter-party of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

Portfolio disclosure as of September 30, 2013:

- The portfolio contained no fully collateralized or FDIC insured certificates of deposits. All pledged collateral was held by an independent institution outside the bank’s holding company.
 - The portfolio contained no repurchase agreements.
 - The portfolio contained 13.1% in demand deposit accounts that are fully insured by the FDIC.
3. Interest Rate Risk – In order to limit interest and market rate risk from changes in interest rates, the Brushy Creek Regional Utility Authority's adopted Investment Policy sets a maximum stated maturity limit of two years for Operating Funds and three years for Construction funds. The weighted average maturity (WAM) of the total Operating Funds portfolio is restricted to a maximum of twelve months and compared to the 1 year Treasury Bill. There is no maximum weighted average maturity (WAM) for Construction funds.

As of September 30, 2013, the portfolio contained:

- No holding in the portfolio had a stated maturity date beyond 440 days.
- The dollar weighted average of the total portfolio was 71 days.

As of September 30, 2013, the portfolio contained 19.4% in structured (callable) notes which would have been impacted by interest rate risk.

4. Credit Risk – A primary stated objective of the Brushy Creek Regional Utility Authority's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within the City’s portfolio among the authorized investments approved by the City’s adopted Investment Policy includes only time and demand deposits, obligations of states and their subdivisions, repurchase agreements and AAA rated SEC registered money market mutual funds. All other investments are rated AAA, or equivalent, by at least one nationally recognized rating agency. Investments are made primarily in obligations of the US Government, its agencies or instrumentalities.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2013

3. Cash and Cash Equivalents and Investments (continued)

Policies Governing Deposits and Investments (continued)

4. Credit Risk (continued)

State law and the Brushy Creek Regional Utility Authority's adopted Investment Policy restricts both time and demand deposits, including certificates of deposit (CD's) to those banks doing business in the State of Texas and further requires full insurance or collateralization from these depositories (banks only). Certificates of deposit are limited to a stated maturity of one year. Collateral is required at a 102% margin with securities priced at market on a daily basis as a contractual responsibility of the bank. Collateral is restricted to obligations of the US Government, its agencies or instrumentalities or direct obligations of any state, its subdivisions or agencies rated at least A, or equivalent, as to investment quality by two nationally recognized statistical rating agencies. Independent safekeeping is required outside the bank holding company with monthly reporting.

Repurchase agreements are limited to those with defined termination dates with a primary dealer (as defined by the Federal Reserve) and require an industry standard written master repurchase agreement and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Repurchase agreements may not exceed one year to stated maturity with the exception of flex repurchase agreements with a stated termination date not to exceed the planned completion date of the project(s).

The state law and the City's adopted Investment Policy restricts investment in AAA rated SEC registered mutual funds to money market mutual funds striving to maintain a \$1 net asset value and defined by State law.

Local government investment pools in Texas are required to be rated AAA, or equivalent by at least one nationally recognized rating agency. The BCRUA Policy is restricted to AAA-rated, "2a-7 like" (constant dollar) local government investment pools.

As of September 30, 2013:

- Municipal obligations represented 19.4% of the total portfolio.
- Fully insured or collateralized money market accounts represented 13.1% of the total portfolio.
- Investment in a AAA-rated local government investment pool (TexSTAR) represented 67.5% of the total portfolio, and \$ 29,692,103 was invested in TexSTAR as of September 30, 2013.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2013

3. Cash and Cash Equivalents and Investments (continued)

Policies Governing Deposits and Investments (continued)

5. Concentration Risk - The Brushy Creek Regional Utility Authority recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The City's adopted Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on at least a monthly basis. Diversification limits are set by Policy as:

U. S. Obligations	80%
U. S. Agencies/Instrumentalities	75%
State and Local Obligations	50%
Certificates of Deposit	40%
In any one bank	10%
Repurchase Agreements	50%
With any one dealer	20%
FlexRepo with CIP Funds	100%
LGIP	100%
Ownership in pool	10%
Money Market Mutual Funds	100%
Ownership in fund	20%

As of September 30, 2013,

- Holdings in one local government investment pool represented 67.5% of the total portfolio.
- Holdings in State and Local Obligations represented 19.4% of the total portfolio.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2013

4. Capital Assets

Capital asset activity for the year ended September 30, 2013 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Land and easements	\$ 8,893,325	\$ -	\$ -	\$ 8,893,325
Construction in Progress	1,375,470	2,075,363	-	3,450,833
Total capital assets, not being depreciated	<u>10,268,795</u>	<u>2,075,363</u>	<u>-</u>	<u>12,344,158</u>
Capital assets, being depreciated:				
Buildings and improvements	68,188,731	-	-	68,188,731
Infrastructure	77,611,456	-	-	77,611,456
Equipment	224,723	35,083	-	259,806
Total capital assets, being depreciated	<u>146,024,910</u>	<u>35,083</u>	<u>-</u>	<u>146,059,993</u>
Less accumulated depreciation for:				
Buildings and improvements	426,180	1,704,718	-	2,130,898
Infrastructure	529,585	2,118,343	-	2,647,928
Equipment	26,480	31,903	-	58,383
Total accumulated depreciation	<u>982,245</u>	<u>3,854,964</u>	<u>-</u>	<u>4,837,209</u>
Total capital assets, being depreciated, net	<u>145,042,665</u>	<u>(3,819,881)</u>	<u>-</u>	<u>141,222,784</u>
Total capital assets, net	<u>\$155,311,460</u>	<u>\$(1,744,518)</u>	<u>\$ -</u>	<u>\$153,566,942</u>

5. Long-Term Debt

During 2009, the BCRUA issued contract revenue bonds dated July 6, 2009, totaling \$ 182,020,000. The bonds mature serially beginning August 1, 2012 through August 1, 2038, with coupon rates ranging from 2.254% to 5.084%. Proceeds from the bond issue are restricted for the construction and equipment of the first phase of the BCRUA Regional Water Treatment and Distribution Project. The bonds were issued in three series, one series for each partner city's share of expected project costs. Each bond series is payable solely from and secured, in part, by an assignment of the bond payments made under the Master Contract Agreement dated September 2, 2008 by and between each city. Each city is solely responsible for bond payments on its series of bonds. No city has any liability or responsibility for any bond payment on a series of bonds issued for another city.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2013

5. Long-Term Debt (continued)

Long-term liability activity for the year ended September 30, 2013, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
Series 2009 Contract Revenue Bonds					
City of Cedar Park	\$ 24,715,000	\$ -	\$ (280,000)	\$ 24,435,000	\$ 295,000
City of Leander	91,180,000	-	(500,000)	90,680,000	1,000,000
City of Round Rock	64,710,000	-	(1,220,000)	63,490,000	1,285,000
Total Bonds Payable	\$180,605,000	\$ -	\$(2,000,000)	\$178,605,000	\$ 2,580,000

Debt service requirements are as follows:

Year Ending September 30	Bonds		Total Requirements
	Principal	Interest	
2014	\$ 2,580,000	\$ 8,400,922	\$ 10,980,922
2015	3,140,000	8,327,031	11,467,031
2016	3,580,000	8,229,880	11,809,880
2017	4,270,000	8,111,596	12,381,596
2018	4,490,000	7,961,976	12,451,976
2019-2023	26,255,000	36,968,129	63,223,129
2024-2028	33,920,000	30,472,051	64,392,051
2029-2033	43,800,000	21,247,217	65,047,217
2034-2038	56,570,000	8,922,674	65,492,674
	\$ 178,605,000	\$ 138,641,476	\$ 317,246,476

Interest is capitalized on construction costs until completion of the project. The amount of interest cost capitalized for assets constructed with tax-exempt borrowings is equal to the cost of borrowing, less interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowing. As of September 30, 2013, the amount of capitalized interest cost included in construction in progress was \$ 33,683,594 (net of investment income of \$ 2,075,409).

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2013

6. Economic Dependency

The BCRUA is dependent on the Cities of Cedar Park, Leander and Round Rock, Texas for the continued funding of its operating activities. The cities annually budget funds for operational and overhead expenses and debt service requirements in accordance with the Master Contract Agreement and the System Operating Agreement between the cities. Fixed operations and maintenance expenses are allocated among the cities based upon each city's reserved capacity in the BCRUA Project components, and variable expenses are allocated based upon the volume of treated water delivered to each city in relation to the total delivered volume. Overhead expenses are paid by each city based upon certain formulas and reserve capacities in the BCRUA Project and/or the quantity of treated water actually delivered to each city. Each city is responsible for bond principal and interest payments due on the bond series issued by BCRUA for each respective city.

7. Contingency

A contract dispute between the BCRUA and the general contractor arose during the inspection of Phase I construction concerning defects in construction of the plant. The BCRUA has retained legal counsel who specializes in construction contract disputes. Furthermore, the BCRUA has withheld payment of retainage due to the general contractor in the amount of \$ 2.35 million until all identified issues have been rectified. Management expects resolution of the dispute before the summer of 2014 and does not expect the dispute to materially affect the BCRUA's financial statements.

8. Subsequent Events

The BCRUA has evaluated subsequent events after the balance sheet date of September 30, 2013 through January 5, 2014, which is the date these financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
COMBINING STATEMENTS OF NET POSITION
September 30, 2013

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,898,094	\$ 5,132,513	\$ 4,170,378	\$ 11,200,985
Investments	264,984	6,890,001	583,906	7,738,891
Receivables, net:				
Accounts	70,948	237,517	138,696	447,161
Accrued interest	1,582	4,443	6,490	12,515
Due from other funds	-	182,148	64,477	246,625
Total current assets	<u>2,235,608</u>	<u>12,446,622</u>	<u>4,963,947</u>	<u>19,646,177</u>
Noncurrent assets:				
Restricted cash and cash equivalents and investments:				
Debt Service	212,917	711	1,055,832	1,269,460
Escrow	3,918,389	7,894,783	13,060,567	24,873,739
Reserve	-	48,973	16,600	65,573
Deferred charges, net of accumulated amortization of \$ 131,928	127,653	379,000	264,219	770,872
Capital assets:				
Land, easements and construction in progress	1,553,943	6,641,025	4,149,190	12,344,158
Capital assets being depreciated, net of accumulated depreciation of \$ 4,837,209	21,248,774	67,533,550	52,440,460	141,222,784
Total noncurrent assets	<u>27,061,676</u>	<u>82,498,042</u>	<u>70,986,868</u>	<u>180,546,586</u>
Total Assets	<u><u>\$29,297,284</u></u>	<u><u>\$94,944,664</u></u>	<u><u>\$75,950,815</u></u>	<u><u>\$ 200,192,763</u></u>

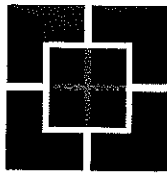
See independent auditors' report.

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Total</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 108,767	\$ 104,058	\$ 40,571	\$ 253,396
Retainage payable	431,987	1,103,653	809,565	2,345,205
Due to partner cities	21,958	169,334	94,234	285,526
Due to other funds	117,379	-	129,246	246,625
Total current liabilities	680,091	1,377,045	1,073,616	3,130,752
Current liabilities payable from restricted assets:				
Current portion of revenue bonds payable	295,000	1,000,000	1,285,000	2,580,000
Accrued interest	188,402	696,581	484,733	1,369,716
Total current liabilities payable from restricted assets	483,402	1,696,581	1,769,733	3,949,716
Noncurrent liabilities:				
Revenue bonds payable	24,140,000	89,680,000	62,205,000	176,025,000
Total noncurrent liabilities	24,140,000	89,680,000	62,205,000	176,025,000
Total Liabilities	25,303,493	92,753,626	65,048,349	183,105,468
NET POSITION				
Net position:				
Unrestricted	3,993,791	2,191,038	10,902,466	17,087,295
Total Net Position	\$ 3,993,791	\$ 2,191,038	\$ 10,902,466	\$ 17,087,295

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2013

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Total</u>
Operating Revenues	\$ 541,627	\$ 417,465	\$ 26,590	\$ 985,682
Operating Expenses				
Interest expense	1,247,908	3,934,620	3,153,531	8,336,059
Depreciation	603,152	1,816,362	1,435,450	3,854,964
Personnel	165,898	184,413	43,582	393,893
Power	195,007	171,003	-	366,010
Chemicals	53,682	46,960	-	100,642
Office supplies	8,056	15,631	9,523	33,210
Accounting services	13,376	15,402	4,105	32,883
Repairs and maintenance	8,522	9,332	8,062	25,916
Insurance	3,841	12,111	9,706	25,658
Audit expense	3,518	11,092	8,890	23,500
Investment consultant	2,994	9,440	7,566	20,000
Miscellaneous expense	3,255	7,061	4,669	14,985
Legal fees	1,404	6,764	6,100	14,268
Bank service charges	1,796	2,103	2,043	5,942
Contract services	1,263	1,089	16	2,368
Total Operating Expenses	<u>2,313,672</u>	<u>6,243,383</u>	<u>4,693,243</u>	<u>13,250,298</u>
Operating Income (Loss)	(1,772,045)	(5,825,918)	(4,666,653)	(12,264,616)
Other Income	<u>38,467</u>	<u>76,304</u>	<u>97,337</u>	<u>212,108</u>
Change in net assets	(1,733,578)	(5,749,614)	(4,569,316)	(12,052,508)
Net position - beginning of year	4,197,120	2,997,955	11,246,741	18,441,816
Capital contributions from partner cities	<u>1,530,249</u>	<u>4,942,697</u>	<u>4,225,041</u>	<u>10,697,987</u>
Net position - end of year	<u>\$ 3,993,791</u>	<u>\$ 2,191,038</u>	<u>\$ 10,902,466</u>	<u>\$ 17,087,295</u>

See independent auditors' report.



BROCKWAY
GERSBACH
FRANKLIN &
NIEMEIER, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Board of Directors
Brushy Creek Regional Utility Authority, Inc.
Round Rock, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (BCRUA) as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise BCRUA's basic financial statements, and have issued our report thereon dated January 5, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered BCRUA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of BCRUA's internal control. Accordingly, we do not express an opinion on the effectiveness of BCRUA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(CONTINUED)**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether BCRUA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

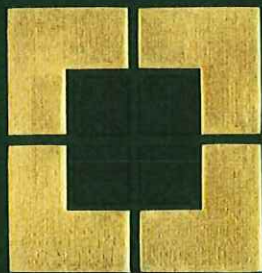
Erockway, Gordonach, Franklin & Niemi, P.C.

January 5, 2014

**Brushy Creek
Regional Utility Authority, Inc.**

September 30, 2014

Financial Statements
Part C-46 2014 Audit



**BROCKWAY
GERSBACH
FRANKLIN &
NIEMEIER, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

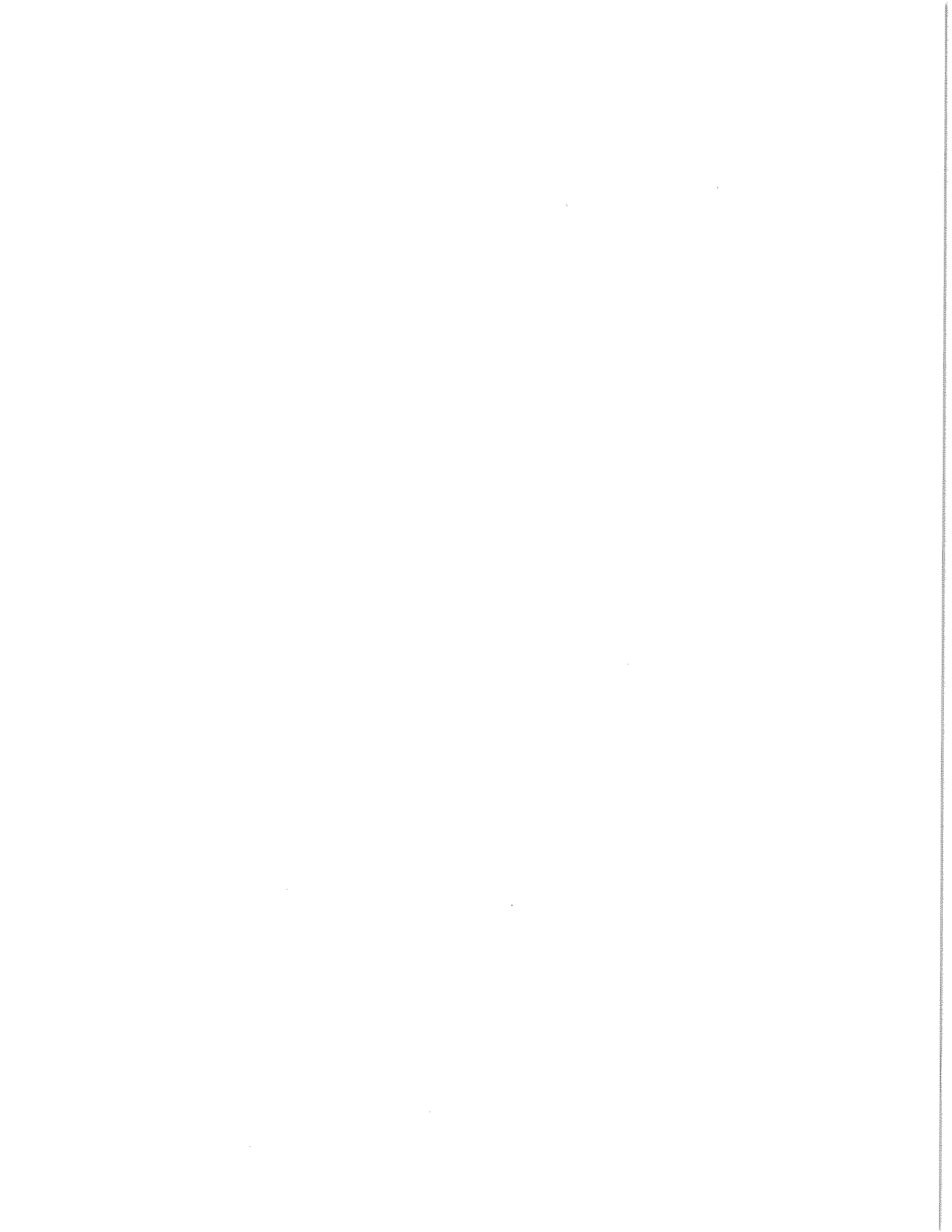
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BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

FINANCIAL STATEMENTS AS OF

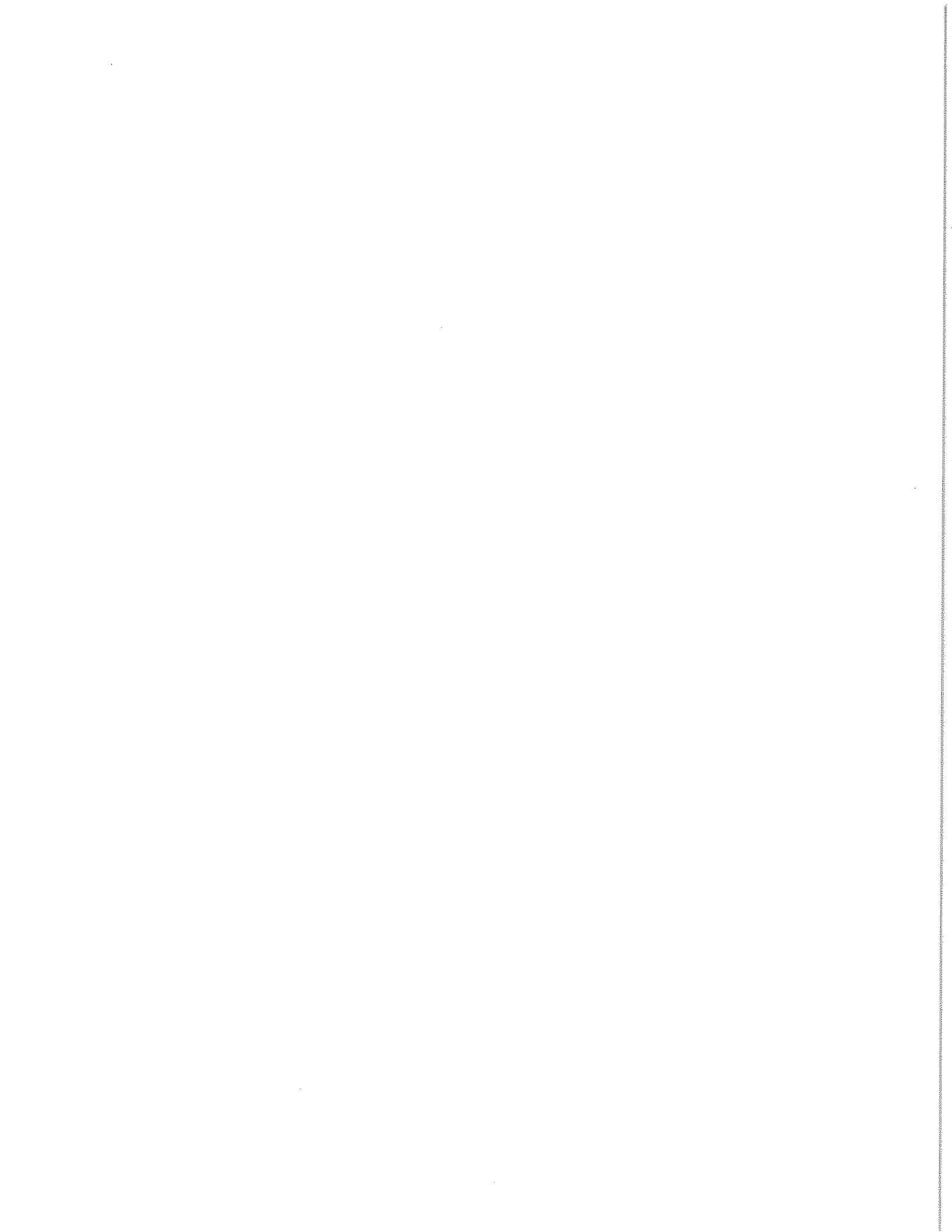
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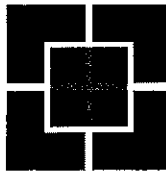
**TOGETHER WITH INDEPENDENT AUDITORS' REPORT THEREON
AND SUPPLEMENTARY INFORMATION**



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BROCKWAY
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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Brushy Creek Regional Utility Authority, Inc.
Round Rock, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (the BCRUA), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the BCRUA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

INDEPENDENT AUDITORS' REPORT
(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the BCRUA, as of September 30, 2014, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 5 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the BCRUA's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

As discussed in Note 6 to the financial statements, the BCRUA is dependent on the Cities of Cedar Park, Leander, and Round Rock, Texas for the continued funding of its operating activities. The Cities annually budget funds for operational expenses and debt service requirements of the BCRUA.

INDEPENDENT AUDITORS' REPORT
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2014, on our consideration of the BCRUA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering BCRUA's internal control over financial reporting and compliance.

Brookmyer, Dandrea, Franklin & Nimmick, P.C.

December 19, 2014

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BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2014

ABOUT BCRUA

The Brushy Creek Regional Utility Authority (the BCRUA) is a joint venture between the Cities of Cedar Park, Leander and Round Rock, Texas to design and construct a regional water system that will supply treated water to the three communities.

Cedar Park, Leander and Round Rock are among the fastest growing cities in Texas. Their combined service area population, based on current U.S. census estimates, is over 200,000. It is projected to grow to 609,000 by the year 2040.

This project provides facilities to access, treat and deliver water from Lake Travis to each partner city's customers. When completed, the project will meet the needs of Cedar Park and Round Rock to their ultimate build-out and the needs of Leander for at least the next 20 to 25 years.

The regional concept ensures the responsible use of resources and the least impact on both the environment and neighboring communities. Rather than three communities building three separate water supply projects with three pipelines, three intakes, and three treatment plants, the BCRUA project streamlines the effort for minimum impact and maximum efficiency. The regional option affords the three cities the opportunity to realize "economy of scale" savings of 30%, or more than \$ 90 million.

The regional water treatment plant will have an ultimate capacity of 106 million gallons per day (mgd) and will be built in three phases to better match the capacity with near-term needs. The initial Phase 1 was substantially completed in July 2012 and includes the full sized 106 mgd raw water and treated water pipelines, and a 17 mgd water treatment plant, readily expandable to 42 mgd. Phase 1 operates with an interim 30 mgd floating barge intake on Lake Travis, but a permanent deep water intake with ultimate capacity will be required as part of Phase 2.

Plant operations officially began July 1, 2012. Operations for the project have been divided into three categories: plant staffing; General Manager/administrative support; and, financial support/accounting services, with each city taking responsibility for one of the categories. Plant staffing is provided by Leander consisting of one plant superintendent and three plant operators. The General Manager and administrative support are provided by Round Rock. Finance and Accounting is provided by Cedar Park. While each city maintains responsibility for their own category, the Operations Committee (composed of engineering and finance staff from each city) provides oversight of each city's contribution in order to ensure appropriate controls are in place.

While substantial completion and start-up of the Phase 1 Project occurred in 2012, final project close-out has been delayed, due to several construction related issues that became evident late in the year. The BCRUA has been working with the construction contractor and design engineers to analyze the issues, and make the necessary corrections. Pending elimination of all identified defects, the BCRUA is withholding some of the project construction retainage. Final completion and project close-out is anticipated in early/mid 2015.

Operation of the plant was temporarily halted in August 2013, due to low lake levels resulting from an ongoing drought. Mandatory decreased water withdrawals ordered by the Lower Colorado River Authority, and conservation measures imposed by the three partner cities has significantly reduced system demand, which has allowed the BCRUA facilities to remain off-line. Working with the construction general contractor, BCRUA is taking advantage of the off-line period to resolve all remaining construction related issues, and anticipates restarting the plant in early to mid 2015.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014

ABOUT BCRUA (Continued)

With substantial completion of the Phase I Project in 2012, staff began working on planning, environmental studies and real-estate acquisition for Phase II. In 2013, two sites were identified for the permanent deep water intake structure (in the Village of Volente), and the permanent raw water pumping station (in Sandy Creek Park). Purchase of the Sandy Creek Park site from the Lower Colorado River Authority was finalized in April, 2014. Purchase negotiations for the privately owned parcel were on-going during 2014, and should be complete some time in 2015. A request for proposals (RFP) to initiate preliminary design of the Phase 2 permanent deep water intake and pump station was issued in 2014, leading to Board approval in November of a contract with an engineering design team led by HDR Engineers' Austin office. The pre-design project will begin in early 2015, and will conclude in early/mid 2016. To date, all Phase 2 planning, engineering, and property acquisition costs have been covered by savings recognized from the Phase 1 construction projects. Funding for the Phase 2 final design and construction phases will need to be identified and in place prior to initialization of final design.

The BCRUA Board of Directors is composed of six members, two from each of the city councils of the partnering cities. A General Manager directs the day to day business of the BCRUA, and a Plant Superintendent oversees the operation of the system.

What follows is a discussion and analysis of the BCRUA's financial performance for the fiscal year ended September 30, 2014. Please read it in conjunction with the Independent Auditors' Report on pages 1 through 3 and the BCRUA's Basic Financial Statements which begin on page 14.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: (1) management's discussion and analysis (this section), (2) basic financial statements, and (3) notes to the financial statements. This report also contains combining statements as supplementary information in addition to the basic financial statements.

The basic financial statements include the Statement of Net Position (pages 14 - 15), the Statement of Revenues, Expenses, and Changes in Net Position (page 16) and the Statement of Cash Flows (page 17). The BCRUA operates as an enterprise activity and consists of one proprietary fund.

The notes to the financial statements (starting on page 19) provide narrative explanations or additional data needed for full disclosure in the basic financial statements.

BASIC FINANCIAL STATEMENTS

The basic financial statements are designed to provide readers with a broad overview of the BCRUA's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the BCRUA's assets and liabilities, with the difference between the two reported as net position. The BCRUA's net position provides one measure of the BCRUA's financial health, or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the BCRUA is improving or deteriorating. To fully assess the overall health of the BCRUA, however, you should consider nonfinancial factors as well, such as the condition of assets, and the total economic impact of the entity on the Cities of Cedar Park, Leander and Round Rock, Texas.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014

BASIC FINANCIAL STATEMENTS (Continued)

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the BCRUA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* presents cash receipts, cash disbursements and net changes in cash resulting from operating, financing and investing activities. This statement provides information such as where cash originated, how it was used and the net change in cash balances during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide required disclosures and other additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements present information about the accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any. The notes to the financial statements can be found on pages 19 through 29 of this report.

SUPPLEMENTARY INFORMATION

The combining statements are presented for purposes of additional analysis and to provide an overview of the financial position and results of operations related to each partner City. The combining statements can be found on pages 32 through 34 of this report.

FINANCIAL ANALYSIS

FINANCIAL HIGHLIGHTS

- The BCRUA's net position increased by \$ 321,144 as a result of current year operations.
- Partner city contributions to net position for the year ended September 30, 2014 were \$ 9,941,605.
- Total net position at September 30, 2014 was \$ 17,408,439, an increase of \$ 321,144 from September 30, 2014.
- Total capital assets, net of depreciation, were \$ 154,774,267 as of September 30, 2014. This is an increase of \$ 1,207,325 from the prior year and reflects the completion of Phase 1 of the project and the start up cost for Phase 2.
- Total long-term liabilities were \$ 176,025,000 and \$ 178,605,000 as of September 30, 2014 and 2013, respectively. Principal payments on this debt began in fiscal year 2012.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014

FINANCIAL ANALYSIS (Continued)

FINANCIAL HIGHLIGHTS (Continued)

The following condensed financial statements (Tables I and II) provide key financial data as of and for the years ended September 30, 2014 and 2013.

Table I

NET POSITION

	2014	2013
Current assets	\$ 11,247,680	\$ 11,907,286
Restricted assets	31,436,119	33,947,663
Capital assets, net	154,774,267	153,566,942
Bond issuance costs	-	770,872
Total assets	197,458,066	200,192,763
Current liabilities	2,666,958	3,130,752
Current liabilities payable from restricted assets	4,497,669	3,949,716
Noncurrent liabilities	172,885,000	176,025,000
Total liabilities	180,049,627	183,105,468
Net position:		
Unrestricted	8,580,722	8,776,534
Invested in capital assets, net of related debt	8,827,717	8,310,761
Total net position	\$ 17,408,439	\$ 17,087,295

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014

FINANCIAL ANALYSIS (Continued)

FINANCIAL HIGHLIGHTS (Continued)

Table II

CHANGE IN NET POSITION

	2014	2013
Operating Revenues	\$ 1,062,130	\$ 985,682
Operating Expenses		
Interest expense	8,400,922	8,336,059
Legal fees	636,257	14,268
Personnel	435,005	393,893
Bad debt expense	167,591	-
Repairs and maintenance	96,837	25,916
Power	66,860	366,010
Audit, investment, banking fees	42,586	23,500
Accounting services	39,865	32,883
Depreciation	38,920	3,854,964
Insurance	30,106	25,658
Office supplies	20,999	33,210
Miscellaneous expense	8,294	14,985
Investment consultant	-	20,000
Chemicals	4,769	100,642
Paying agent fees	4,050	-
Bank service charges	-	5,942
Contract services	1,686	2,368
Total Operating Expenses	9,994,747	13,250,298
Operating Loss	(8,932,617)	(12,264,616)
Other Income	83,027	212,108
Change in net position	(8,849,590)	(12,052,508)
Net position - beginning of year, as restated	16,316,424	18,441,816
Capital contributions from partner cities	9,941,605	10,697,987
Net position - end of year	\$ 17,408,439	\$ 17,087,295

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014**

FINANCIAL ANALYSIS (Continued)

CAPITAL ASSETS

Capital assets at September 30, 2014 amounted to \$ 154,774,267 and consisted of land, easements, buildings, improvements, infrastructure and construction in progress. Construction in progress is made up of costs attributed to Phase 2 of the BCRUA Project and consists primarily of engineering costs. The cost of constructing Phase 1 was closed out of construction in progress during fiscal year 2014 for a total cost of \$ 242,538. Capitalized interest of \$ 25,347,535 (net of investment income of \$ 2,158,436) was included in the cost of Phase 1.

The construction phasing and estimated costs for the project are planned as follows:

Phase 1:

- Construction of an interim, floating intake structure near Cedar Park's existing plant on the Sandy Creek arm of Lake Travis
- New raw water pipeline within right-of-way along Trails End Road
- New treatment plant in Cedar Park to serve all three cities with an initial capacity of 17 million gallons per day (mgd) and a final Phase 1 capacity of 42 mgd
- Treated water transmission pipeline across the north side of Cedar Park, along West New Hope Road
- Construction began in late 2009 and was substantially complete in July 2012
- Cost to complete the project is approximately \$ 755,000
- The full retainage amount of approximately \$ 2.35 million was being withheld in fiscal year 2014, pending resolution of outstanding construction issues and final project close-out
- As the fiscal year-end approached, BCRUA was preparing to issue a partial retainage release to the general contractor, Pepper Lawson Construction, L.P., in the amount of \$762,936, in order to allow PLC to issue final payments to various sub-contractors and suppliers whose work and/or materials were not involved in any outstanding construction issues
- Final completion and resolution of any remaining construction issues is anticipated in early/mid 2015

Phase 2:

Phase 2a:

- Permanent, deep-water intake structure on Lake Travis, a gravity pipeline to transmit the water to a new pump station, and a raw water pipeline connecting the raw water pump station to the Phase 1 raw water pipeline
- Construction estimated to begin upon completion of final design
- Cost estimated at approximately \$ 175 million

Phase 2b:

- Expansion of the water treatment plant to 84 mgd
- Cost estimated at approximately \$ 41 million

Total estimated cost for Phase 2: \$ 216 million

Phase 3:

- Final expansion of water treatment plant to 106 mgd.
- Estimated cost: \$ 29 million

Total cost: The total project cost is estimated at \$ 380 million

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014**

FINANCIAL ANALYSIS (Continued)

RESTRICTED ASSETS

Restricted assets at September 30, 2014 were \$ 31,436,119, a decrease from the September 30, 2013 balance of \$ 33,947,663. Restricted assets consist of debt service, escrow and reserve funds arising from the proceeds of long-term debt. The decrease reflects the release of escrow funds to finance current construction and investment purchases.

LONG-TERM DEBT

In 2009, the BCRUA issued three series of contract revenue bonds totaling \$ 182,020,000 for construction and other costs related to Phase 1 of the BCRUA Project. Additional information on long-term debt can be found in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The economy in the local area continues to grow, and the service areas which will be supplied by the BCRUA at project completion are positioned for continued customer growth. The BCRUA's board adopted an administrative operating budget for fiscal year 2014 in the amount of \$ 1,598,861, an additional annual reserve of \$ 399,715 in 2014 and a debt service budget for fiscal year 2014 in the amount of \$ 11,467,031.

CONTACTING THE BCRUA'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens of the partner cities, customers and creditors with a general overview of the BCRUA's finances and to show the BCRUA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the BCRUA at 450 Cypress Creek, Bldg 1, Cedar Park, Texas 78613.

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BASIC FINANCIAL STATEMENTS

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF NET POSITION
September 30, 2014

ASSETS

Current assets:

Cash and cash equivalents	\$ 10,909,447
Receivables, net:	
Accounts	269,109
Accrued interest	127
Due from other funds	68,997
	11,247,680
 Total current assets	 11,247,680

Noncurrent assets:

Restricted cash and cash equivalents and investments:	
Debt Service	215,439
Escrow	24,977,891
Reserve	6,242,789
Capital assets:	
Land, easements and construction in progress	13,347,864
Capital assets being depreciated, net of accumulated depreciation of \$ 4,837,209	141,426,403
	186,210,386
 Total noncurrent assets	 186,210,386

Total Assets	\$ 197,458,066
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The accompanying notes are an integral part of the financial statements.

LIABILITIES

Current liabilities:

Accounts payable	\$ 887,547
Retainage payable	1,582,268
Due to partner cities	128,146
Due to other funds	68,997

Total current liabilities 2,666,958

Current liabilities payable from restricted assets:

Current portion of revenue bonds payable	3,140,000
Accrued interest	1,357,669

Total current liabilities payable from restricted assets 4,497,669

Noncurrent liabilities:

Revenue bonds payable	<u>172,885,000</u>
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Total noncurrent liabilities 172,885,000

Total Liabilities 180,049,627

NET POSITION

Net position:

Unrestricted	8,580,722
Invested in capital assets, net of related debt	8,827,717

Total Net Position \$ 17,408,439

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2014

Operating Revenues		\$ 1,062,130
Operating Expenses		
Interest expense	\$ 8,400,922	
Legal fees	636,257	
Personnel	435,005	
Bad debt expense	167,591	
Repairs and maintenance	96,837	
Power	66,860	
Audit, investment, banking fees	42,586	
Accounting services	39,865	
Depreciation	38,920	
Insurance	30,106	
Office supplies	20,999	
Miscellaneous expense	8,294	
Chemicals	4,769	
Paying agent fees	4,050	
Contract services	1,686	
 Total Operating Expenses		 9,994,747
Operating Loss		(8,932,617)
 Other Income		 83,027
Change in net position		(8,849,590)
 Net position - beginning of year, as restated		 16,316,424
Capital contributions from partner cities		9,941,605
 Net position - end of year		 \$ 17,408,439

The accompanying notes are an integral part of the financial statements.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2014

Cash Flows from Operating Activities	
Service revenues received from partner cities	\$ 1,062,471
Payments to suppliers for goods and services	(9,778,873)
	<hr/>
Net cash used by operating activities	(8,716,402)
Cash Flows from Capital and Related Financing Activities	
Construction of capital assets	6,869,611
Interest payments	(8,400,922)
Capital contributions from partner cities	9,941,604
	<hr/>
Net cash provided by capital and related financing activities	8,410,293
Cash Flows from Investing Activities	
Purchase of investments	2,017,520
Proceeds from sales and maturities of investments	494,024
Principal payments on bonds	(2,580,000)
Interest income	83,027
	<hr/>
Net cash provided by investing activities	14,571
Net decrease in cash and cash equivalents	(291,538)
	<hr/>
Cash and cash equivalents - beginning of year	11,200,985
	<hr/>
Cash and cash equivalents - end of year	\$ 10,909,447
	<hr/> <hr/>
Reconciliation of Cash and Cash Equivalents to Statement of Net Assets	
Cash and cash equivalents	\$ 10,909,447
Restricted cash and cash equivalents and investments	31,436,118
Less restricted investments	(31,436,118)
	<hr/>
Total cash and cash equivalents	\$ 10,909,447
	<hr/> <hr/>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating loss	\$ (8,932,617)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	38,920
Increase in accrued interest receivable	12,388
Decrease in accounts payable	48,808
Increase in due to partner cities	128,146
Accrued interest payable	(12,047)
Total Adjustments	<hr/> 216,215
Net cash used by operating activities	<hr/> \$ (8,716,402)

The accompanying notes are an integral part of the financial statements.

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BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

1. Nature of Activities

Brushy Creek Regional Utility Authority, Inc. (the BCRUA) was incorporated in Texas in July 2007 as a local government corporation pursuant to Subchapter D of Chapter 431, Texas Transportation Code. The BCRUA was organized by the Cities of Cedar Park, Leander and Round Rock, Texas (the cities) for the purpose of providing an efficient vehicle for the financing, construction, acquisition, ownership, maintenance, and operation of a regional water and wastewater collection, transmission, treatment, and distribution system on behalf of the cities in performance of their governmental functions.

2. Summary of Significant Accounting Policies

The financial statements of the BCRUA have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

Reporting Entity

The BCRUA is a joint venture between the Cities of Cedar Park, Leander and Round Rock, Texas. The BCRUA operates as an enterprise activity. These financial statements present only the BCRUA activities and are not intended to present the financial position, results of operations or cash flows of any of the Cities of Cedar Park, Leander and Round Rock, Texas.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of the BCRUA (a proprietary fund) are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net assets. Revenues are recorded when earned and become measurable and expenses are recorded when a liability is incurred and measurable, regardless of the timing of related cash flows.

The Statement of Revenues, Expenses and Changes in Net Position distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The proprietary fund follows GAAP prescribed by GASB and all Financial Accounting Standards Board's standards issued prior to November 30, 1989. Subsequent to this date, the BCRUA accounts for its proprietary fund as prescribed by the GASB.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

2. Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include demand deposits, investments with investment pools, and other short-term liquid investments with an original maturity of three months or less. Cash and cash equivalents from restricted assets are also included.

Restricted Assets

Restricted funds consist of escrow funds derived from bond proceeds, debt service funds, reserve funds, and revenues that have been designated for specific purposes by the Board, or other funds with legal or contractual constraints. When both restricted and unrestricted resources are available for use, it is BCRUA's policy to use restricted resources first, then unrestricted resources as they are needed.

Capital Assets

Capital assets are stated at historical cost. To the extent construction is performed by the BCRUA, the cost includes certain general and administrative expenses. Maintenance and repairs are charged to operations as incurred. Improvements and betterments, which extend the useful lives of assets, are capitalized. Depreciation is recorded on a straight-line basis over estimated service lives ranging from 5-40 years. When capital assets are retired or otherwise disposed of, a gain or loss on disposal of assets is recognized.

Interest is normally capitalized on construction costs. The amount of interest cost capitalized for assets constructed with tax-exempt borrowings is equal to the cost of borrowing, less interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowings. However, for the current year, interest costs totaling \$ 8,400,922 were expensed rather than capitalized.

New GASB Pronouncements

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, is effective for periods beginning after December 15, 2012. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The adoption of GASB Statement No. 65 required debt issuance costs that were previously reported as assets to be shown as an expense. The effects of this statement were applied retroactively by reporting the cumulative effect of the application as a restatement of beginning net position. The change resulted in the restatement of the BCRUA beginning net position by \$ 770,871.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

3. Cash and Cash Equivalents and Investments

All BCRUA cash is deposited in accounts that receive interest credit or is invested in permissible securities pursuant to the BCRUA's investment policy. Investments are stated at fair value based on quoted market prices provided by the custodian.

Deposits

At September 30, 2014, the carrying amount of the BCRUA's deposits was \$ 9,887,503 and the bank balance was \$ 5,757,011. The BCRUA's cash deposits at September 30, 2014 were largely covered by FDIC insurance or by pledged collateral held by the BCRUA's agent bank in the BCRUA's name; however, deposits totaling \$ 807,814 were not covered by pledge collateral. By the end of October, 2014, the collateral was increased to cover all deposits.

Investments

All investments are presented at fair value. The fair value of the positions in state investment pools is the same as the value of the pool shares.

Cash and cash equivalents and investments are summarized as follows:

	Carrying Amount	Fair Value
Construction funds-		
Cash in banks	\$ 9,887,503	\$ 9,887,503
Certificates of deposit	1,001,234	1,001,234
Investment in governmental pool	20,710	20,710
Debt service- investment in governmental pool	215,439	215,439
Escrow funds-		
Cash in banks	24,977,341	24,977,341
Investment in government pool	549	549
Reserve funds-		
Municipal coupon securities	6,200,000	6,193,800
Investment in government pool	48,990	48,990
Total cash and cash equivalents and investments	\$ 42,351,766	\$ 42,345,566

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

3. Cash and Cash Equivalents and Investments (Continued)

Investments (Continued)

A reconciliation of cash and cash equivalents and investments to the presentation on the Statement of Net Position is as follows:

Statement of Net Position presentation:

Cash and cash equivalents	\$ 10,909,447
Restricted cash and cash equivalents and investments:	
Debt Service	215,439
Escrow	24,977,891
Reserve	<u>6,242,789</u>
Total cash and cash equivalents and investments	<u>\$ 42,345,566</u>

Legal and Contractual Provisions Governing Deposits and Investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the BCRUA to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the BCRUA to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the BCRUA to have independent auditors perform test procedures related to investment practices as provided by the Act. The BCRUA is in substantial compliance with the requirements of the Act.

Additional Contractual Provisions governing deposits and investments are as follows:

The funds of the BCRUA must be deposited and invested under the terms of a contract, the contents of which include securities for safekeeping and trust with the BCRUA's agent bank in an amount sufficient to protect BCRUA funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

3. Cash and Cash Equivalents and Investments (Continued)

Policies Governing Deposits and Investments

- a. Foreign Currency Risk – The BCRUA’s deposits and investments are not exposed to foreign currency risk.
- b. Custodial Credit Risk – To control custody and safekeeping risk State law and the Brushy Creek Regional Utility Authority's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the BCRUA and held in the City's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions including market value. Repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. Depository agreements are executed under the terms of FIRREA. The counter-party of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

Portfolio disclosure as of September 30, 2014:

- The portfolio contained collateralized or FDIC insured certificates of deposit which represents 2.4% of the total portfolio. All pledged collateral was held by an independent institution outside the bank's holding company.
 - The portfolio contained no repurchase agreements.
 - The portfolio contained demand deposit accounts that are collateralized insured by the FDIC which represents 14.3% of the total portfolio.
 - Total value of demand deposit and time deposit accounts were under collateralized by \$ 807,814.
- c. Interest Rate Risk – In order to limit interest and market rate risk from changes in interest rates, the BCRUA's adopted Investment Policy sets a maximum stated maturity limit of two years for Operating Funds and three years for Construction funds. The weighted average maturity (WAM) of the total Operating Funds portfolio is restricted to a maximum of twelve months and compared to the 1 year Treasury Bill. There is no maximum weighted average maturity (WAM) for Construction funds.

As of September 30, 2014, the portfolio contained:

- No holding in the portfolio had a stated maturity date beyond 75 days.
- The dollar weighted average of the total portfolio was 14 days.

As of September 30, 2014, the portfolio contained 15.1% in structured (callable) notes which would have been impacted by interest rate risk.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

3. Cash and Cash Equivalents and Investments (Continued)

Policies Governing Deposits and Investments (Continued)

- d. Credit Risk – A primary stated objective of the BCRUA's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within the City's portfolio among the authorized investments approved by the City's adopted Investment Policy includes only time and demand deposits, obligations of states and their subdivisions, repurchase agreements and AAA rated SEC registered money market mutual funds. All other investments are rated AAA, or equivalent, by at least one nationally recognized rating agency. Investments are made primarily in obligations of the US Government, its agencies or instrumentalities.

State law and the BCRUA's adopted Investment Policy restricts both time and demand deposits, including certificates of deposit (CD's) to those banks doing business in the State of Texas and further requires full insurance or collateralization from these depositories (banks only). Certificates of deposit are limited to a stated maturity of one year. Collateral is required at a 102% margin with securities priced at market on a daily basis as a contractual responsibility of the bank. Collateral is restricted to obligations of the US Government, its agencies or instrumentalities or direct obligations of any state, its subdivisions or agencies rated at least A, or equivalent, as to investment quality by two nationally recognized statistical rating agencies. Independent safekeeping is required outside the bank holding company with monthly reporting.

Repurchase agreements are limited to those with defined termination dates with a primary dealer (as defined by the Federal Reserve) and require an industry standard written master repurchase agreement and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Repurchase agreements may not exceed one year to stated maturity with the exception of flex repurchase agreements with a stated termination date not to exceed the planned completion date of the project(s).

The state law and the City's adopted Investment Policy restricts investment in AAA rated SEC registered mutual funds to money market mutual funds striving to maintain a \$1 net asset value and defined by State law.

Local government investment pools in Texas are required to be rated AAA or equivalent by at least one nationally recognized rating agency. The BCRUA Policy is restricted to AAA-rated, "2a-7 like" (constant dollar) local government investment pools.

As of September 30, 2014:

- Municipal obligations represented 15.1% of the total portfolio.
- Insured or collateralized money market, TDA and DDA accounts represented 81.7% of the total portfolio.
- Investment in a AAA-rated local government investment pool (TexSTAR) represented 0.7% of the total portfolio, and \$ 285,259 was invested in TexSTAR as of September 30, 2014.
- Insured or collateralized certificates of deposit represented 2.5% of the total portfolio.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

3. Cash and Cash Equivalents and Investments (Continued)

Policies Governing Deposits and Investments (Continued)

e. Concentration of Credit Risk - The BCRUA recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The City's adopted Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on at least a monthly basis. Diversification limits are set by Policy as:

U. S. Obligations	80%
U. S. Agencies/Instrumentalities	75%
State and Local Obligations	50%
Certificates of Deposit	40%
In any one bank	10%
Repurchase Agreements	50%
With any one dealer	20%
FlexRepo with CIP Funds	100%
LGIP	100%
Ownership in pool	10%
Money Market Mutual Funds	100%
Ownership in fund	20%

As of September 30, 2014,

- Holdings in money market, TDA and DDA accounts represented 81.7% of the total portfolio.
- Holdings in State and Local Obligations represented 15.1% of the total portfolio.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

4. Capital Assets

Capital asset activity for the year ended September 30, 2014 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Land and easements	\$ 8,893,325	\$ -	\$ -	\$ 8,893,325
Construction in progress	3,450,833	1,003,706	-	4,454,539
Total capital assets, not being depreciated	<u>12,344,158</u>	<u>1,003,706</u>	<u>-</u>	<u>13,347,864</u>
Capital assets, being depreciated:				
Buildings and improvements	68,188,731	-	-	68,188,731
Infrastructure	77,611,456	-	-	77,611,456
Equipment	259,806	242,539	-	502,345
Total capital assets, being depreciated	<u>146,059,993</u>	<u>242,539</u>	<u>-</u>	<u>146,302,532</u>
Less accumulated depreciation for:				
Buildings and improvements	2,130,898	-	-	2,130,898
Infrastructure	2,647,928	-	-	2,647,928
Equipment	58,383	38,920	-	97,303
Total accumulated depreciation	<u>4,837,209</u>	<u>38,920</u>	<u>-</u>	<u>4,876,129</u>
Total capital assets, being depreciated, net	<u>141,222,784</u>	<u>203,619</u>	<u>-</u>	<u>141,426,403</u>
Total capital assets, net	<u>\$153,566,942</u>	<u>\$ 1,207,325</u>	<u>\$ -</u>	<u>\$154,774,267</u>

During 2014, the BCRUA plant was offline while construction defects were being corrected. Consequently, management decided that depreciation should be suspended until the construction defects have been repaired and the plant is brought back online.

5. Long-Term Debt

During 2009, the BCRUA issued contract revenue bonds dated July 6, 2009, totaling \$ 182,020,000. The bonds mature serially beginning August 1, 2012 through August 1, 2038, with coupon rates ranging from 2.254% to 5.084%. Proceeds from the bond issue are restricted for the construction and equipment of the first phase of the BCRUA Regional Water Treatment and Distribution Project. The bonds were issued in three series, one series for each partner city's share of expected project costs. Each bond series is payable solely from and secured, in part, by an assignment of the bond payments made under the Master Contract Agreement dated September 2, 2008 by and between each city. Each city is solely responsible for bond payments on its series of bonds. No city has any liability or responsibility for any bond payment on a series of bonds issued for another city.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

5. Long-Term Debt (Continued)

Long-term liability activity for the year ended September 30, 2014, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
Series 2009 Contract Revenue Bonds					
City of Cedar Park	\$ 24,435,000	\$ -	\$ (295,000)	\$ 24,140,000	\$ 290,000
City of Leander	90,680,000	-	(1,000,000)	89,680,000	1,500,000
City of Round Rock	63,490,000	-	(1,285,000)	62,205,000	1,350,000
Total Bonds Payable	\$178,605,000	\$ -	\$(2,580,000)	\$176,025,000	\$ 3,140,000

Debt service requirements are as follows:

Year Ending September 30	Bonds		Total Requirements
	Principal	Interest	
2015	\$ 3,140,000	\$ 8,327,031	\$ 11,467,031
2016	3,580,000	8,229,880	11,809,880
2017	4,270,000	8,111,596	12,381,596
2018	4,490,000	7,961,976	12,451,976
2019	4,730,000	7,797,462	12,527,462
2020-2024	27,635,000	35,864,601	63,499,601
2025-2029	35,695,000	28,867,788	64,562,788
2030-2034	46,100,000	19,033,565	65,133,565
2035-2038	46,385,000	6,046,655	52,431,655
	\$ 176,025,000	\$ 130,240,554	\$ 306,265,554

Interest is normally capitalized on construction costs until completion of the project; however, interest is being expensed while the plant is offline due to the correction of construction defects further described in Note 7. The amount of interest cost capitalized for assets constructed with tax-exempt borrowings is equal to the cost of borrowing, less interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowing. As of September 30, 2014, the amount of capitalized interest cost included in construction in progress was \$ 25,347,535 (net of investment income of \$ 2,075,409).

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

6. Economic Dependency

The BCRUA is dependent on the Cities of Cedar Park, Leander and Round Rock, Texas for the continued funding of its operating activities. The cities annually budget funds for operational and overhead expenses and debt service requirements in accordance with the Master Contract Agreement and the System Operating Agreement between the cities. Fixed operations and maintenance expenses are allocated among the cities based upon each city's reserved capacity in the BCRUA Project components, and variable expenses are allocated based upon the volume of treated water delivered to each city in relation to the total delivered volume. Overhead expenses are paid by each city based upon certain formulas and reserve capacities in the BCRUA Project and/or the quantity of treated water actually delivered to each city. Each city is responsible for bond principal and interest payments due on the bond series issued by BCRUA for each respective city.

7. Contingency

A contract dispute between the BCRUA and the general contractor arose in the prior year during the inspection of Phase I construction concerning defects in the construction and design of the plant. The BCRUA has retained legal counsel who specializes in construction contract disputes. During 2014, the BCRUA released retainage in the amount of \$ 762,936 in an agreement with the general contractor to pay subcontractors not involved with the construction and design defects. The remaining retainage balance held by the BCRUA is \$ 1.58 million and management intends to hold this retainage until the identified issues have been rectified and final settlement negotiation have been completed. Additional costs related to the dispute incurred by the BCRUA, such as legal, engineering, and inspection fees, are expected by management to be largely recovered from the general contractor. Total estimated costs through September 30, 2014 which are expected to be reimbursed exceeds \$ 1.75 million, which includes a \$74,000 receivable due from the general contractor. Management expects resolution of the dispute by March 2015 and does not expect the dispute to materially affect the BCRUA's financial statements.

8. Prior-Period Adjustment

Adoption of GASB Statement No. 65 requires that bond issuance costs be recognized as an expense in the period incurred. Accordingly, an adjustment of \$ 770,871 was made to unrestricted net position as of the beginning of the year which serves to recognize the remaining bond issuance costs as expenses in the prior period.

	Cedar Park	Leander	Round Rock	Total
Net position at 9/30/13, as originally reported	\$ 3,993,791	\$ 2,191,038	\$10,902,466	\$17,087,295
Expense bond issuance costs per GASB 65	(128,431)	(381,362)	(261,078)	(770,871)
Net position at 9/30/13, as restated	<u>\$ 3,865,360</u>	<u>\$ 1,809,676</u>	<u>\$10,641,388</u>	<u>\$16,316,424</u>

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2014

9. Subsequent Events

The BRCUA has evaluated subsequent events after the balance sheet date of September 30, 2014 through December 19, 2014, which is the date these financial statements were available to be issued.

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SUPPLEMENTARY INFORMATION

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
COMBINING STATEMENTS OF NET POSITION
September 30, 2014

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Total</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,740,451	\$ 4,972,736	\$ 4,196,260	\$ 10,909,447
Receivables, net:				
Accounts	41,295	156,023	71,791	269,109
Accrued interest	16	67	44	127
Due from other funds	-	4,520	64,477	68,997
Total current assets	1,781,762	5,133,346	4,332,572	11,247,680
Noncurrent assets:				
Restricted cash and cash equivalents and investments:				
Debt Service	213,083	1,038	1,318	215,439
Escrow	3,922,028	7,977,487	13,078,376	24,977,891
Reserve	-	6,242,789	-	6,242,789
Capital assets:				
Land, easements and construction in progress	1,745,630	7,224,903	4,377,331	13,347,864
Capital assets being depreciated, net of accumulated depreciation of \$ 4,876,129	21,285,025	67,628,487	52,512,891	141,426,403
Total noncurrent assets	27,165,766	89,074,704	69,969,916	186,210,386
 Total Assets	 \$ 28,947,528	 \$ 94,208,050	 \$ 74,302,488	 \$ 197,458,066

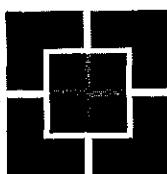
See independent auditors' report.

	Cedar Park	Leander	Round Rock	Total
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 199,010	\$ 423,049	\$ 265,488	\$ 887,547
Retainage payable	291,454	744,615	546,199	1,582,268
Due to partner cities	12,037	83,915	32,194	128,146
Due to other funds	48,834	-	20,163	68,997
Total current liabilities	551,335	1,251,579	864,044	2,666,958
Current liabilities payable from restricted assets:				
Current portion of revenue bonds payable	290,000	1,500,000	1,350,000	3,140,000
Accrued interest	187,025	691,911	478,733	1,357,669
Total current liabilities payable from restricted assets	477,025	2,191,911	1,828,733	4,497,669
Noncurrent liabilities:				
Revenue bonds payable	23,850,000	88,180,000	60,855,000	172,885,000
Total noncurrent liabilities	23,850,000	88,180,000	60,855,000	172,885,000
Total Liabilities	24,878,360	91,623,490	63,547,777	180,049,627
NET POSITION				
Net position:				
Unrestricted	1,230,427	3,881,767	3,468,528	8,580,722
Invested in capital assets, net of related debt	2,838,741	(1,297,207)	7,286,183	8,827,717
Total Net Position	\$ 4,069,168	\$ 2,584,560	\$ 10,754,711	\$ 17,408,439

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2014

	Cedar Park	Leander	Round Rock	Total
Operating Revenues	\$ 303,318	\$ 496,151	\$ 262,661	\$ 1,062,130
Operating Expenses				
Interest expense	1,155,533	4,272,361	2,973,028	8,400,922
Legal fees	95,248	300,313	240,696	636,257
Personnel	170,378	203,841	60,786	435,005
Bad debt expense	23,764	79,204	64,623	167,591
Repairs and maintenance	34,531	45,425	16,881	96,837
Power	35,568	31,292	-	66,860
Audit, investment, banking fees	6,492	20,041	16,053	42,586
Accounting services	16,216	18,672	4,977	39,865
Depreciation	5,566	18,222	15,132	38,920
Insurance	4,507	14,210	11,389	30,106
Office supplies	5,322	9,881	5,796	20,999
Miscellaneous expense	2,949	3,891	1,454	8,294
Chemicals	2,544	2,225	-	4,769
Paying agent fees	1,350	1,350	1,350	4,050
Contract services	899	787	-	1,686
Total Operating Expenses	1,560,867	5,021,715	3,412,165	9,994,747
Operating Income (Loss)	(1,257,549)	(4,525,564)	(3,149,504)	(8,932,617)
Other Income	11,110	27,552	44,365	83,027
Change in net assets	(1,246,439)	(4,498,012)	(3,105,139)	(8,849,590)
Net position - beginning of year, as restated	3,865,360	1,809,676	10,641,388	16,316,424
Capital contributions from partner cities	1,450,247	5,272,896	3,218,462	9,941,605
Net position - end of year	<u>\$ 4,069,168</u>	<u>\$ 2,584,560</u>	<u>\$ 10,754,711</u>	<u>\$ 17,408,439</u>

See independent auditors' report.



BROCKWAY
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CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Board of Directors
Brushy Creek Regional Utility Authority, Inc.
Round Rock, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (the BCRUA) as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the BCRUA's basic financial statements, and have issued our report thereon dated December 19, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the BCRUA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the BCRUA's internal control. Accordingly, we do not express an opinion on the effectiveness of the BCRUA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(CONTINUED)**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the BCRUA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

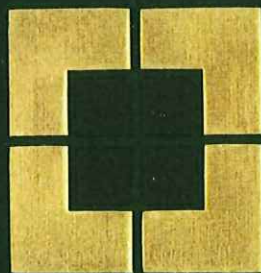
Brookway, Dordick, Franklin & Nimmici, P.C.

December 19, 2014

**Brushy Creek
Regional Utility Authority, Inc.**

September 30, 2015

Past (2015) Audit
Financial Statements



**BROCKWAY
GERSBACH
FRANKLIN &
NIEMEIER, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS

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BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

FINANCIAL STATEMENTS AS OF

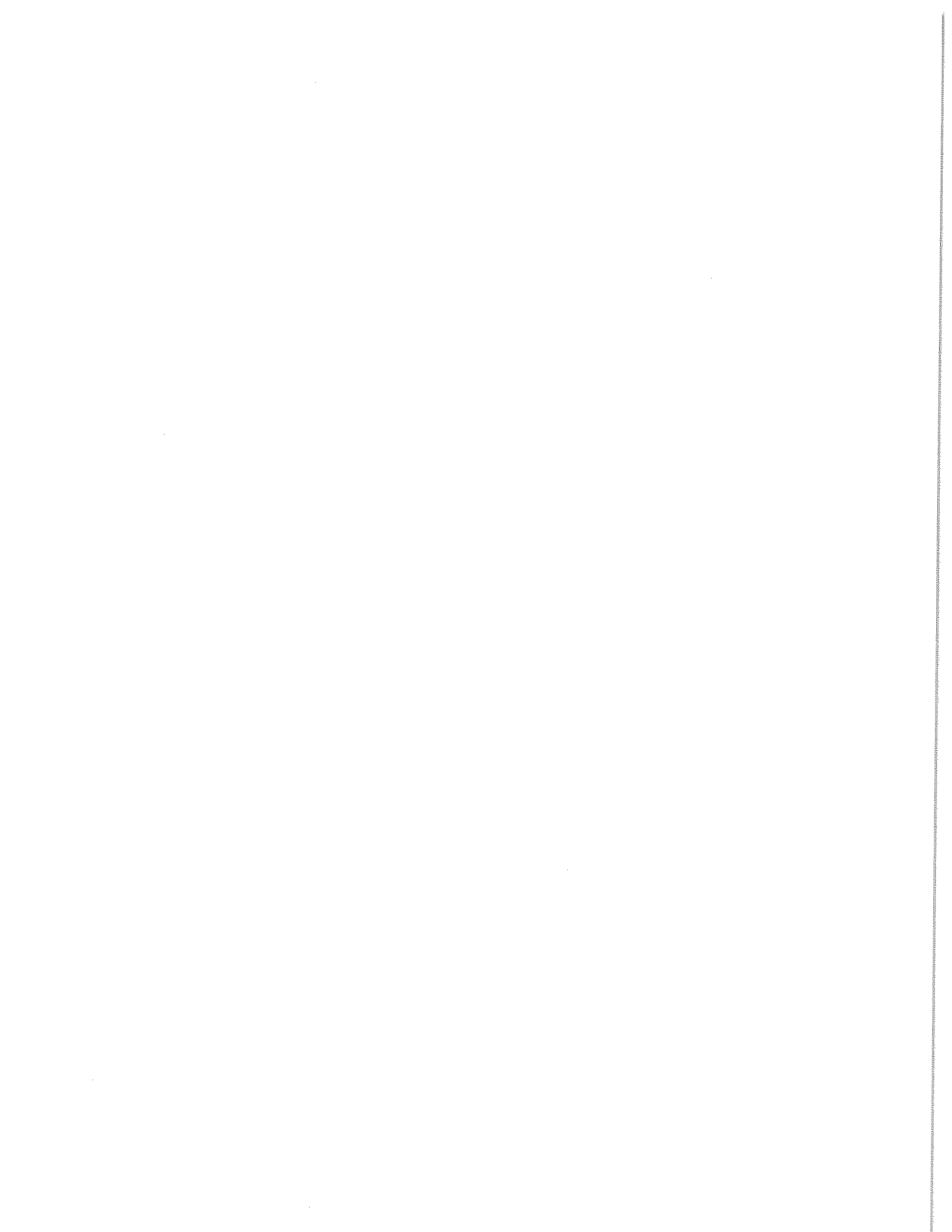
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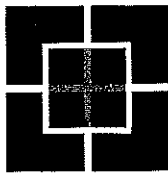
**TOGETHER WITH INDEPENDENT AUDITORS' REPORT THEREON
AND SUPPLEMENTARY INFORMATION**

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NIEMEIER, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Brushy Creek Regional Utility Authority, Inc.
Round Rock, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (the BCRUA), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the BCRUA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**INDEPENDENT AUDITORS' REPORT
(CONTINUED)**

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the BCRUA, as of September 30, 2015, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 5 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the BCRUA's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

As discussed in Note 6 to the financial statements, the BCRUA is dependent on the Cities of Cedar Park, Leander, and Round Rock, Texas for the continued funding of its operating activities. The Cities annually budget funds for operational expenses and debt service requirements of the BCRUA.

**INDEPENDENT AUDITORS' REPORT
(CONTINUED)**

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2015, on our consideration of the BCRUA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering BCRUA's internal control over financial reporting and compliance.

Erochuy, Gordon, Franklin & Nierman, P.C.

December 23, 2015

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BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2015

ABOUT BCRUA

The Brushy Creek Regional Utility Authority (the BCRUA) is a joint venture between the Cities of Cedar Park, Leander and Round Rock, Texas to design and construct a regional water system that will supply treated water to the three communities.

Cedar Park, Leander and Round Rock are among the fastest growing cities in Texas. Their combined population, based on current U.S. census estimates, is over 210,000. It is projected to grow to 600,000 by the year 2040.

This project provides facilities to access, treat and deliver water from Lake Travis to each partner city's customers. When completed, the project will meet the needs of Cedar Park and Round Rock to their ultimate build-out and the needs of Leander for at least the next 20 to 25 years.

The regional concept ensures the responsible use of resources and the least impact on both the environment and neighboring communities. Rather than three communities building three separate water supply projects with three pipelines, three intakes, and three treatment plants, the BCRUA project streamlines the effort for minimum impact and maximum efficiency. The regional option affords the three cities the opportunity to realize "economy of scale" savings of 30%, or more than \$ 90 million.

The regional water treatment plant will have an ultimate capacity of 106 million gallons per day (mgd) and will be built in three phases to better match the capacity with near-term needs. The initial Phase 1 was substantially completed in July 2012 and includes the full sized 106 mgd raw water and treated water pipelines, and a 17 mgd water treatment plant, readily expandable to 42 mgd. Phase 1 operates with an interim floating intake on Lake Travis with an ultimate design capacity of 30 mgd, but a permanent deep water intake with ultimate capacity of 144.7 mgd will be required as part of Phase 2.

Plant operations officially began July 1, 2012. Operations for the project have been divided into three categories: plant staffing; General Manager/administrative support; and, financial support/accounting services, with each city taking responsibility for one of the categories. Plant staffing is provided by Leander consisting of one plant superintendent and three plant operators. The General Manager and administrative support are provided by Round Rock. Finance and Accounting is provided by Cedar Park. While each city maintains responsibility for their own category, the Operations Committee (composed of engineering and finance staff from each city) provides oversight of each city's contribution in order to ensure appropriate controls are in place.

While substantial completion and start-up of the Phase 1 Project occurred in 2012, final project close-out has been delayed, due to several construction related issues that became evident prior to final completion. BCRUA has been working with the construction contractor and design engineers to analyze the issues, and make the necessary corrections. Pending elimination of all identified defects, the BCRUA is withholding some of the project construction retainage. Final completion and project close-out is anticipated in early/mid 2016.

Operation of the plant was temporarily halted in August 2013, due to low lake levels resulting from an ongoing drought. Mandatory decreased water withdrawals ordered by the Lower Colorado River Authority, and conservation measures imposed by the three partner cities significantly reduced system demand, which allowed the BCRUA facilities to remain off-line. Working with the construction general contractor, BCRUA took advantage of the off-line period to resolve most of the remaining construction related issues, prior to restarting the plant in late 2015.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2015

ABOUT BCRUA (Continued)

With substantial completion of the Phase I Project in 2012, staff began working on planning, environmental studies and real-estate acquisition for Phase II. In 2013, two sites were identified for the permanent deep water intake structure (in the Village of Volente), and the permanent raw water pumping station (in Sandy Creek Park). Purchase of the Sandy Creek Park site from the Lower Colorado River Authority was finalized in April, 2014.

Purchase negotiations for the privately owned parcel were on-going during 2015. Acting on BCRUA's behalf, member city Leander initiated formal eminent domain proceedings late in 2014. In early 2015, BCRUA's Board of Directors authorized reimbursement of \$ 1.7 million to the City of Leander, in order to facilitate possession of the property, based on a Travis County Special Commissioner's Award recommendation. Representatives of the City of Leander and the property owners continued negotiations throughout 2015, and should be completed before the end of 2016.

A request for proposals (RFP) to initiate preliminary design of the Phase 2 permanent deep water intake and pump station was issued in 2014, leading to Board approval in November of a contract with an engineering design team led by HDR Engineers' Austin office. The pre-design project began in early 2015, and will conclude in mid-2016. To date, all Phase 2 planning, engineering, and property acquisition costs have been covered by savings recognized from the Phase 1 construction projects. Funding for the Phase 2 final design and construction phases will need to be identified and in place prior to initialization of final design.

The BCRUA Board of Directors is composed of six members, two from each of the city councils of the partnering cities. A General Manager directs the day to day business of the BCRUA, and a Plant Superintendent oversees the operation of the system.

What follows is a discussion and analysis of the BCRUA's financial performance for the fiscal year ended September 30, 2015. Please read it in conjunction with the Independent Auditors' Report on pages 1 through 3 and the BCRUA's Basic Financial Statements which begin on page 14.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: (1) management's discussion and analysis (this section), (2) basic financial statements, and (3) notes to the financial statements. This report also contains combining statements as supplementary information in addition to the basic financial statements.

The basic financial statements include the Statement of Net Position (pages 14 - 15), the Statement of Revenues, Expenses and Changes in Net Position (page 16) and the Statement of Cash Flows (page 17). The BCRUA operates as an enterprise activity and consists of one proprietary fund.

The notes to the financial statements (starting on page 19) provide narrative explanations or additional data needed for full disclosure in the basic financial statements.

BASIC FINANCIAL STATEMENTS

The basic financial statements are designed to provide readers with a broad overview of the BCRUA's finances, in a manner similar to a private-sector business.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2015

OVERVIEW OF THE FINANCIAL STATEMENTS

BASIC FINANCIAL STATEMENTS (Continued)

The *Statement of Net Position* presents information on all of the BCRUA's assets and liabilities, with the difference between the two reported as net position. The BCRUA's net position provides one measure of the BCRUA's financial health, or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the BCRUA is improving or deteriorating. To fully assess the overall health of the BCRUA, however, you should consider nonfinancial factors as well, such as the condition of assets, and the total economic impact of the entity on the Cities of Cedar Park, Leander and Round Rock, Texas.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the BCRUA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* presents cash receipts, cash disbursements and net changes in cash resulting from operating, financing and investing activities. This statement provides information such as where cash originated, how it was used and the net change in cash balances during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide required disclosures and other additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements present information about the accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any. The notes to the financial statements can be found on pages 19 through 28 of this report.

SUPPLEMENTARY INFORMATION

The combining statements are presented for purposes of additional analysis and to provide an overview of the financial position and results of operations related to each partner City. The combining statements can be found on pages 30 through 32 of this report.

FINANCIAL ANALYSIS

FINANCIAL HIGHLIGHTS

- The BCRUA's net position increased by \$ 3,345,433 as a result of current year operations.
- Partner city contributions to net position for the year ended September 30, 2015 were \$ 11,271,265.
- Total net position at September 30, 2015 was \$ 20,753,872, an increase of \$ 3,345,433 from September 30, 2014.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2015

FINANCIAL ANALYSIS (Continued)

FINANCIAL HIGHLIGHTS (Continued)

- Total capital assets, net of depreciation, were \$ 160,746,875 as of September 30, 2015. This is an increase of \$ 5,972,608 from the prior year and reflects additional costs related to the completion of Phase 1 of the project and preliminary engineering costs for Phase 2.
- Total long-term liabilities were \$ 169,305,000 and \$ 172,885,000 as of September 30, 2015 and 2014, respectively. Principal payments on this debt began in fiscal year 2012.

The following condensed financial statements (Tables I and II) provide key financial data as of and for the years ended September 30, 2015 and 2014.

Table I

NET POSITION

	2015	2014
Current assets	\$ 11,670,329	\$ 11,248,532
Restricted assets	25,327,238	31,436,119
Capital assets, net	160,746,875	154,774,267
Total assets	197,744,442	197,458,918
Current liabilities	2,763,742	2,667,810
Current liabilities payable from restricted assets	4,921,828	4,497,669
Noncurrent liabilities	169,305,000	172,885,000
Total liabilities	176,990,570	180,050,479
Net position:		
Unrestricted	8,906,587	8,580,722
Net investment in capital assets	11,847,285	8,827,717
Total Net Position	\$ 20,753,872	\$ 17,408,439

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2015

FINANCIAL ANALYSIS (Continued)

FINANCIAL HIGHLIGHTS (Continued)

Table II

CHANGES IN NET POSITION

	2015	2014
Operating Revenues	\$ 821,883	\$ 1,062,130
Operating Expenses		
Interest expense	8,099,147	8,400,922
Personnel	424,699	435,005
Legal fees	73,975	636,257
Repairs and maintenance	64,024	96,837
Power	51,930	66,860
Office supplies	50,869	20,999
Audit, investment, banking fees	50,143	42,586
Accounting services	36,479	39,865
Depreciation	34,979	38,920
Insurance	28,323	30,106
Chemicals	14,348	4,769
Miscellaneous expense	9,350	8,294
Paying agent fees	2,250	4,050
Contract services	184	1,686
Bad debt expense	-	167,591
Total Operating Expenses	8,940,700	9,994,747
Operating Loss	(8,118,817)	(8,932,617)
Other Income	192,985	83,027
Change in net position	(7,925,832)	(8,849,590)
Net position - beginning of year	17,408,439	16,316,424
Capital contributions from partner cities	11,271,265	9,941,605
Net Position - end of year	\$ 20,753,872	\$ 17,408,439

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2015

FINANCIAL ANALYSIS (Continued)

CAPITAL ASSETS

Capital assets at September 30, 2015 amounted to \$ 160,746,875 and consisted of land, easements, buildings, improvements, infrastructure and construction in progress. Construction in progress is made up of costs attributed to Phase 2 of the BCRUA Project and consists primarily of engineering costs but also includes additional costs incurred regarding the construction defects of the plant and the recommissioning of the floating intake barge.

The construction phasing and estimated costs for the project are planned as follows:

Phase 1:

- Construction of an interim, floating intake structure near Cedar Park's existing plant on the Sandy Creek arm of Lake Travis
- New raw water pipeline within right-of-way along Trails End Road
- New treatment plant in Cedar Park to serve all three cities with an initial capacity of 17 million gallons per day (mgd) and a final Phase 1 capacity of 42 mgd
- Treated water transmission pipeline across the north side of Cedar Park, along West New Hope Road
- Construction began in late 2009 and was substantially complete in July 2012
- Cost to complete the project is approximately \$ 755,000
- Retainage of approximately \$ 1.6 million was being withheld in fiscal year 2015, pending resolution of outstanding construction issues and final project close-out
- Near the end of fiscal year 2014, BCRUA issued a partial retainage release to the general contractor, Pepper Lawson Construction, L.P., in the amount of \$762,936, in order to allow PLC to issue final payments to various sub-contractors and suppliers whose work and/or materials were not involved in any outstanding construction issues
- Final completion and resolution of any remaining construction issues is anticipated in early/mid 2015

Phase 2:

Phase 2a:

- Permanent, deep-water intake structure on Lake Travis, a gravity pipeline to transmit the water to a new pump station, and a raw water pipeline connecting the raw water pump station to the Phase 1 raw water pipeline
- Construction estimated to begin upon completion of final design
- Cost estimated at approximately \$ 175 million

Phase 2b:

- Expansion of the water treatment plant to 84 mgd
- Cost estimated at approximately \$ 41 million

Total estimated cost for Phase 2: \$ 216 million

Phase 3:

- Final expansion of water treatment plant to 106 mgd.
- Estimated cost: \$ 29 million

Total cost: The total project cost is estimated at \$ 380 million

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2015

FINANCIAL ANALYSIS (Continued)

RESTRICTED ASSETS

Restricted assets at September 30, 2015 were \$ 25,327,238, a decrease of \$ 6,108,881 from the September 30, 2014 balance of \$ 31,436,119. Restricted assets consist of debt service, escrow and reserve funds arising from the proceeds of long-term debt. The decrease reflects the release of escrow funds to finance current construction and investment purchases.

LONG-TERM DEBT

In 2009, the BCRUA issued three series of contract revenue bonds totaling \$ 182,020,000 for construction and other costs related to Phase 1 of the BCRUA Project. Additional information on long-term debt can be found in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The economy in the local area continues to grow, and the service areas which will be supplied by the BCRUA at project completion are positioned for continued customer growth. The BCRUA's board adopted an administrative operating budget for fiscal year 2016 in the amount of \$ 1,663,793, an additional annual reserve of \$ 415,948 in 2015 and a debt service budget for fiscal year 2016 in the amount of \$ 11,809,880.

CONTACTING THE BCRUA'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens of the partner cities, customers and creditors with a general overview of the BCRUA's finances and to show the BCRUA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the BCRUA at 450 Cypress Creek, Bldg 1, Cedar Park, Texas 78613.

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BASIC FINANCIAL STATEMENTS

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF NET POSITION
September 30, 2015

ASSETS

Current assets:

Cash and cash equivalents	\$ 11,498,844
Receivables, net:	
Accounts	110,768
Accrued interest	4,392
Due from other funds	56,325
	11,670,329
Total Current Assets	11,670,329

Noncurrent assets:

Restricted cash and cash equivalents and investments:	
Debt service	4,655
Escrow	19,075,248
Reserve	6,247,335
Capital assets:	
Land, easements and construction in progress	19,355,451
Capital assets being depreciated, net of accumulated depreciation of \$ 4,911,108	141,391,424
	186,074,113
Total Noncurrent Assets	186,074,113

Total Assets	\$ 197,744,442
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The accompanying notes are an integral part of the financial statements.

LIABILITIES

Current liabilities:

Accounts payable	\$ 991,742
Retainage payable	1,582,268
Due to partner cities	133,407
Due to other funds	<u>56,325</u>

Total Current Liabilities 2,763,742

Current liabilities payable from restricted assets:

Current portion of revenue bonds payable	3,580,000
Accrued interest	<u>1,341,828</u>
Total Current Liabilities Payable from Restricted Assets	4,921,828

Noncurrent liabilities:

Revenue bonds payable	<u>169,305,000</u>
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Total Noncurrent Liabilities 169,305,000

Total Liabilities 176,990,570

NET POSITION

Net position:

Unrestricted	8,906,587
Net investment in capital assets	<u>11,847,285</u>

Total Net Position \$ 20,753,872

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2015

Operating Revenues		\$ 821,883
Operating Expenses		
Interest expense	\$ 8,099,147	
Personnel	424,699	
Legal fees	73,975	
Repairs and maintenance	64,024	
Power	51,930	
Office supplies	50,869	
Audit, investment, banking fees	50,143	
Accounting services	36,479	
Depreciation	34,979	
Insurance	28,323	
Chemicals	14,348	
Miscellaneous expense	9,350	
Paying agent fees	2,250	
Contract services	184	
Total Operating Expenses		8,940,700
Operating Loss		<u>(8,118,817)</u>
Other Income		192,985
Change in net position		<u>(7,925,832)</u>
Net position - beginning of year		17,408,439
Capital contributions from partner cities		<u>11,271,265</u>
Net Position - end of year		<u><u>\$ 20,753,872</u></u>

The accompanying notes are an integral part of the financial statements.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2015

Cash Flows from Operating Activities	
Service revenues received from partner cities	\$ 801,779
Other income received from third parties	102,409
Payments to suppliers for goods and services	<u>(8,886,602)</u>
Net cash used by operating activities	(7,982,414)
Cash Flows from Capital and Related Financing Activities	
Construction of capital assets	(13,858,057)
Interest payments	8,099,147
Capital contributions from partner cities	<u>11,271,265</u>
Net cash provided by capital and related financing activities	5,512,355
Cash Flows from Investing Activities	
Proceeds from sales and maturities of investments	6,108,880
Principal payments on bonds	(3,140,000)
Interest income	<u>90,576</u>
Net cash provided by investing activities	<u>3,059,456</u>
Net increase in cash and cash equivalents	589,397
<u>Cash and cash equivalents - beginning of year</u>	<u>10,909,447</u>
<u>Cash and cash equivalents - end of year</u>	<u>\$ 11,498,844</u>
Reconciliation of Cash and Cash Equivalents to Statement of Net Position	
Cash and cash equivalents	\$ 11,498,844
Restricted cash and cash equivalents and investments	25,327,237
Less restricted investments	<u>(25,327,237)</u>
Total cash and cash equivalents	<u>\$ 11,498,844</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating loss	\$ (8,118,817)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Income from third party	102,409
Depreciation	34,979
Increase in accrued interest receivable	(4,264)
Decrease in accounts payable	13,858
Increase in due to partner cities	5,261
Accrued interest payable	<u>(15,840)</u>
Total adjustments	<u>136,403</u>
Net cash used by operating activities	<u>\$ (7,982,414)</u>

The accompanying notes are an integral part of the financial statements.

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BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

1. Nature of Activities

Brushy Creek Regional Utility Authority, Inc. (the BCRUA) was incorporated in Texas in July 2007 as a local government corporation pursuant to Subchapter D of Chapter 431, Texas Transportation Code. The BCRUA was organized by the Cities of Cedar Park, Leander and Round Rock, Texas (the cities) for the purpose of providing an efficient vehicle for the financing, construction, acquisition, ownership, maintenance and operation of a regional water and wastewater collection, transmission, treatment and distribution system on behalf of the cities in performance of their governmental functions.

2. Summary of Significant Accounting Policies

The financial statements of the BCRUA have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

Reporting Entity

The BCRUA is a joint venture between the Cities of Cedar Park, Leander and Round Rock, Texas. The BCRUA operates as an enterprise activity. These financial statements present only the BCRUA activities and are not intended to present the financial position, results of operations or cash flows of any of the Cities of Cedar Park, Leander and Round Rock, Texas.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of the BCRUA (a proprietary fund) are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities (whether current or noncurrent) are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net assets. Revenues are recorded when earned and become measurable and expenses are recorded when a liability is incurred and measurable, regardless of the timing of related cash flows.

The Statement of Revenues, Expenses and Changes in Net Position distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The proprietary fund follows GAAP prescribed by GASB and all Financial Accounting Standards Board's standards issued prior to November 30, 1989. Subsequent to this date, the BCRUA accounts for its proprietary fund as prescribed by the GASB.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2015

2. Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include demand deposits, investments with investment pools, and other short-term liquid investments with an original maturity of three months or less. Cash and cash equivalents from restricted assets are also included.

Restricted Assets

Restricted funds consist of escrow funds derived from bond proceeds, debt service funds, reserve funds, and revenues that have been designated for specific purposes by the Board, or other funds with legal or contractual constraints. When both restricted and unrestricted resources are available for use, it is BCRUA's policy to use restricted resources first, then unrestricted resources as they are needed.

Capital Assets

Capital assets are stated at historical cost. To the extent construction is performed by the BCRUA, the cost includes certain general and administrative expenses. Maintenance and repairs are charged to operations as incurred. Improvements and betterments, which extend the useful lives of assets, are capitalized. Depreciation is recorded on a straight-line basis over estimated service lives ranging from 5-40 years. When capital assets are retired or otherwise disposed of, a gain or loss on disposal of assets is recognized.

Interest is normally capitalized on construction costs. The amount of interest cost capitalized for assets constructed with tax-exempt borrowings is equal to the cost of borrowing, less interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowings. However, for the current year, interest costs totaling \$ 8,099,147 were expensed rather than capitalized.

3. Cash and Cash Equivalents and Investments

All BCRUA cash is deposited in accounts that receive interest credit or is invested in permissible securities pursuant to the BCRUA's investment policy. Investments are stated at fair value based on quoted market prices provided by the custodian.

Deposits

At September 30, 2015, the carrying amount of the BCRUA's deposits was \$ 18,285,819 and the bank balance was \$ 10,285,819. The BCRUA's cash deposits at September 30, 2015 were covered by FDIC insurance or by pledged collateral held by the BCRUA's agent bank in the BCRUA's name.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2015

3. Cash and Cash Equivalents and Investments (Continued)

Investments

All investments are presented at fair value. The fair value of the positions in state investment pools is the same as the value of the pool shares.

Cash and cash equivalents and investments are summarized as follows:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Construction funds-		
Cash in banks	\$ 10,285,819	\$ 10,285,819
Investment in governmental pool	1,213,025	1,213,025
Debt service- investment in governmental pool	4,655	4,655
Escrow funds-		
Cash in banks	19,074,699	19,074,699
Investment in government pool	549	549
Reserve funds-		
Federal agency coupon securities	6,200,000	6,198,314
Investment in government pool	49,021	49,021
Total cash and cash equivalents and investments	<u>\$ 36,827,768</u>	<u>\$ 36,826,082</u>

A reconciliation of cash and cash equivalents and investments to the presentation on the Statement of Net Position is as follows:

Statement of Net Position Presentation:	
Cash and cash equivalents	\$ 11,498,844
Restricted cash and cash equivalents and investments:	
Debt service	4,655
Escrow	19,075,248
Reserve	6,247,335
Total cash and cash equivalents and investments	<u>\$ 36,826,082</u>

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2015

3. Cash and Cash Equivalents and Investments (Continued)

Legal and Contractual Provisions Governing Deposits and Investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the BCRUA to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the BCRUA to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the BCRUA to have independent auditors perform test procedures related to investment practices as provided by the Act. The BCRUA is in substantial compliance with the requirements of the Act.

Additional Contractual Provisions governing deposits and investments are as follows:

The funds of the BCRUA must be deposited and invested under the terms of a contract, the contents of which include securities for safekeeping and trust with the BCRUA's agent bank in an amount sufficient to protect BCRUA funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

Policies Governing Deposits and Investments

- a. Foreign Currency Risk – The BCRUA's deposits and investments are not exposed to foreign currency risk.
- b. Custodial Credit Risk – To control custody and safekeeping risk State law and the Brushy Creek Regional Utility Authority's adopted Investment Policy requires collateral for all time and demand deposits, as well as collateral for repurchase agreements, be transferred delivery versus payment and held by an independent party approved by the BCRUA and held in BCRUA's name. The custodian is required to provide original safekeeping receipts and monthly reporting of positions with position descriptions including market value. Repurchase agreements and deposits must be collateralized to 102% and be executed under written agreements. Depository agreements are executed under the terms of FIRREA. The counter-party of each type transaction is held contractually liable for monitoring and maintaining the required collateral margins on a daily basis.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2015

3. Cash and Cash Equivalents and Investments (Continued)

Portfolio disclosure as of September 30, 2015:

- The portfolio contained no repurchase agreements.
 - The portfolio contained demand deposit accounts that are collateralized insured by the FDIC which represents 0.1% of the total portfolio.
- c. Interest Rate Risk – In order to limit interest and market rate risk from changes in interest rates, the BCRUA's adopted Investment Policy sets a maximum stated maturity limit of two years for Operating Funds and three years for Construction Funds. For Escrow Funds, the maximum maturity shall not exceed three years and each fund's weighted average maturity shall not exceed one year. The weighted average maturity (WAM) of the total Operating Funds portfolio is restricted to a maximum of twelve months and compared to the 1 year Treasury Bill. There is no maximum weighted average maturity (WAM) for Construction funds.

	Carrying Amount	Fair Value	Weighted Average Maturity (Days)
Federal agency coupon securities	\$ 6,200,000	\$ 6,198,314	515
Investment in governmental pool	1,267,250	1,267,250	1
Cash in banks	29,360,518	29,360,518	1
	\$ 36,827,768	\$ 36,826,082	
Portfolio weighted average maturity			92

As of September 30, 2015, the portfolio contained 17.8% in structured (callable) notes which would have been impacted by interest rate risk.

- d. Credit Risk – A primary stated objective of the BCRUA's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within the City's portfolio among the authorized investments approved by the City's adopted Investment Policy includes only time and demand deposits, obligations of states and their subdivisions, repurchase agreements and AAA rated SEC registered money market mutual funds. All other investments are rated AAA, or equivalent, by at least one nationally recognized rating agency. Investments are made primarily in obligations of the US Government, its agencies or instrumentalities.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2015

3. Cash and Cash Equivalents and Investments (Continued)

State law and the BCRUA's adopted Investment Policy restricts both time and demand deposits, including certificates of deposit (CD's) to those banks doing business in the State of Texas and further requires full insurance or collateralization from these depositories (banks only). Certificates of deposit are limited to a stated maturity of one year. Collateral is required at a 102% margin with securities priced at market on a daily basis as a contractual responsibility of the bank. Collateral is restricted to obligations of the US Government, its agencies or instrumentalities or direct obligations of any state, its subdivisions or agencies rated at least A, or equivalent, as to investment quality by two nationally recognized statistical rating agencies. Independent safekeeping is required outside the bank holding company with monthly reporting.

Repurchase agreements are limited to those with defined termination dates with a primary dealer (as defined by the Federal Reserve) and require an industry standard written master repurchase agreement and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Repurchase agreements may not exceed one year to stated maturity with the exception of flex repurchase agreements with a stated termination date not to exceed the planned completion date of the project(s).

The state law and the City's adopted Investment Policy restricts investment in AAA rated SEC registered mutual funds to money market mutual funds striving to maintain a \$1 net asset value and defined by State law.

Local government investment pools in Texas are required to be rated AAA or equivalent by at least one nationally recognized rating agency. The BCRUA Policy is restricted to AAA-rated, "2a-7 like" (constant dollar) local government investment pools.

As of September 30, 2015:

- Federal Agency Coupon Securities represented 17.8% of the total portfolio.
- Insured or collateralized money market, TDA and DDA accounts represented 78.6% of the total portfolio.
- Investment in a AAA-rated local government investment pool (TexSTAR) represented 3.63% of the total portfolio, and \$ 1,266,785 was invested in TexSTAR as of September 30, 2015.

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract of services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. Board oversight of TexSTAR is maintained through daily, weekly, and monthly reporting requirements. TexSTAR is rated AAA by Standard & Poor's. The City's fair value position is stated at the value of the position upon withdrawal.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2015

3. Cash and Cash Equivalents and Investments (Continued)

e. Concentration of Credit Risk - The BCRUA recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. The City's adopted Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on at least a monthly basis. Diversification limits are set by Policy as:

U. S. Obligations	80%
U. S. Agencies/Instrumentalities	75%
State and Local Obligations	50%
Certificates of Deposit	40%
In any one bank	10%
Repurchase Agreements	50%
With any one dealer	20%
FlexRepo with CIP Funds	100%
LGIP	100%
Ownership in pool	10%
Money Market Mutual Funds	100%
Ownership in fund	20%

Policies Governing Deposits and Investments (Continued)

As of September 30, 2015,

- Holdings in money market, TDA and DDA accounts represented 78.6% of the total portfolio.
- Holdings in U. S. Agencies/Instrumentalities represented 17.8% of the total portfolio.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2015

4. Capital Assets

Capital asset activity for the year ended September 30, 2015 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Land and easements	\$ 8,893,325	\$ -	\$ -	\$ 8,893,325
Construction in progress	4,454,539	6,007,587	-	10,462,126
Total capital assets, not being depreciated	13,347,864	6,007,587	-	19,355,451
Capital assets, being depreciated:				
Buildings and improvements	68,348,586	-	-	68,348,586
Infrastructure	77,694,140	-	-	77,694,140
Equipment	259,806	-	-	259,806
Total capital assets, being depreciated	146,302,532	-	-	146,302,532
Less accumulated depreciation for:				
Buildings and improvements	2,130,898	-	-	2,130,898
Infrastructure	2,647,928	-	-	2,647,928
Equipment	97,303	34,979	-	132,282
Total accumulated depreciation	4,876,129	34,979	-	4,911,108
Total capital assets, being depreciated, net	141,426,403	(34,979)	-	141,391,424
Total capital assets, net	\$ 154,774,267	\$ 5,972,608	\$ -	\$ 160,746,875

During 2015, the BCRUA plant was offline while construction defects were being corrected. Consequently, management decided that depreciation of the plant should be suspended until the construction defects have been repaired and the plant is brought back online.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2015

5. Long-Term Debt

During 2009, the BCRUA issued contract revenue bonds dated July 6, 2009, totaling \$ 182,020,000. The bonds mature serially beginning August 1, 2012 through August 1, 2038, with coupon rates ranging from 2.254% to 5.084%. Proceeds from the bond issue are restricted for the construction and equipment of the first phase of the BCRUA Regional Water Treatment and Distribution Project. The bonds were issued in three series, one series for each partner city's share of expected project costs. Each bond series is payable solely from and secured, in part, by an assignment of the bond payments made under the Master Contract Agreement dated September 2, 2008 by and between each city. Each city is solely responsible for bond payments on its series of bonds. No city has any liability or responsibility for any bond payment on a series of bonds issued for another city.

Long-term liability activity for the year ended September 30, 2015, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable:					
Series 2009 Contract Revenue Bonds					
City of Cedar Park	\$ 24,140,000	\$ -	\$ (290,000)	\$ 23,850,000	\$ 305,000
City of Leander	89,680,000	-	(1,500,000)	88,180,000	1,850,000
City of Round Rock	62,205,000	-	(1,350,000)	60,855,000	1,425,000
Total Bonds Payable	\$ 176,025,000	\$ -	\$ (3,140,000)	\$ 172,885,000	\$ 3,580,000

Debt service requirements are as follows:

Year Ending September 30	Bonds		Total Requirements
	Principal	Interest	
2016	\$ 3,580,000	\$ 8,229,880	\$ 11,809,880
2017	4,270,000	8,111,596	12,381,596
2018	4,490,000	7,961,976	12,451,976
2019	4,730,000	7,797,462	12,527,462
2020	4,975,000	7,613,843	12,588,843
2021-2025	29,090,000	34,665,587	63,755,587
2026-2030	37,570,000	27,144,122	64,714,122
2031-2035	48,515,000	16,700,615	65,215,615
2036-2038	35,665,000	3,688,442	39,353,442
	\$ 172,885,000	\$ 121,913,523	\$ 294,798,523

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2015

5. Long-Term Debt (Continued)

Interest is normally capitalized on construction costs until completion of the project; however, interest is being expensed while the plant is offline due to the correction of construction defects further described in Note 7. The amount of interest cost capitalized for assets constructed with tax-exempt borrowings is equal to the cost of borrowing, less interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowing. As of September 30, 2015, the amount of capitalized interest cost included in construction in progress was \$ 25,347,535 (net of investment income of \$ 2,125,223).

6. Economic Dependency

The BCRUA is dependent on the Cities of Cedar Park, Leander and Round Rock, Texas for the continued funding of its operating activities. The cities annually budget funds for operational and overhead expenses and debt service requirements in accordance with the Master Contract Agreement and the System Operating Agreement between the cities. Fixed operations and maintenance expenses are allocated among the cities based upon each city's reserved capacity in the BCRUA Project components, and variable expenses are allocated based upon the volume of treated water delivered to each city in relation to the total delivered volume. Overhead expenses are paid by each city based upon certain formulas and reserve capacities in the BCRUA Project and/or the quantity of treated water actually delivered to each city. Each city is responsible for bond principal and interest payments due on the bond series issued by BCRUA for each respective city.

7. Contingency

A contract dispute between the BCRUA and the general contractor arose in fiscal year 2013 during the inspection of Phase I construction concerning defects in the construction and design of the plant. The BCRUA has retained legal counsel who specializes in construction contract disputes. The retainage balance held by the BCRUA is \$ 1.58 million and management intends to hold this retainage until the identified issues have been rectified and final settlement negotiation have been completed. Additional costs related to the dispute incurred by the BCRUA, such as legal, engineering, and inspection fees, are expected by management to be largely recovered from the general contractor. Total estimated costs through September 30, 2015 which are expected to be reimbursed exceeds \$ 2 million, which includes \$ 79,000 in receivables due from the general contractor. Management expects the final settlement negotiations to begin by March 2016 and does not expect the dispute to materially affect the BCRUA's financial statements.

8. Subsequent Events

The BCRUA has evaluated subsequent events after the balance sheet date of September 30, 2015 through December 23, 2015, which is the date these financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
COMBINING STATEMENTS OF NET POSITION
September 30, 2015

ASSETS	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Total</u>
Current assets:				
Cash and cash equivalents	\$ 1,845,981	\$ 5,209,316	\$ 4,443,547	\$ 11,498,844
Receivables, net:				
Accounts	18,503	81,202	11,063	110,768
Accrued interest	-	4,392	-	4,392
Due from other funds	-	5,341	50,984	56,325
Total Current Assets	1,864,484	5,300,251	4,505,594	11,670,329
Noncurrent assets:				
Restricted cash and cash equivalents and investments:				
Debt Service	1,258	1,650	1,747	4,655
Escrow	2,295,911	5,388,613	11,390,724	19,075,248
Reserve	-	6,247,335	-	6,247,335
Capital assets:				
Land, easements and construction in progress	3,300,501	9,902,830	6,152,120	19,355,451
Capital assets being depreciated, net of accumulated depreciation of \$ 4,911,108	21,280,023	67,612,110	52,499,291	141,391,424
Total Noncurrent Assets	26,877,693	89,152,538	70,043,882	186,074,113
Total Assets	\$ 28,742,177	\$ 94,452,789	\$ 74,549,476	\$ 197,744,442

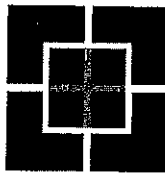
See independent auditors' report.

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Total</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 270,890	\$ 446,902	\$ 273,950	\$ 991,742
Retainage payable	291,454	747,830	542,984	1,582,268
Due to partner cities	11,338	97,030	25,039	133,407
Due to other funds	56,325	-	-	56,325
Total Current Liabilities	630,007	1,291,762	841,973	2,763,742
Current liabilities payable from restricted assets:				
Current portion of revenue bonds payable	305,000	1,850,000	1,425,000	3,580,000
Accrued interest	185,562	684,344	471,922	1,341,828
Total Current Liabilities Payable from Restricted Assets	490,562	2,534,344	1,896,922	4,921,828
Noncurrent liabilities:				
Revenue bonds payable	23,545,000	86,330,000	59,430,000	169,305,000
Total Noncurrent Liabilities	23,545,000	86,330,000	59,430,000	169,305,000
Total Liabilities	24,665,569	90,156,106	62,168,895	176,990,570
NET POSITION				
Net position:				
Unrestricted	1,234,477	4,008,489	3,663,621	8,906,587
Net investment in capital assets	2,842,131	288,194	8,716,960	11,847,285
Total Net Position	\$ 4,076,608	\$ 4,296,683	\$ 12,380,581	\$ 20,753,872

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended September 30, 2015

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Total</u>
Operating Revenues	\$ 184,562	\$ 384,850	\$ 252,471	\$ 821,883
Operating Expenses				
Interest expense	1,115,692	4,127,584	2,855,871	8,099,147
Personnel	171,717	198,936	54,046	424,699
Legal fees	13,192	34,830	25,953	73,975
Repairs and maintenance	20,907	30,060	13,057	64,024
Power	27,617	24,313	-	51,930
Office supplies	17,932	23,865	9,072	50,869
Audit, investment, banking fees	7,283	25,409	17,451	50,143
Accounting services	14,839	17,086	4,554	36,479
Depreciation	5,002	16,377	13,600	34,979
Insurance	4,240	13,368	10,715	28,323
Chemicals	7,653	6,695	-	14,348
Miscellaneous expense	2,783	4,393	2,174	9,350
Paying agent fees	750	750	750	2,250
Contract services	98	86	-	184
Total Operating Expenses	<u>1,409,705</u>	<u>4,523,752</u>	<u>3,007,243</u>	<u>8,940,700</u>
Operating Loss	(1,225,143)	(4,138,902)	(2,754,772)	(8,118,817)
Other Income	<u>23,381</u>	<u>98,805</u>	<u>70,799</u>	<u>192,985</u>
Change in net assets	<u>(1,201,762)</u>	<u>(4,040,097)</u>	<u>(2,683,973)</u>	<u>(7,925,832)</u>
Net position - beginning of year	4,047,421	2,585,442	10,775,576	17,408,439
Capital contributions from partner cities	1,230,949	5,751,338	4,288,978	11,271,265
Net Position - end of year	<u>\$ 4,076,608</u>	<u>\$ 4,296,683</u>	<u>\$ 12,380,581</u>	<u>\$ 20,753,872</u>

See independent auditors' report.



BROCKWAY
GERSBACH
FRANKLIN &
NIEMEIER, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Board of Directors
Brushy Creek Regional Utility Authority, Inc.
Round Rock, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (the BCRUA) as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the BCRUA's basic financial statements, and have issued our report thereon dated December 23, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the BCRUA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the BCRUA's internal control. Accordingly, we do not express an opinion on the effectiveness of the BCRUA's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(CONTINUED)**

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the BCRUA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ernst & Young Global Limited, Franklin A. Nimmick, P.C.

December 23, 2015

Part C-416 2016 Audit

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.

FINANCIAL REPORT

SEPTEMBER 30, 2016

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Brushy Creek Regional Utility Authority, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (the BCRUA) as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the BCRUA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
Brushy Creek Regional Utility Authority, Inc.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the BCRUA as of September 30, 2016, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the BCRUA's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

To the Board of Directors
Brushy Creek Regional Utility Authority, Inc.

Emphasis-of-Matter

As discussed in Note 6 to the financial statements, the BCRUA is dependent on the Cities of Cedar Park, Leander, and Round Rock, Texas for the continued funding of its operating activities. The Cities annually budget funds for operational expenses and debt service requirements of the BCRUA. Our opinion is not modified with respect to this matter.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2017, on our consideration of the BCRUA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with government auditing standards in considering BCRUA's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
January 18, 2017

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2016**

ABOUT BCRUA

The Brushy Creek Regional Utility Authority (the BCRUA) is a joint venture between the Cities of Cedar Park, Leander and Round Rock, Texas to design and construct a regional water system that will supply treated water to the three communities.

Cedar Park, Leander and Round Rock are among the fastest growing cities in Texas. Their combined population, based on 2016 U.S. census estimates, is over 231,000. By 2040, their population is projected to exceed 600,000. In addition, the three cities serve a variety of external subdivisions and municipal utility districts.

This project provides facilities to access, treat and deliver water from Lake Travis to each partner city's customers. When completed, the project will meet the needs of Cedar Park and Round Rock to their ultimate build-out and the needs of Leander for at least the next 20 to 25 years.

The regional concept ensures the responsible use of resources and the least impact on both the environment and neighboring communities. Rather than three communities building three separate water supply projects with three pipelines, three intakes, and three treatment plants, the BCRUA project streamlines the effort for minimum impact and maximum efficiency. The regional option affords the three cities the opportunity to realize "economy of scale" savings of approximately 30%, or more than \$90 million.

The regional water treatment plant will have an ultimate capacity of 106 million gallons per day (mgd) and will be built in three phases to better match the capacity with near-term needs. The initial Phase 1 was substantially completed in July 2012 and includes the full sized 106 mgd raw water and treated water pipelines, and a 17 mgd water treatment plant, readily expandable to 42 mgd. Phase 1 operates with an interim floating intake on Lake Travis with an ultimate design capacity of 30 mgd, but a permanent deep water intake with an ultimate capacity of 144.7 mgd will be required as part of Phase 2.

Plant operations officially began July 1, 2012. Operations for the project have been divided into three categories: plant staffing; General Manager/administrative support; and, financial support/accounting services, with each city taking responsibility for one of the categories. Plant staffing is provided by Leander consisting of one plant superintendent and three plant operators. The General Manager and administrative support are provided by Round Rock. Finance and Accounting is provided by Cedar Park. While each city maintains responsibility for their own category, the Operations Committee (composed of engineering and finance staff from each city) provides oversight of each city's contribution in order to ensure appropriate controls are in place.

While substantial completion and start-up of the Phase 1 Project occurred in 2012, final project closeout has been delayed, due to several construction related issues that became evident prior to final completion. BCRUA has been working with the construction contractor and design engineers to analyze the issues, and make the necessary corrections.

Operation of the plant was temporarily halted in August 2013, due to low lake levels resulting from an ongoing drought. Mandatory decreased water withdrawals ordered by the Lower Colorado River Authority, and conservation measures imposed by the three partner cities significantly reduced system demand, which allowed the BCRUA facilities to remain off-line.

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
SEPTEMBER 30, 2016**

ABOUT BCRUA (Continued)

Working with the construction general contractor, BCRUA took advantage of the off-line period to resolve most of the remaining construction related issues, prior to restarting the plant.

Plant operations resumed with the end of the drought, in the fall of 2015. The plant has remained in continuous operation since that time, operating approximately 8-10 hours per day, seven days per week. Budgeting for fiscal year 2016-2017 includes expanding operational staffing to allow for 24/7 operations, prior to the 2017 summer peak demand period.

With substantial completion of the Phase I Project in 2012, staff began working on planning, environmental studies and real-estate acquisition for Phase II. In 2013, two sites were identified for the permanent deep water intake structure (in the Village of Volente), and the permanent raw water pumping station (in Sandy Creek Park). Purchase of the Sandy Creek Park site from the Lower Colorado River Authority was finalized in April 2014. Purchase of the privately owned parcel in the Village of Volente was completed in 2016.

A request for proposals (RFP) to initiate preliminary design of the Phase 2 permanent deep water intake and pump station was issued in 2014, leading to Board approval in November of a contract with an engineering design team led by HDR Engineers' Austin office. The pre-design project began in early 2015, and was concluded in mid-2016. To date, all Phase 2 planning, engineering, and property acquisition costs have been covered by savings recognized from the Phase 1A construction projects. Funding for the Phase 2 final design and construction phases will need to be identified and in place prior to initialization of final design. Phase 1A savings have been authorized for funding of acquisition of Phase 2 related pipeline and electrical easements, and Volente land use negotiations.

In August of 2016, the Leander City Council passed a resolution supporting expansion of the regional plant, and floating intake to 30 MGD (Phase 1C), and delaying any decision on Phase 2 final design and construction funding until July of 2017. Design of the Phase 1C expansion can be covered by remaining savings from the Phase 1A construction project. Construction funding will be requested through the Texas Water Development Board's SWIFT Loan program, in 2017.

The BCRUA Board of Directors is composed of six members, two from each of the city councils of the partnering cities. A General Manager directs the day-to-day business of the BCRUA, and a Plant Superintendent oversees the operation of the system.

What follows is a discussion and analysis of the BCRUA's financial performance for the fiscal year ended September 30, 2016. Please read it in conjunction with the Independent Auditors' Report on pages 1 through 3 and the BCRUA's Basic Financial Statements, which begin on page 11.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: (1) management's discussion and analysis (this section), (2) basic financial statements, and (3) notes to the financial statements. This report also contains combining statements as supplementary information in addition to the basic financial statements.

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
SEPTEMBER 30, 2016**

BASIC FINANCIAL STATEMENTS

The basic financial statements include the Statement of Net Position (pages 11 - 12), the Statement of Revenues, Expenses, and Changes in Net Position (page 13) and the Statement of Cash Flows (page 14). The BCRUA operates as an enterprise activity and consists of one proprietary fund.

The notes to the financial statements (starting on page 15) provide narrative explanations or additional data needed for full disclosure in the basic financial statements.

The basic financial statements are designed to provide readers with a broad overview of the BCRUA's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the BCRUA's assets and liabilities, with the difference between the two reported as net position. The BCRUA's net position provides one measure of the BCRUA's financial health, or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the BCRUA is improving or deteriorating. To fully assess the overall health of the BCRUA, however, you should consider nonfinancial factors as well, such as the condition of assets, and the total economic impact of the entity on the Cities of Cedar Park, Leander and Round Rock, Texas.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the BCRUA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* presents cash receipts, cash disbursements and net changes in cash resulting from operating, financing and investing activities. This statement provides information such as where cash originated, how it was used and the net change in cash balances during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide required disclosures and other additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements present information about the accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any. The notes to the financial statements can be found on pages 15 through 24 of this report.

SUPPLEMENTARY INFORMATION

The combining statements are presented for purposes of additional analysis and to provide an overview of the financial position and results of operations related to each partner City. The combining statements can be found on pages 25 through 27 of this report.

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
SEPTEMBER 30, 2016**

FINANCIAL ANALYSIS

FINANCIAL HIGHLIGHTS

- The BCRUA's net position decreased by \$13,080,218 as a result of current year operations.
- Partner city contributions to net position for the year ended September 30, 2016 were \$11,797,599.
- Total net position at September 30, 2016 was \$19,471,253, a decrease of \$1,282,619 from September 30, 2015.
- Total capital assets, net of depreciation, were \$161,800,202 as of September 30, 2016. This is an increase of \$1,053,327 from the prior year.
- Total noncurrent liabilities were \$174,361,559 and \$169,305,000 as of September 30, 2016 and 2015, respectively. Principal payments on this debt began in fiscal year 2012.

The following condensed financial statements (Tables I and II) provide key financial data as of and for the years ended September 30, 2016 and 2015.

**Table I
NET POSITION**

	2016	2015
Current assets	\$ 6,063,095	\$ 11,670,329
Restricted assets	24,537,787	25,327,238
Capital assets, net	161,800,202	160,746,875
Total assets	192,401,084	197,744,442
Deferred outflows of resources	8,871,232	-
Current liabilities	1,880,374	2,763,742
Current liabilities payable from restricted assets	5,559,130	4,921,828
Noncurrent liabilities	174,361,559	169,305,000
Total liabilities	181,801,063	176,990,570
Net position		
Unrestricted	7,644,992	8,906,587
Net investment in capital assets	11,826,261	11,847,285
Total net position	\$ 19,471,253	\$ 20,753,872

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
SEPTEMBER 30, 2016**

FINANCIAL ANALYSIS (Continued)

FINANCIAL HIGHLIGHTS (Continued)

Table II

CHANGE IN NET POSITION

	2016	2015
Operating Revenues	\$ 688,730	\$ 821,883
Operating Expenses		
Interest expense	7,665,566	8,099,147
Personnel	473,578	424,699
Legal fees	74,237	73,975
Repairs and maintenance	104,551	64,024
Power	367,200	51,930
Office supplies	57,717	50,869
Audit, investment, banking fees	43,442	50,143
Accounting services	31,970	36,479
Depreciation	3,873,310	34,979
Insurance	27,944	28,323
Chemicals	205,537	14,348
Miscellaneous expense	13,228	9,350
Paying agent fees	2,250	2,250
Contract services	5,614	184
Total Operating Expenses	12,946,144	8,940,700
Operating Loss	(12,257,414)	(8,118,817)
Other Income (Expense)	(822,804)	192,985
Change in net position	(13,080,218)	(7,925,832)
Net position - beginning of year	20,753,872	17,408,439
Capital contributions from partner cities	11,797,599	11,271,265
Net position - end of year	\$ 19,471,253	\$ 20,753,872

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
SEPTEMBER 30, 2016**

FINANCIAL ANALYSIS (Continued)

CAPITAL ASSETS

Capital assets at September 30, 2016 amounted to \$161,800,202 and consisted of land, easements, buildings, improvements, infrastructure and construction in progress. Construction in progress is made up of costs attributed to Phase 2 of the BCRUA Project and consists primarily of engineering costs.

The construction phasing and estimated costs for the project are planned as follows:

Phase 1:

Phase 1a:

- Construction of an interim, floating intake structure near Cedar Park's existing plant on the Sandy Creek arm of Lake Travis
- New raw water pipeline within right-of-way along Trails End Road
- New treatment plant in Cedar Park to serve all three cities with an initial capacity of 17 million gallons per day (mgd) and a final Phase 1 capacity of 42 mgd
- Treated water transmission pipeline across the north side of Cedar Park, along West New Hope Road
- Construction began in late 2009 and was substantially complete in July 2012
- Cost to complete the project is approximately \$ 755,000
- The full retainage amount of approximately \$ 2.35 million was being withheld in fiscal year 2015, pending resolution of outstanding construction issues and final project close-out
- In August 2016, the construction contractor made a claim against BCRUA, and joined it to existing legal claims it holds against several of its sub-contractors on the project. The primary focus of the claims revolve around allegations of structural design defects made by the design engineer, and its structural engineering sub-consultant. BCRUA has rejected the claims, but has enjoined the design engineer to the litigation, and holds the position that any potential judicial award related to design defects would be the responsibility of the design engineer
- Final resolution of any remaining construction/design litigation is anticipated by the end of 2017

Phase 1b:

- Rerating the capacity of treatment facilities by engineering analysis and plant operational testing, with completion expected in mid-late 2017

Phase 1c:

- Expansion of the floating intake and treatment facilities to 30 million gallons per day. Design costs will be covered by Phase 1A savings, and will occur during calendar year 2017. Construction funding will be through a Texas Water Development Board SWIFT Loan, and is projected to run from early 2018 through mid-2019.

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
SEPTEMBER 30, 2016**

FINANCIAL ANALYSIS (Continued)

CAPITAL ASSETS (Continued)

Phase 2:

Phase 2a:

- Permanent, deep-water intake structure on Lake Travis, a gravity pipeline to transmit the water to a new pump station, and a raw water pipeline connecting the raw water pump station to the Phase 1 raw water pipeline, and expansion of the treatment plant to 42 million gallons per day
- Construction estimated to begin upon completion of final design
- Cost estimated at approximately \$ 180 million (subject to ENR/inflation adjustments)

Phase 2b:

- Expansion of the water treatment plant to 84 mgd
- Cost estimated at approximately \$ 41 million (subject to ENR/inflation adjustments)

Total estimated cost for Phase 2: \$ 221 million (subject to ENR/inflation adjustments)

Phase 3:

- Final expansion of water treatment plant to 106 mgd.
- Estimated cost: \$ 29 million (subject to ENR/inflation adjustments)

Total cost: The total project cost is estimated at \$ 380 million
(subject to ENR/inflation adjustments)

RESTRICTED ASSETS

Restricted assets at September 30, 2016 were \$24,537,787, a decrease from the September 30, 2015 balance of \$25,327,238. Restricted assets consist of debt service, escrow and reserve funds arising from the proceeds of long-term debt. The decrease reflects the release of escrow funds to finance current construction and investment purchases.

LONG-TERM DEBT

In 2009, the BCRUA issued three series of contract revenue bonds totaling \$ 182,020,000 for construction and other costs related to Phase 1A of the BCRUA Project. Additionally, two refunding issuances were made in 2016, to reduce the total debt costs on two of the previously issued series. Additional information on long-term debt can be found in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The economy in the local area continues to grow, and the service areas which will be supplied by the BCRUA at project completion are positioned for continued customer growth. The BCRUA's board adopted an administrative operating budget for fiscal year 2017 in the amount of approximately \$2,164,533, a reduction of reserves of approximately \$403,000 in 2017 and a debt service budget for fiscal year 2017 in the amount of approximately \$12,382,000.

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
SEPTEMBER 30, 2016**

CONTACTING THE BCRUA'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens of the partner cities, customers and creditors with a general overview of the BCRUA's finances and to show the BCRUA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the BCRUA at 450 Cypress Creek, Bldg 1, Cedar Park, Texas 78613.

BASIC FINANCIAL STATEMENTS

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF NET POSITION
SEPTEMBER 30, 2016**

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 5,936,436
Receivables, net	
Accounts	122,267
Accrued interest	4,392
	4,392

Total current assets 6,063,095

NONCURRENT ASSETS

Restricted cash and cash equivalents and investments	
Debt Service	11,300
Escrow	18,179,398
Reserve	6,347,089
Capital assets	
Land, easements and construction in progress	20,810,115
Capital assets being depreciated, net of accumulated depreciation of \$8,784,418	140,990,087
	140,990,087

Total noncurrent assets 186,337,989

TOTAL ASSETS 192,401,084

DEFERRED OUTFLOWS OF RESOURCES - REFUNDING 8,871,232

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES \$ 201,272,316

The Notes to Financial Statements are an integral part of this statement.

LIABILITIES

CURRENT LIABILITIES

Accounts payable	\$ 147,632
Retainage payable	1,582,268
Due to partner cities	<u>150,474</u>

Total current liabilities 1,880,374

Current liabilities payable from restricted assets	
Current portion of revenue bonds payable	4,780,000
Accrued interest	<u>779,130</u>

Total current liabilities payable from restricted assets 5,559,130

NONCURRENT LIABILITIES

Revenue bonds payable	<u>174,361,559</u>
-----------------------	--------------------

Total noncurrent liabilities 174,361,559

TOTAL LIABILITIES 181,801,063

NET POSITION

Unrestricted	7,644,992
Net investment in capital assets	<u>11,826,261</u>

TOTAL NET POSITION \$ 19,471,253

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2016

OPERATING REVENUES	\$	688,730
OPERATING EXPENSES		
Interest expense		7,665,566
Personnel		473,578
Legal fees		74,237
Repairs and maintenance		104,551
Power		367,200
Office supplies		57,717
Audit, investment, banking fees		43,442
Accounting services		31,970
Depreciation		3,873,310
Insurance		27,944
Chemicals		205,537
Miscellaneous expense		13,228
Paying agent fees		2,250
Contract services		5,614
		<hr/>
Total operating expenses		12,946,144
		<hr/>
OPERATING LOSS		(12,257,414)
OTHER INCOME (EXPENSE)		
Other income		138,696
Bond issuance costs		(961,500)
		<hr/>
Total other income (expense)		(822,804)
		<hr/>
Change in net position		(13,080,218)
NET POSITION, beginning of year		20,753,872
CAPITAL CONTRIBUTIONS FROM PARTNER CITIES		11,797,599
		<hr/>
NET POSITION, end of year	\$	19,471,253
		<hr/> <hr/>

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES	
Service revenues received from partner cities	\$ 694,298
Other income received from third parties	138,696
Payments to suppliers for goods and services	<u>(9,916,944)</u>
Net cash used in operating activities	(9,083,950)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Construction of capital assets	(4,926,637)
Interest payments	(558,871)
Principal payments on bonds	(3,580,000)
Capital contributions from partner cities	<u>11,797,599</u>
Net cash provided by capital and related financing activities	2,732,091
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	<u>6,200,000</u>
Net cash provided by investing activities	<u>6,200,000</u>
Net change in cash and cash equivalents	(151,859)
CASH AND CASH EQUIVALENTS, beginning of year	<u>30,626,082</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 30,474,223</u></u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION	
Cash and cash equivalents	\$ 5,936,436
Restricted cash and cash equivalents and investments	<u>24,537,787</u>
TOTAL CASH AND CASH EQUIVALENTS	<u><u>\$ 30,474,223</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	\$ (12,257,414)
Adjustments to reconcile operating loss to net cash used by operating activities	
Income from third party	138,696
Depreciation	3,873,310
Change in accounts receivable	(11,499)
Change in accounts payable	(844,110)
Change in due to partner cities	<u>17,067</u>
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (9,083,950)</u></u>

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 1. NATURE OF ACTIVITIES

Brushy Creek Regional Utility Authority, Inc. (BCRUA) was incorporated in Texas in July 2007 as a local government corporation pursuant to Subchapter D of Chapter 431, Texas Transportation Code. The BCRUA was organized by the Cities of Cedar Park, Leander and Round Rock, Texas (the cities) for the purpose of providing an efficient vehicle for the financing, construction, acquisition, ownership, maintenance and operation of a regional water and wastewater collection, transmission, treatment and distribution system on behalf of the cities in performance of their governmental functions.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of BCRUA have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental entities. The more significant of these accounting policies are described below.

Reporting Entity

BCRUA is a joint venture between the Cities of Cedar Park, Leander and Round Rock, Texas. The BCRUA operates as an enterprise activity. These financial statements present only BCRUA's activities and are not intended to present the financial position, results of operations or cash flows of any of the Cities of Cedar Park, Leander and Round Rock, Texas.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of BCRUA are reported using the economic resources measurement focus and the accrual basis of accounting. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Revenues are recorded when earned and become measurable and expenses are recorded when a liability is incurred and measurable, regardless of the timing of related cash flows.

The Statement of Revenues, Expenses and Changes in Net Position distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with BCRUA's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES– CONTINUED

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include demand deposits, investments with investment pools, and other short-term liquid investments with an original maturity of three months or less, regardless of whether restricted or unrestricted.

Cash and cash equivalents held in money market accounts and investment pools (which determine their net asset value based on fair value) are recorded at fair value.

Restricted Assets

Restricted funds consist of escrow funds derived from bond proceeds, debt service funds, reserve funds, and revenues that have been designated for specific purposes by the Board, or other funds with legal or contractual constraints. When both restricted and unrestricted resources are available for use, it is BCRUA's policy to use restricted resources first, then unrestricted resources as they are needed.

Capital Assets

Capital assets are stated at historical cost. To the extent construction is performed by the BCRUA, the cost includes certain general and administrative expenses. Maintenance and repairs are charged to operations as incurred. Improvements and betterments, which extend the useful lives of assets, are capitalized. Depreciation is recorded on a straight-line basis over estimated service lives ranging from 5 to 40 years. When capital assets are retired or otherwise disposed of, a gain or loss on disposal of assets is recognized.

Interest is normally capitalized on construction costs. The amount of interest cost capitalized for assets constructed with tax-exempt borrowings is equal to the cost of borrowing, less interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowings. No interest was capitalized during the year ended September 30, 2016.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash Deposits. BCRUA's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Public Funds Investment Act (the Act). The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the depository banks' agent bank. The pledged securities are in an amount sufficient to protect BCRUA's funds on a day-to-day basis during the period of the contract. The pledge of securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance. At September 30, 2016, the carrying amount of the BCRUA's deposits was \$ 25,166,526 and the bank balance was \$ 25,200,999. The BCRUA's cash deposits at September 30, 2016 were covered by FDIC insurance or by pledged collateral held by the BCRUA's agent bank in the BCRUA's name.

Investments. The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the BCRUA to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the BCRUA to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the BCRUA to have independent auditors perform test procedures related to investment practices as provided by the Act. The BCRUA is in substantial compliance with the requirements of the Act.

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract of services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. TexSTAR's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. BCRUA has no unfunded commitments related to the investment pool. TexSTAR has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. TexSTAR's fair value is reported by BCRUA using the pool's net asset value (NAV).

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS – CONTINUED

US Corporate Bonds are carried at amortized cost, when the period to maturity is less than one year at the date the instrument is acquired.

Fair Value. BCRUA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement. BCRUA's positions recorded at fair value are all determined using NAV, and are therefore exempt from presentation in the fair value hierarchy.

BCRUA's portfolio balances were as follows at September 30, 2016:

	Carrying Amount	Level One	Level Two	Level Three	Net Asset Value
Cash in banks	\$ 25,166,526	\$ -	\$ -	\$ -	\$ -
TexSTAR	2,309,383	-	-	-	2,160,382
US Corporate Bonds	2,998,314	-	-	-	-
Total	\$ 30,474,223	\$ -	\$ -	\$ -	\$ 2,160,382

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS – CONTINUED

A reconciliation of cash and cash equivalents and investments to the presentation on the Statement of Net Position is as follows:

Statement of net position presentation:	
Cash and cash equivalents	\$ 5,936,436
Restricted cash and cash equivalents and investments:	
Debt service	11,300
Escrow	18,179,398
Reserve	<u>6,347,089</u>
Total cash and cash equivalents and investments	<u>\$ 30,474,223</u>

Credit risk and custodial credit risk. A primary stated objective of the BCRUA's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within BCRUA's portfolio among the authorized investments approved by BCRUA's adopted Investment Policy includes only time and demand deposits, obligations of states and their subdivisions, repurchase agreements and AAA rated SEC registered money market mutual funds. All other investments are rated AAA, or equivalent, by at least one nationally recognized rating agency. Investments are made primarily in obligations of the US Government, its agencies or instrumentalities.

State law and the BCRUA's adopted Investment Policy restricts both time and demand deposits, including certificates of deposit (CD's) to those banks doing business in the State of Texas and further requires full insurance or collateralization from these depositories (banks only). Certificates of deposit are limited to a stated maturity of one year. Collateral is required at a 102% margin with securities priced at market on a daily basis as a contractual responsibility of the bank. Collateral is restricted to obligations of the US Government, its agencies or instrumentalities or direct obligations of any state, its subdivisions or agencies rated at least A, or equivalent, as to investment quality by two nationally recognized statistical rating agencies. Independent safekeeping is required outside the bank holding company with monthly reporting.

Repurchase agreements are limited to those with defined termination dates with a primary dealer (as defined by the Federal Reserve) and require an industry standard written master repurchase agreement and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Repurchase agreements may not exceed one year to stated maturity with the exception of flex repurchase agreements with a stated termination date not to exceed the planned completion date of the project(s).

TexStar is rated AAAM by Standard & Poor's, and the US Corporate Bonds are rated AAA.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS – CONTINUED

Interest rate risk. In order to limit interest and market rate risk from changes in interest rates, the BCRUA's adopted Investment Policy sets a maximum stated maturity limit of two years for Operating Funds and three years for Construction Funds. For Escrow Funds, the maximum maturity shall not exceed three years and each fund's weighted average maturity (WAM) shall not exceed one year. The WAM of the total Operating Funds portfolio is restricted to a maximum of twelve months and compared to the one-year Treasury Bill. There is no maximum WAM for Construction funds. WAM of BCRUA's portfolio at September 30, 2016 was as follows:

	Carrying Amount	Weighted Average Maturity (Days)
US Corporate Bonds	\$ 2,998,314	31
TexSTAR	2,309,383	1
Cash in banks	25,166,526	1
	\$ 30,474,223	
Portfolio weighted average maturity		4

Concentration of credit risk. The BCRUA recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. BCRUA's adopted Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types which are monitored on at least a monthly basis. Diversification limits are set by Policy as:

U. S. Obligations	80%
U. S. Agencies/Instrumentalities	75%
State and Local Obligations	50%
Certificates of Deposit	40%
In any one bank	10%
Repurchase Agreements	50%
With any one dealer	20%
FlexRepo with CIP Funds	100%
LGIP	100%
Ownership in pool	10%
Money Market Mutual Funds	100%
Ownership in fund	20%

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2016 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated				
Land and easements	\$ 8,893,325	\$ -	\$ -	\$ 8,893,325
Construction in progress	10,462,126	4,979,389	(3,524,725)	11,916,790
Total capital assets, not being depreciated	<u>19,355,451</u>	<u>4,979,389</u>	<u>(3,524,725)</u>	<u>20,810,115</u>
Capital assets, being depreciated				
Buildings and improvements	68,348,586	2,832,600	-	71,181,186
Infrastructure	77,694,140	639,372	-	78,333,512
Equipment	259,807	-	-	259,807
Total capital assets, being depreciated	<u>146,302,533</u>	<u>3,471,972</u>	<u>-</u>	<u>149,774,505</u>
Less accumulated depreciation for:				
Buildings and improvements	2,130,898	1,715,459	-	3,846,357
Infrastructure	2,647,928	2,124,009	-	4,771,937
Equipment	132,282	33,842	-	166,124
Total accumulated depreciation	<u>4,911,108</u>	<u>3,873,310</u>	<u>-</u>	<u>8,784,418</u>
Total capital assets, being depreciated, net	<u>141,391,425</u>	<u>(401,338)</u>	<u>-</u>	<u>140,990,087</u>
Total capital assets, net	<u>\$ 160,746,876</u>	<u>\$ 4,578,051</u>	<u>\$ (3,524,725)</u>	<u>\$ 161,800,202</u>

NOTE 5. LONG-TERM DEBT

During the year ended September 30, 2016, BCRUA issued contract revenue refunding bonds dated August 15, 2016, totaling \$75,890,000. The bonds mature in 2017 through 2038, with coupon rates ranging from 2.0% to 5.0%. The bonds were issued in two series, to refund bonds outstanding for two of the partner cities. Each bond series is payable solely from and secured, in part, by an assignment of the bond payments made under the Master Contract Agreement dated September 2, 2008, as amended, by and between each city. Each city is solely responsible for bond payments on its series of bonds. No city has any liability or responsibility for any bond payment on a series of bonds issued for another city. The refunding reduced BCRUA's total debt service payments over the next 22 years by \$17,433,680 and generated an economic gain of \$10,922,929 and an accounting loss of \$8,881,242.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 5. LONG-TERM DEBT – CONTINUED

During the year ended September 30, 2009, BCRUA issued contract revenue bonds dated July 6, 2009, totaling \$182,020,000. The bonds mature serially beginning August 1, 2012 through August 1, 2038, with coupon rates ranging from 2.254% to 5.084%. Proceeds from the bond issue are restricted for the construction and equipment of the first phase of the BCRUA Regional Water Treatment and Distribution Project. The bonds were issued in three series, one series for each partner city's share of expected project costs. Each bond series is payable solely from and secured, in part, by an assignment of the bond payments made under the Master Contract Agreement dated September 2, 2008 by and between each city. Each city is solely responsible for bond payments on its series of bonds. No city has any liability or responsibility for any bond payment on a series of bonds issued for another city.

Long-term liability activity for the year ended September 30, 2016, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable:					
Series 2009 contract					
Revenue bonds					
City of Cedar Park	\$ 23,850,000	\$ -	\$ 21,970,000	\$ 1,880,000	\$ 595,000
City of Leander	88,180,000	-	1,850,000	86,330,000	2,175,000
City of Round Rock	60,855,000	-	56,120,000	4,735,000	1,500,000
Series 2016 contract				-	
Revenue bonds				-	
City of Cedar Park	-	21,935,000	-	21,935,000	180,000
City of Round Rock	-	53,955,000	-	53,955,000	330,000
Total principal	172,885,000	75,890,000	79,940,000	168,835,000	4,780,000
Issuance premiums	-	10,318,192	11,633	10,306,559	-
Total bonds payable	<u>\$ 172,885,000</u>	<u>\$ 86,208,192</u>	<u>\$ 79,951,633</u>	<u>\$ 179,141,559</u>	<u>\$ 4,780,000</u>

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 5. LONG-TERM DEBT – CONTINUED

Debt service requirements are as follows:

<u>Year ended September 30,</u>	<u>Bonds</u>		<u>Total Requirements</u>
	<u>Principal</u>	<u>Interest</u>	
2017	\$ 4,780,000	\$ 6,947,583	\$ 11,727,583
2018	4,490,000	7,201,594	11,691,594
2019	4,730,000	7,037,082	11,767,082
2020	5,085,000	6,853,464	11,938,464
2021	5,355,000	6,646,042	12,001,042
2022-2026	31,025,000	29,713,310	60,738,310
2027-2031	39,740,000	21,838,612	61,578,612
2032-2036	50,170,000	11,873,742	62,043,742
2037-2038	23,460,000	1,494,298	24,954,298
	<u>\$ 168,835,000</u>	<u>\$ 99,605,727</u>	<u>\$ 268,440,727</u>

NOTE 6. ECONOMIC DEPENDENCY

The BCRUA is dependent on the Cities of Cedar Park, Leander and Round Rock, Texas for the continued funding of its operating activities. The cities annually budget funds for operational and overhead expenses and debt service requirements in accordance with the Master Contract Agreement and the System Operating Agreement between the cities. Fixed operations and maintenance expenses are allocated among the cities based upon each city's reserved capacity in the BCRUA Project components, and variable expenses are allocated based upon the volume of treated water delivered to each city in relation to the total delivered volume. Overhead expenses are paid by each city based upon certain formulas and reserve capacities in the BCRUA Project and/or the quantity of treated water actually delivered to each city. Each city is responsible for bond principal and interest payments due on the bond series issued by BCRUA for each respective city.

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2016

NOTE 7. CONTINGENCY

A contract dispute between the BCRUA and the general contractor arose during the year ended September 30, 2013, during the inspection of Phase I construction concerning defects in the construction and design of the plant. The BCRUA has retained legal counsel who specializes in construction contract disputes. The retainage balance held by BCRUA is approximately \$1,580,000 million and management intends to hold this retainage until the identified issues have been rectified and final settlement negotiation have been completed. Additional costs related to the dispute incurred by the BCRUA, such as legal, engineering, and inspection fees, are expected by management to be largely recovered from the general contractor. Management is still disputing this with the general contractor and has not made final settlement negotiations as of September 30, 2016. Management does not expect the dispute to materially affect BCRUA's financial statements.

NOTE 8. SUBSEQUENT EVENTS

The BCRUA has evaluated subsequent events after the balance sheet date of September 30, 2016 through January 18, 2017, the date these financial statements were available to be issued.

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SUPPLEMENTARY INFORMATION

BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 152,054	\$ 2,704,564	\$ 3,079,818	\$ -	\$ 5,936,436
Receivables, net					
Accounts	20,224	86,630	15,413	-	122,267
Accrued interest	-	4,392	-	-	4,392
Due from other funds	-	5,341	50,984	(56,325)	-
Total current assets	172,278	2,800,927	3,146,215	(56,325)	6,063,095
Noncurrent assets					
Restricted cash and cash equivalents and investments:					
Debt Service	1,952	5,205	4,143	-	11,300
Escrow	2,041,503	4,983,792	11,154,103	-	18,179,398
Reserve	-	6,347,089	-	-	6,347,089
Capital assets					
Land, easements and construction in progress	3,955,340	10,468,806	6,385,969	-	20,810,115
Capital assets being depreciated, net of accumulated depreciation of \$8,784,418	21,345,955	67,385,362	52,258,770	-	140,990,087
Total noncurrent assets	27,344,750	89,190,254	69,802,985	-	186,337,989
TOTAL ASSETS	27,517,028	91,991,181	72,949,200	(56,325)	192,401,084
DEFERRED OUTFLOWS OF RESOURCES - REFUNDING	2,517,926	-	6,353,306	-	8,871,232
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 30,034,954	\$ 91,991,181	\$ 79,302,506	\$ (56,325)	\$ 201,272,316

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Eliminations</u>	<u>Total</u>
LIABILITIES					
Current liabilities					
Accounts payable	\$ 28,955	\$ 86,520	\$ 32,157	\$ -	\$ 147,632
Retainage payable	291,454	744,615	546,199	-	1,582,268
Due to partner cities	67,242	83,232	-	-	150,474
Due to other funds	56,325	-	-	(56,325)	-
Total current liabilities	443,976	914,367	578,356	(56,325)	1,880,374
Current liabilities payable from restricted assets					
Current portion of revenue bonds payable	775,000	2,175,000	1,830,000	-	4,780,000
Accrued interest	28,874	674,378	75,878	-	779,130
Total current liabilities payable from restricted assets	803,874	2,849,378	1,905,878	-	5,559,130
Noncurrent liabilities					
Revenue bonds payable	25,590,659	84,155,000	64,615,900	-	174,361,559
Total noncurrent liabilities	25,590,659	84,155,000	64,615,900	-	174,361,559
TOTAL LIABILITIES	26,838,509	87,918,745	67,100,134	(56,325)	181,801,063
NET POSITION					
Unrestricted	2,153,374	(855,975)	6,347,593	-	7,644,992
Net investment in capital assets	1,043,071	4,928,411	5,854,779	-	11,826,261
TOTAL NET POSITION	\$ 3,196,445	\$ 4,072,436	\$ 12,202,372	\$ -	\$ 19,471,253

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2016**

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Total</u>
OPERATING REVENUES	\$ 144,281	\$ 324,302	\$ 220,147	\$ 688,730
OPERATING EXPENSES				
Interest expense	981,424	4,185,729	2,498,413	7,665,566
Personnel	194,363	222,141	57,074	473,578
Legal fees	12,811	34,976	26,450	74,237
Repairs and maintenance	24,093	49,229	31,229	104,551
Power	195,839	171,361	-	367,200
Office supplies	22,675	27,045	7,997	57,717
Audit, investment, banking fees	6,606	20,737	16,099	43,442
Accounting services	13,005	14,974	3,991	31,970
Depreciation	606,242	1,824,996	1,442,072	3,873,310
Insurance	4,183	13,190	10,571	27,944
Chemicals	109,634	95,903	-	205,537
Miscellaneous expense	3,883	6,217	3,128	13,228
Paying agent fees	750	750	750	2,250
Contract services	2,995	2,619	-	5,614
Total operating expenses	<u>2,178,503</u>	<u>6,669,867</u>	<u>4,097,774</u>	<u>12,946,144</u>
OPERATING LOSS	(2,034,222)	(6,345,565)	(3,877,627)	(12,257,414)
OTHER INCOME (EXPENSE)				
Other income	10,363	80,107	48,226	138,696
Bond issuance costs	(297,322)	-	(664,178)	(961,500)
Total other income (expense)	<u>(286,959)</u>	<u>80,107</u>	<u>(615,952)</u>	<u>(822,804)</u>
Change in net position	(2,321,181)	(6,265,458)	(4,493,579)	(13,080,218)
NET POSITION, beginning of year	4,076,608	4,296,683	12,380,581	20,753,872
CAPITAL CONTRIBUTIONS FROM PARTNER CITIES	<u>1,441,018</u>	<u>6,041,211</u>	<u>4,315,370</u>	<u>11,797,599</u>
NET POSITION, end of year	<u>\$ 3,196,445</u>	<u>\$ 4,072,436</u>	<u>\$ 12,202,372</u>	<u>\$ 19,471,253</u>



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors
Brushy Creek Regional Utility Authority, Inc.

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (the BCRUA) as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the BCRUA's basic financial statements, and have issued our report thereon dated January 18, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the BCRUA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the BCRUA's internal control. Accordingly, we do not express an opinion on the effectiveness of the BCRUA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Board of Directors
Brushy Creek Regional Utility Authority, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the BCRUA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
January 18, 2017

Part C-46 2017 Audit

Brushy Creek Regional Utility Authority, Inc.

Financial Report

September 30, 2017

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Financial Section



Independent Auditor's Report

To the Board of Directors
Brushy Creek Regional Utility Authority, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (the BCRUA) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the BCRUA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the BCRUA as of September 30, 2017, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the BCRUA's basic financial statements. The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Emphasis-of-Matter

As discussed in Note 6 to the financial statements, the BCRUA is dependent on the Cities of Cedar Park, Leander, and Round Rock, Texas for the continued funding of its operating activities. The Cities annually budget funds for operational expenses and debt service requirements of the BCRUA. Our opinion is not modified with respect to this matter.

Brushy Creek Regional Utility Authority, Inc.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2018, on our consideration of the BCRUA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with government auditing standards in considering BCRUA's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
January 3, 2018

Brushy Creek Regional Utility Authority, Inc.

Management's Discussion and Analysis

September 30, 2017

About BCRUA

The Brushy Creek Regional Utility Authority (the BCRUA) is a joint venture between the Cities of Cedar Park, Leander and Round Rock, Texas to design and construct a regional water system that will supply treated water to the three communities.

Cedar Park, Leander and Round Rock are among the fastest growing cities in Texas. Their combined population, based on 2017 U.S. census estimates, is approximately 240,000. By 2040, their population is projected to exceed 600,000. In addition, the three cities provide potable water service to a variety of external subdivisions and municipal utility districts. This project provides facilities to access, treat and deliver water from Lake Travis to each partner city's customers. When completed, the project will meet the needs of Cedar Park and Round Rock to their ultimate build-out and the needs of Leander for at least the next 20 to 25 years.

The regional concept ensures the responsible use of resources and the least impact on both the environment and neighboring communities. Rather than three communities building three separate water supply projects with three pipelines, three intakes, and three treatment plants, the BCRUA project streamlines the effort for minimum impact and maximum efficiency. The regional option affords the three cities the opportunity to realize "economy of scale" savings of approximately 30%, or more than \$90 million.

The regional water treatment plant will have an ultimate capacity of 106 million gallons per day (mgd) and will be built in three phases to better match the capacity with near-term needs. The initial Phase 1 was substantially completed in July 2012 and includes the full sized 106 mgd raw water and treated water pipelines, and a 17 mgd water treatment plant, readily expandable to 42 mgd. Phase 1 operates with an interim floating intake on Lake Travis with an ultimate design capacity of 30 mgd, but a permanent deep water intake with an ultimate capacity of 144.7 mgd will be required as part of Phase 2. The permanent deep water intake will be oversized to deliver raw water to existing City of Cedar Park and City of Leander water treatment plants, in addition to the BCRUA regional water treatment plant.

Plant operations officially began July 1, 2012. Operations for the project have been divided into three categories: plant staffing; General Manager/administrative support; and, financial support/accounting services, with each city taking responsibility for one of the categories. Plant staffing is provided by Leander consisting of one plant superintendent and seven plant operators. The General Manager and administrative support are provided by Round Rock. Finance and Accounting is provided by Cedar Park. While each city maintains responsibility for their own category, the Operations Committee (composed of engineering and finance staff from each city) provides oversight of each city's contribution in order to ensure appropriate controls are in place.

While substantial completion and start-up of the Phase 1 Project occurred in 2012, final project close-out was delayed, due to several construction related issues that became evident prior to final completion. BCRUA worked with the construction general contractor and the project design engineering firm to complete repairs in 2017.

Operation of the plant was temporarily halted in August 2013, due to low lake levels resulting from an ongoing drought. Mandatory decreased water withdrawals ordered by the Lower Colorado River Authority, and conservation measures imposed by the three partner cities significantly reduced system demand, which allowed the BCRUA facilities to remain off-line. Working with the construction general contractor, BCRUA took advantage of the off-line period to resolve most of the remaining construction related issues, prior to restarting the plant.

Brushy Creek Regional Utility Authority, Inc.

Management's Discussion and Analysis

September 30, 2017

About BCRUA (Continued)

Plant operations resumed with the end of the drought, in Fall of 2015. The plant has remained in continuous operation since that time, operating approximately 8-10 hours per day, seven days per week. Expanded operational staffing in 2017 allowed for 24/7 operations during the 2017 summer peak demand period, and during a testing protocol as part of a request to increase the plant's authorized capacity by the Texas Commission on Environmental Quality (TCEQ).

With substantial completion of the Phase I Project in 2012, staff began working on planning, environmental studies and real-estate acquisition for Phase II. In 2013, two sites were identified for the permanent deep water intake structure (in the Village of Volente), and the permanent raw water pumping station (in Sandy Creek Park). Purchase of the Sandy Creek Park site from the Lower Colorado River Authority was finalized in April 2014. Purchase of the privately owned parcel in the Village of Volente was completed in 2016.

A request for proposals (RFP) to initiate preliminary design of the Phase 2 permanent deep water intake and pump station was issued in 2014, leading to Board approval in November of a contract with an engineering design team led by HDR Engineers' Austin office. The pre-design project began in early 2015, and was concluded in mid-2016. To date, all Phase 2 planning, engineering, and property acquisition costs have been covered by savings recognized from the Phase 1A construction projects. Funding for the Phase 2 final design and construction phases will need to be identified and in place prior to initialization of final design. Phase 1A savings have been authorized for funding of acquisition of Phase 2 related pipeline and electrical easements, and Volente land use negotiations.

In August of 2016, the Leander City Council passed a resolution supporting expansion of the regional plant, and floating intake to 30 MGD (Phase 1C), and delaying any decision on Phase 2 final design and construction funding until July of 2017. In July of 2017, the Leander City Council passed a resolution supporting a loan request to TWDB in 2018 for Phase 2 Final Design in 2019-2020. Design of the Phase 1C expansion has been covered by remaining savings from the Phase 1A construction project. Construction funding was requested through the Texas Water Development Board's (TWDB) SWIFT Loan program, in early 2017. TWDB approved a \$17,000,000 loan request in July of 2017. Construction of the Phase 1C expansion project is anticipated to commence in mid-2018, and be complete by late 2019.

The BCRUA Board of Directors is composed of six members, two appointed from each of the city councils of the partnering cities. A General Manager directs the day-to-day business of the BCRUA, and a Plant Superintendent oversees the operation of the system.

What follows is a discussion and analysis of the BCRUA's financial performance for the fiscal year ended September 30, 2017. Please read it in conjunction with the Independent Auditors' Report on pages 2 through 4 and the BCRUA's Basic Financial Statements, which begin on page 12.

Overview of the Financial Statements

This annual report consists of three parts: (1) management's discussion and analysis (this section), (2) basic financial statements, and (3) notes to the financial statements. This report also contains combining statements as supplementary information in addition to the basic financial statements.

Brushy Creek Regional Utility Authority, Inc.

Management's Discussion and Analysis

September 30, 2017

Basic Financial Statements

The basic financial statements include the Statement of Net Position (pages 13 - 14), the Statement of Revenues, Expenses, and Changes in Net Position (page 15) and the Statement of Cash Flows (page 16). The BCRUA operates as an enterprise activity and consists of one proprietary fund.

The notes to the financial statements (starting on page 17) provide narrative explanations or additional data needed for full disclosure in the basic financial statements.

The basic financial statements are designed to provide readers with a broad overview of the BCRUA's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the BCRUA's assets and liabilities, with the difference between the two reported as net position. The BCRUA's net position provides one measure of the BCRUA's financial health, or financial position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the BCRUA is improving or deteriorating. To fully assess the overall health of the BCRUA, however, you should consider nonfinancial factors as well, such as the condition of assets, and the total economic impact of the entity on the Cities of Cedar Park, Leander and Round Rock, Texas.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the BCRUA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* presents cash receipts, cash disbursements and net changes in cash resulting from operating, financing and investing activities. This statement provides information such as where cash originated, how it was used and the net change in cash balances during the reporting period.

Notes to the Financial Statements

The notes provide required disclosures and other additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements present information about the accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies and subsequent events, if any. The notes to the financial statements can be found on pages 17 through 24 of this report.

Supplementary Information

The combining statements are presented for purposes of additional analysis and to provide an overview of the financial position and results of operations related to each partner City. The combining statements can be found on pages 26 through 28 of this report.

Brushy Creek Regional Utility Authority, Inc.

Management's Discussion and Analysis

September 30, 2017

Financial Analysis

Financial Highlights

- The BCRUA's net position decreased by \$9,948,111 as a result of current year operations.
- Partner city contributions to net position for the year ended September 30, 2017 were \$11,796,506.
- Total net position at September 30, 2017 was \$21,319,648, an increase of \$1,848,395 from September 30, 2016.
- Total capital assets, net of depreciation, were \$159,364,214 as of September 30, 2017. This is a decrease of \$2,435,988 from the prior year.
- Total noncurrent liabilities were \$169,702,705 and \$174,361,559 as of September 30, 2017 and 2016, respectively. Principal payments on this debt began in fiscal year 2012.

The following condensed financial statements (Tables I and II) provide key financial data as of and for the years ended September 30, 2017 and 2016.

Table I
Net Position

	<u>2017</u>	<u>2016</u>
Current assets	\$ 5,749,976	\$ 6,063,095
Restricted assets	18,325,661	24,537,787
Capital assets, net	159,364,214	161,800,202
Total assets	<u>183,439,851</u>	<u>192,401,084</u>
Deferred outflows of resources	15,558,001	8,871,232
Current liabilities	2,460,996	1,880,374
Current liabilities payable from restricted assets	5,514,503	5,559,130
Noncurrent liabilities	169,702,705	174,361,559
Total liabilities	<u>177,678,204</u>	<u>181,801,063</u>
Net position		
Unrestricted	2,244,477	4,710,196
Net investment in capital assets	19,075,171	14,761,057
Total net position	<u><u>\$ 21,319,648</u></u>	<u><u>\$ 19,471,253</u></u>

Brushy Creek Regional Utility Authority, Inc.

Management's Discussion and Analysis

September 30, 2017

Table II
Change in Net Position

	<u>2017</u>	<u>2016</u>
Operating Revenues	\$ 2,302,665	\$ 688,730
Operating Expenses		
Interest expense	6,032,788	7,665,566
Personnel	609,926	473,578
Legal fees	163,260	74,237
Repairs and maintenance	44,796	104,551
Power	445,389	367,200
Office supplies	85,536	57,717
Audit, investment, banking fees	50,522	45,692
Accounting services	27,046	31,970
Depreciation	3,982,241	3,873,310
Insurance	32,012	27,944
Chemicals	258,657	205,537
Miscellaneous expense	17,935	13,228
Contract services	5,184	5,614
Total Operating Expenses	<u>11,755,292</u>	<u>12,946,144</u>
Operating Loss	(9,452,627)	(12,257,414)
Other Income (Expense)	<u>(495,484)</u>	<u>(822,804)</u>
Change in net position	(9,948,111)	(13,080,218)
Net position - beginning of year	19,471,253	20,753,872
Capital contributions from partner cities	<u>11,796,506</u>	<u>11,797,599</u>
Net position - end of year	<u><u>\$ 21,319,648</u></u>	<u><u>\$ 19,471,253</u></u>

Capital Assets

Capital assets at September 30, 2017 amounted to \$159,364,214 and consisted of land, easements, buildings, improvements, infrastructure and construction in progress. Construction in progress is made up of costs attributed to Phase 2 of the BCRUA Project and consists primarily of engineering costs but also includes additional costs incurred regarding the construction defects of the plant and the recommissioning of the floating intake barge

The construction phasing and estimated costs for the project are planned as follows:

Phase 1:

Phase 1a:

- Construction of an interim, floating intake structure near Cedar Park's existing plant on the Sandy Creek arm of Lake Travis
- New raw water pipeline within right-of-way along Trails End Road
- New treatment plant in Cedar Park to serve all three cities with an initial capacity of 17 million gallons per day (mgd) and a final Phase 1 capacity of 42 mgd
- Treated water transmission pipeline across the north side of Cedar Park, along West New Hope Road

Brushy Creek Regional Utility Authority, Inc.

Management's Discussion and Analysis

September 30, 2017

- Construction began in late 2009 and was substantially complete in July 2012
- Cost to complete the project is approximately \$755,000
- The full retainage amount of approximately \$2.35 million was being withheld in fiscal year 2015, pending resolution of outstanding construction issues and final project close-out
- In August 2016, the construction contractor made a claim against BCRUA, and joined it to existing legal claims it holds against several of its sub-contractors on the project. The primary focus of the claims revolve around allegations of structural design defects made by the design engineer, and its structural engineering sub-consultant. BCRUA has rejected the claims, but has enjoined the design engineer to the litigation, and holds the position that any potential judicial award related to design defects would be the responsibility of the design engineer
- Final resolution of any remaining construction/design litigation has experienced delays, but is currently anticipated to be completed by late-2018

Phase 1b:

- Rerating the capacity of treatment facilities by engineering analysis and plant operational testing was completed in mid-late 2017, and is currently under final review by TCEQ

Phase 1c:

- Expansion of the floating intake and treatment facilities to 30 million gallons per day. Design costs will be covered by Phase 1A savings, and was underway during calendar year 2017. Construction funding will be through a Texas Water Development Board SWIFT Loan, which was approved in mid-2017 and is projected to run from mid- 2018 through late-2019

Phase 2:

Phase 2a:

- Permanent, deep-water intake structure on Lake Travis, a gravity pipeline to transmit the raw water to a new pump station, a raw water pipeline connecting the raw water pump station to the Phase 1 raw water pipeline, the City of Cedar Park water treatment plant, the City of Leander water treatment plant, and expansion of the BCRUA regional water treatment plant to 42 million gallons per day
- Final design estimated to begin in early 2019 – late 2020
- Construction start date will be determined by the three partner cities
- Cost estimated at approximately \$180 million (subject to ENR/inflation adjustments)

Phase 2b:

- Expansion of the water treatment plant to 84 mgd
- Cost estimated at approximately \$41 million (subject to ENR/inflation adjustments)

Total estimated cost for Phase 2: \$221 million (subject to ENR/inflation adjustments)

Phase 3:

- Final expansion of water treatment plant to 106 mgd.
- Estimated cost: \$29 million (subject to ENR/inflation adjustments)

Total cost: The total project cost is estimated at \$380 million (subject to ENR/inflation adjustments)

Restricted Assets

Restricted assets at September 30, 2017 were \$18,325,661, a decrease from the September 30, 2016 balance of \$24,537,787. Restricted assets consist of debt service, escrow and reserve funds arising from the proceeds of long-term debt. The decrease reflects the release of escrow funds to finance current construction and investment purchases.

Brushy Creek Regional Utility Authority, Inc.

Management's Discussion and Analysis

September 30, 2017

Long-Term Debt

In 2009, the BCRUA issued three series of contract revenue bonds totaling \$182,020,000 for construction and other costs related to Phase 1A of the BCRUA Project. Additionally, one refunding issuance was made in 2016, to reduce the total debt costs on two of the previously issued series, and another in 2017 for the same purpose. Additional information on long-term debt can be found in Note 5 to the financial statements.

Economic Factors and Next Year's Budget and Rates

The economy in the local area continues to grow, and the service areas which will be supplied by the BCRUA at project completion are positioned for continued customer growth. The BCRUA's board adopted an administrative operating budget for fiscal year 2018 in the amount of approximately \$2,191,000, a reduction of reserves of approximately \$541,000 in 2018 and a debt service budget for fiscal year 2018 in the amount of approximately \$11,845,000.

Contacting the BCRUA's Financial Management

This financial report is designed to provide citizens of the partner cities, customers and creditors with a general overview of the BCRUA's finances and to show the BCRUA's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the BCRUA at 450 Cypress Creek, Bldg 1, Cedar Park, Texas 78613.

Basic Financial Statements

Brushy Creek Regional Utility Authority, Inc.

Statement of Net Position

September 30, 2017

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 5,660,423
Accounts receivable, net	<u>89,553</u>
Total current assets	5,749,976

NONCURRENT ASSETS

Restricted cash and cash equivalents and investments	
Debt service	17,341
Escrow	18,301,624
Reserve	6,696
Capital assets	
Land, easements and construction in progress	22,351,333
Capital assets being depreciated, net of accumulated depreciation of \$12,766,659	<u>137,012,881</u>
Total noncurrent assets	<u>177,689,875</u>

TOTAL ASSETS 183,439,851

DEFERRED OUTFLOWS OF RESOURCES - REFUNDING 15,558,001

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES \$ 198,997,852

Brushy Creek Regional Utility Authority, Inc.

Statement of Net Position – Continued

September 30, 2017

LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	\$ 638,992
Retainage payable	1,595,370
Due to partner cities	<u>226,634</u>
Total current liabilities	2,460,996
Current liabilities payable from restricted assets	
Current portion of revenue bonds payable	4,470,000
Accrued interest	<u>1,044,503</u>
Total current liabilities payable from restricted assets	5,514,503
NONCURRENT LIABILITIES	
Revenue bonds payable	<u>169,702,705</u>
Total noncurrent liabilities	<u>169,702,705</u>
TOTAL LIABILITIES	177,678,204
NET POSITION	
Unrestricted	2,244,477
Net investment in capital assets	<u>19,075,171</u>
TOTAL NET POSITION	<u><u>\$ 21,319,648</u></u>

The Notes to Financial Statements are an integral part of this statement.

Brushy Creek Regional Utility Authority, Inc.

Statement of Revenues, Expenses and Changes in Net Position

Year Ended September 30, 2017

OPERATING REVENUES	\$ 2,302,665
OPERATING EXPENSES	
Interest expense	6,032,788
Personnel	609,926
Legal fees	163,260
Repairs and maintenance	44,796
Power	445,389
Office supplies	85,536
Audit, investment, banking fees	50,522
Accounting services	27,046
Depreciation	3,982,241
Insurance	32,012
Chemicals	258,657
Miscellaneous expense	17,935
Contract services	5,184
	<hr/>
Total operating expenses	11,755,292
	<hr/>
OPERATING LOSS	(9,452,627)
OTHER INCOME (EXPENSE)	
Other income	269,404
Bond issuance costs	(764,888)
	<hr/>
Total other income (expense)	(495,484)
	<hr/>
Change in net position	(9,948,111)
NET POSITION, beginning of year	19,471,253
CAPITAL CONTRIBUTIONS FROM PARTNER CITIES	11,796,506
	<hr/>
NET POSITION, end of year	<u>\$ 21,319,648</u>

The Notes to Financial Statements are an integral part of this statement.

Brushy Creek Regional Utility Authority, Inc.

Statement of Cash Flows

Year Ended September 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Service revenues received from partner cities	\$ 2,302,665
Other income received from third parties	269,404
Interest	(5,818,586)
Payments to suppliers for goods and services	(1,122,535)
	<hr/>
Net cash used by operating activities	(4,369,052)

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Construction of capital assets	(1,546,253)
Payment to escrow	(7,274,340)
Principal payments on bonds	(5,095,000)
Capital contributions from partner cities	11,796,506
	<hr/>
Net cash used by capital and related financing activities	(2,119,087)
	<hr/>
Net change in cash and cash equivalents	(6,488,139)

CASH AND CASH EQUIVALENTS, beginning of year

30,474,223

CASH AND CASH EQUIVALENTS, end of year

\$ 23,986,084

RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION

Cash and cash equivalents	\$ 5,660,423
Restricted cash and cash equivalents and investments	18,325,661
	<hr/>

TOTAL CASH AND CASH EQUIVALENTS

\$ 23,986,084

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES

Operating loss	\$ (9,452,627)
Adjustments to reconcile operating loss to net cash used by operating activities	
Income from third party	269,404
Depreciation	3,982,241
Change in accounts receivable	37,106
Change in accounts payable	504,462
Amortization and change in accrued interest	214,202
Change in due to partner cities	76,160
	<hr/>

NET CASH USED BY OPERATING ACTIVITIES

\$ (4,369,052)

Brushy Creek Regional Utility Authority, Inc.

Notes to Financial Statements

Note 1. Nature of Activities

Brushy Creek Regional Utility Authority, Inc. (BCRUA) was incorporated in Texas in July 2007 as a local government corporation pursuant to Subchapter D of Chapter 431, Texas Transportation Code. The BCRUA was organized by the Cities of Cedar Park, Leander and Round Rock, Texas (the Cities) for the purpose of providing an efficient vehicle for the financing, construction, acquisition, ownership, maintenance and operation of a regional water and wastewater collection, transmission, treatment and distribution system on behalf of the cities in performance of their governmental functions.

Note 2. Summary of Significant Accounting Policies

The financial statements of BCRUA have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental entities. The more significant of these accounting policies are described below.

Reporting Entity

BCRUA is a joint venture between the Cities. The BCRUA operates as an enterprise activity. These financial statements present only BCRUA's activities and are not intended to present the financial position, results of operations or cash flows of any of the Cities.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The financial statements of BCRUA are reported using the economic resources measurement focus and the accrual basis of accounting. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Revenues are recorded when earned and become measurable and expenses are recorded when a liability is incurred and measurable, regardless of the timing of related cash flows.

The Statement of Revenues, Expenses and Changes in Net Position distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with BCRUA's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Brushy Creek Regional Utility Authority, Inc.

Notes to Financial Statements

Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include demand deposits, investments with investment pools, and other short-term liquid investments with an original maturity of three months or less, regardless of whether restricted or unrestricted.

Cash and cash equivalents held in money market accounts and investment pools (which determine their net asset value based on fair value) are recorded at fair value.

Restricted Assets

Restricted funds consist of escrow funds derived from bond proceeds, debt service funds, reserve funds, and revenues that have been designated for specific purposes by the Board, or other funds with legal or contractual constraints. When both restricted and unrestricted resources are available for use, it is BCRUA's policy to use restricted resources first, then unrestricted resources as they are needed.

Capital Assets

Capital assets are stated at historical cost. To the extent construction is performed by the BCRUA, the cost includes certain general and administrative expenses. Maintenance and repairs are charged to operations as incurred. Improvements and betterments, which extend the useful lives of assets, are capitalized. Depreciation is recorded on a straight-line basis over estimated service lives ranging from 5 to 40 years. When capital assets are retired or otherwise disposed of, a gain or loss on disposal of assets is recognized.

Interest is normally capitalized on construction costs. The amount of interest cost capitalized for assets constructed with tax-exempt borrowings is equal to the cost of borrowing, less interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowings. No interest was capitalized during the year ended September 30, 2017.

Note 3. Cash and Cash Equivalents and Investments

Cash Deposits. BCRUA's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Public Funds Investment Act (the Act). The depository bank pledges securities that comply with state law and these securities are held for safekeeping and trust with the depository bank's agent bank. The pledged securities are in an amount sufficient to protect BCRUA's funds on a day-to-day basis during the period of the contract. The pledge of securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance. At September 30, 2017, the carrying amount of the BCRUA's deposits was \$18,839,768 and the bank balance was \$19,120,221. The BCRUA's cash deposits at September 30, 2017 were covered by FDIC insurance or by pledged collateral held by the BCRUA's agent bank in the BCRUA's name.

Brushy Creek Regional Utility Authority, Inc.

Notes to Financial Statements

Investments. The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the BCRUA to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the BCRUA to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the BCRUA to have independent auditors perform test procedures related to investment practices as provided by the Act. The BCRUA is in substantial compliance with the requirements of the Act.

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract of services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. TexSTAR's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. BCRUA has no unfunded commitments related to the investment pool. TexSTAR has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. TexSTAR's fair value is reported by BCRUA using the pool's net asset value (NAV).

US Corporate Bonds are carried at amortized cost, when the period to maturity is less than one year at the date the instrument is acquired.

Fair Value. BCRUA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement. BCRUA's positions recorded at fair value are all determined using NAV, and are therefore exempt from presentation in the fair value hierarchy.

Brushy Creek Regional Utility Authority, Inc.

Notes to Financial Statements

BCRUA's portfolio balances were as follows at September 30, 2017:

	Carrying Amount
Cash in banks	\$ 18,839,768
TexSTAR	2,148,002
US Corporate Bonds	2,998,314
Total	\$ 23,986,084

A reconciliation of cash and cash equivalents and investments to the presentation on the Statement of Net Position is as follows:

Statement of net position presentation:	
Cash and cash equivalents	\$ 5,660,423
Restricted cash and cash equivalents and investments:	
Debt service	17,341
Escrow	18,301,624
Reserve	6,696
Total cash and cash equivalents and investments	\$ 23,986,084

Credit Risk and Custodial Credit Risk. A primary stated objective of the BCRUA's adopted Investment Policy is the safety of principal and avoidance of principal loss. Credit risk within BCRUA's portfolio among the authorized investments approved by BCRUA's adopted Investment Policy includes only time and demand deposits, obligations of states and their subdivisions, repurchase agreements and AAA rated SEC registered money market mutual funds. All other investments are rated AAA, or equivalent, by at least one nationally recognized rating agency. Investments are made primarily in obligations of the US Government, its agencies or instrumentalities.

State law and the BCRUA's adopted Investment Policy restricts both time and demand deposits, including certificates of deposit (CD's) to those banks doing business in the State of Texas and further requires full insurance or collateralization from these depositories (banks only). Certificates of deposit are limited to a stated maturity of one year. Collateral is required at a 102% margin with securities priced at market on a daily basis as a contractual responsibility of the bank. Collateral is restricted to obligations of the US Government, its agencies or instrumentalities or direct obligations of any state, its subdivisions or agencies rated at least A, or equivalent, as to investment quality by two nationally recognized statistical rating agencies. Independent safekeeping is required outside the bank holding company with monthly reporting.

Repurchase agreements are limited to those with defined termination dates with a primary dealer (as defined by the Federal Reserve) and require an industry standard written master repurchase agreement and a minimum 102% margin on collateral as well as delivery versus payment settlement and independent safekeeping. Repurchase agreements may not exceed one year to stated maturity with the exception of flex repurchase agreements with a stated termination date not to exceed the planned completion date of the project(s).

TexStar is rated AAAM by Standard & Poor's, and the US Corporate Bonds are rated AAA.

Brushy Creek Regional Utility Authority, Inc.

Notes to Financial Statements

Interest Rate Risk. In order to limit interest and market rate risk from changes in interest rates, the BCRUA's adopted Investment Policy sets a maximum stated maturity limit of two years for Operating Funds and three years for Construction Funds. For Escrow Funds, the maximum maturity shall not exceed three years and each fund's weighted average maturity (WAM) shall not exceed one year. The WAM of the total Operating Funds portfolio is restricted to a maximum of twelve months and compared to the one-year Treasury Bill. There is no maximum WAM for Construction funds. WAM of BCRUA's portfolio at September 30, 2017 was as follows:

	Carrying Amount	Weighted Average Maturity (Days)
US Corporate Bonds	\$ 2,998,314	36
TexSTAR	2,148,002	1
Cash in banks	18,839,768	1
	<u>\$ 23,986,084</u>	
Portfolio weighted average maturity		5

Concentration of Credit Risk. The BCRUA recognizes over-concentration of assets by market sector or maturity as a risk to the portfolio. BCRUA's adopted Investment Policy establishes diversification as a major objective of the investment program and sets diversification limits for all authorized investment types that are monitored on at least a monthly basis. Diversification limits are set by Policy as:

U. S. obligations	80%
U. S. agencies / instrumentalities	75%
State and local obligations	50%
Certificates of Deposit	40%
in any one bank	10%
Repurchase agreements	50%
with any one dealer	20%
FlexRepo with CIP funds	100%
LGIP	100%
Ownership in pool	10%
Money market mutual funds	100%
Ownership in fund	20%

Brushy Creek Regional Utility Authority, Inc.

Notes to Financial Statements

Note 4. Capital Assets

Capital asset activity for the year ended September 30, 2017 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated				
Land and easements	\$ 8,893,325	\$ -	\$ -	\$ 8,893,325
Construction in progress	11,916,790	1,541,218	-	13,458,008
Total capital assets, not being depreciated	20,810,115	1,541,218	-	22,351,333
Capital assets, being depreciated				
Buildings and improvements	71,181,186	4,168	-	71,185,354
Infrastructure	78,333,512	867	-	78,334,379
Equipment	259,807	-	-	259,807
Total capital assets, being depreciated	149,774,505	5,035	-	149,779,540
Less accumulated depreciation				
Buildings and improvements	3,846,357	1,789,656	-	5,636,013
Infrastructure	4,771,937	2,161,283	-	6,933,220
Equipment	166,124	31,302	-	197,426
Total accumulated depreciation	8,784,418	3,982,241	-	12,766,659
Total capital assets, being depreciated, net	140,990,087	(3,977,206)	-	137,012,881
Total capital assets, net	\$ 161,800,202	\$ (2,435,988)	\$ -	\$ 159,364,214

Note 5. Long-Term Debt

During the year ended September 30, 2017, BCRUA issued contract revenue refunding bonds dated April 19, 2017, totaling \$80,505,000. The bonds mature in 2017 through 2038, with coupon rates ranging from 2.0% to 5.0%. The bonds were issued by the City of Leander, to refund bonds outstanding for the City of Leander. Each bond series is payable solely from and secured, in part, by an assignment of the bond payments made under the Master Contract Agreement dated September 2, 2008, as amended, by and between each city. The City of Leander is solely responsible for bond payments on its series of bonds. No city has any liability or responsibility for any bond payment on a series of bonds issued for another city. The refunding reduced BCRUA's total debt service payments over the next 22 years by \$17,898,892 and generated an economic gain of \$12,596,769 and a deferred charge on refunding of \$7,246,648.

Brushy Creek Regional Utility Authority, Inc.

Notes to Financial Statements

During the year ended September 30, 2016, BCRUA issued contract revenue refunding bonds dated August 15, 2016, totaling \$75,890,000. The bonds mature in 2017 through 2038, with coupon rates ranging from 2.0% to 5.0%. The bonds were issued in two series, to refund bonds outstanding for two of the partner cities. Each bond series is payable solely from and secured, in part, by an assignment of the bond payments made under the Master Contract Agreement dated September 2, 2008, as amended, by and between each city. Each city is solely responsible for bond payments on its series of bonds. No city has any liability or responsibility for any bond payment on a series of bonds issued for another city. The refunding reduced BCRUA's total debt service payments over the next 22 years by \$17,433,680 and generated an economic gain of \$10,922,929 and a deferred charge on refunding of \$8,881,242.

During the year ended September 30, 2009, BCRUA issued contract revenue bonds dated July 6, 2009, totaling \$182,020,000. The bonds mature serially beginning August 1, 2012 through August 1, 2038, with coupon rates ranging from 2.254% to 5.084%. Proceeds from the bond issue are restricted for the construction and equipment of the first phase of the BCRUA Regional Water Treatment and Distribution Project. The bonds were issued in three series, one series for each partner city's share of expected project costs. Each bond series is payable solely from and secured, in part, by an assignment of the bond payments made under the Master Contract Agreement dated September 2, 2008 by and between each city. Each city is solely responsible for bond payments on its series of bonds. No city has any liability or responsibility for any bond payment on a series of bonds issued for another city.

Long-term liability activity for the year ended September 30, 2017, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds payable					
Series 2009 contract					
Revenue bonds					
City of Cedar Park	\$ 1,880,000	\$ -	\$ 595,000	\$ 1,285,000	\$ 625,000
City of Leander	86,330,000	-	86,330,000	-	-
City of Round Rock	4,735,000	-	1,500,000	3,235,000	1,575,000
Series 2016 contract					
Revenue bonds					
City of Cedar Park	21,935,000	-	180,000	21,755,000	-
City of Round Rock	53,955,000	-	330,000	53,625,000	-
Series 2017 contract					
Revenue bonds					
City of Leander	-	80,505,000	2,490,000	78,015,000	2,270,000
Total principal	168,835,000	80,505,000	91,425,000	157,915,000	4,470,000
Issuance premiums	10,306,559	6,562,195	611,049	16,257,705	-
Total bonds payable	\$ 179,141,559	\$87,067,195	\$92,036,049	\$ 174,172,705	\$4,470,000

Brushy Creek Regional Utility Authority, Inc.
Notes to Financial Statements

Debt service requirements are as follows:

Year ended September 30,	Bonds		Total Requirements
	Principal	Interest	
2018	\$ 4,470,000	\$ 6,406,283	\$ 10,876,283
2019	4,695,000	6,257,575	10,952,575
2020	5,030,000	6,096,263	11,126,263
2021	5,270,000	5,917,263	11,187,263
2022	5,495,000	5,740,213	11,235,213
2023-2027	31,840,000	25,049,263	56,889,263
2028-2032	40,270,000	17,353,413	57,623,413
2033-2038	60,845,000	8,892,972	69,737,972
	<u>\$ 157,915,000</u>	<u>\$ 81,713,245</u>	<u>\$ 239,628,245</u>

Note 6. Economic Dependency

The BCRUA is dependent on the Cities of Cedar Park, Leander and Round Rock, Texas for the continued funding of its operating activities. The cities annually budget funds for operational and overhead expenses and debt service requirements in accordance with the Master Contract Agreement and the System Operating Agreement between the cities. Fixed operations and maintenance expenses are allocated among the cities based upon each city's reserved capacity in the BCRUA Project components, and variable expenses are allocated based upon the volume of treated water delivered to each city in relation to the total delivered volume. Overhead expenses are paid by each city based upon certain formulas and reserve capacities in the BCRUA Project and/or the quantity of treated water actually delivered to each city. Each city is responsible for bond principal and interest payments due on the bond series issued by BCRUA for each respective city.

Note 7. Contingency

A contract dispute between the BCRUA and the general contractor arose during the year ended September 30, 2013, during the inspection of Phase I construction concerning defects in the construction and design of the plant. The BCRUA has retained legal counsel who specializes in construction contract disputes. The retainage balance held by BCRUA in relation to this contingency is approximately \$1,580,000 million and management intends to hold this retainage until the identified issues have been rectified and final settlement negotiation have been completed. Additional costs related to the dispute incurred by the BCRUA, such as legal, engineering, and inspection fees, are expected by management to be largely recovered from the general contractor. Management is still disputing this with the general contractor and has not made final settlement negotiations as of September 30, 2017. Management does not expect the dispute to materially affect BCRUA's financial statements.

Note 8. Subsequent Events

The BCRUA has evaluated subsequent events after the balance sheet date of September 30, 2017 through January 3, 2018, the date these financial statements were available to be issued.

In November 2017, the BCRUA completed the issuance of approximately \$17 million of State Water Implementation Fund for Texas (SWIFT) notes payable to provide additional financing for future capital improvements.

Supplementary Information

Brushy Creek Regional Utility Authority, Inc.

Combining Statement of Net Position

September 30, 2017

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ -	\$ 2,635,742	\$ 3,024,681	\$ -	\$ 5,660,423
Accounts receivable, net	15,327	71,189	3,037	-	89,553
Due from partner cities	-	-	4,035	(4,035)	-
Total current assets	15,327	2,706,931	3,031,753	(4,035)	5,749,976
Noncurrent assets					
Restricted cash and cash equivalents and investments					
Debt Service	4,855	1,669	10,817	-	17,341
Escrow	2,055,216	5,017,301	11,229,107	-	18,301,624
Reserve	-	6,696	-	-	6,696
Capital assets					
Land, easements and construction in progress	4,277,943	11,316,108	6,757,282	-	22,351,333
Capital assets being depreciated, net of accumulated depreciation of \$12,766,659	20,721,747	65,511,408	50,779,726	-	137,012,881
Total noncurrent assets	27,059,761	81,853,182	68,776,932	-	177,689,875
TOTAL ASSETS	27,075,088	84,560,113	71,808,685	(4,035)	183,439,851
DEFERRED OUTFLOWS OF RESOURCES - REFUNDING	2,402,670	7,092,841	6,062,490	-	15,558,001
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 29,477,758</u>	<u>\$ 91,652,954</u>	<u>\$ 77,871,175</u>	<u>\$ (4,035)</u>	<u>\$ 198,997,852</u>

Brushy Creek Regional Utility Authority, Inc.
Combining Statement of Net Position – Continued
September 30, 2017

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Eliminations</u>	<u>Total</u>
LIABILITIES					
Current liabilities					
Accounts payable	\$ 245,454	\$ 555,518	\$ 64,654	\$ (226,634)	\$ 638,992
Retainage payable	291,454	757,717	546,199	-	1,595,370
Due to partner cities	4,035	-	-	222,599	226,634
	<hr/>				
Total current liabilities	540,943	1,313,235	610,853	(4,035)	2,460,996
Current liabilities payable from restricted assets					
Current portion of revenue bonds payable	-	2,895,000	1,575,000	-	4,470,000
Accrued interest	139,185	532,282	373,036	-	1,044,503
	<hr/>				
Total current liabilities payable from restricted assets	139,185	3,427,282	1,948,036	-	5,514,503
Noncurrent liabilities					
Revenue bonds payable	25,473,906	81,542,915	62,685,884	-	169,702,705
	<hr/>				
Total noncurrent liabilities	25,473,906	81,542,915	62,685,884	-	169,702,705
	<hr/>				
TOTAL LIABILITIES	26,154,034	86,283,432	65,244,773	(4,035)	177,678,204
NET POSITION					
Unrestricted	(664,801)	861,414	2,047,864	-	2,244,477
Net investment in capital assets	3,988,525	4,508,108	10,578,538	-	19,075,171
	<hr/>				
TOTAL NET POSITION	<u>\$ 3,323,724</u>	<u>\$ 5,369,522</u>	<u>\$ 12,626,402</u>	<u>\$ -</u>	<u>\$ 21,319,648</u>

Brushy Creek Regional Utility Authority, Inc.

Combining Statement of Revenues, Expenses

And Changes in Net Position

Year Ended September 30, 2017

	<u>Cedar Park</u>	<u>Leander</u>	<u>Round Rock</u>	<u>Total</u>
OPERATING REVENUES	\$ 692,550	\$ 1,234,745	\$ 375,370	\$ 2,302,665
OPERATING EXPENSES				
Interest expense	872,360	2,879,622	2,280,806	6,032,788
Personnel	211,630	316,900	81,396	609,926
Legal fees	28,731	76,892	57,637	163,260
Repairs and maintenance	15,109	22,429	7,258	44,796
Power	202,528	242,814	47	445,389
Office supplies	25,885	43,370	16,281	85,536
Audit, investment, banking fees	7,971	24,555	17,996	50,522
Accounting services	9,572	14,097	3,377	27,046
Depreciation	625,099	1,876,325	1,480,817	3,982,241
Insurance	4,792	15,110	12,110	32,012
Chemicals	117,545	141,112	-	258,657
Miscellaneous expense	5,118	9,043	3,774	17,935
Contract services	2,356	2,828	-	5,184
Total operating expenses	<u>2,128,696</u>	<u>5,665,097</u>	<u>3,961,499</u>	<u>11,755,292</u>
OPERATING LOSS	(1,436,146)	(4,430,352)	(3,586,129)	(9,452,627)
OTHER INCOME (EXPENSE)				
Other income	24,878	112,217	132,309	269,404
Bond issuance costs	-	(764,888)	-	(764,888)
Total other income (expense)	<u>24,878</u>	<u>(652,671)</u>	<u>132,309</u>	<u>(495,484)</u>
Change in net position	(1,411,268)	(5,083,023)	(3,453,820)	(9,948,111)
NET POSITION, beginning of year	3,196,445	4,072,436	12,202,372	19,471,253
CAPITAL CONTRIBUTIONS FROM PARTNER CITIES	<u>1,538,547</u>	<u>6,380,109</u>	<u>3,877,850</u>	<u>11,796,506</u>
NET POSITION, end of year	<u>\$ 3,323,724</u>	<u>\$ 5,369,522</u>	<u>\$ 12,626,402</u>	<u>\$ 21,319,648</u>



**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

The Board of Directors
Brushy Creek Regional Utility Authority, Inc.

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Brushy Creek Regional Utility Authority, Inc. (the BCRUA) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the BCRUA's basic financial statements, and have issued our report thereon dated January 3, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the BCRUA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the BCRUA's internal control. Accordingly, we do not express an opinion on the effectiveness of the BCRUA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the BCRUA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Brushy Creek Regional Utility Authority, Inc.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
January 3, 2018

Part B-46 Unaudited Financial Statements for 2018
 10:02 AM **Brushy Creek Regional Utility Authority**
 04/11/18 **Summary Balance Sheet**
 Accrual Basis **As of April 11, 2018**

	<u>Apr 11, 18</u>
ASSETS	
Current Assets	
Checking/Savings	9,107,166.89
Accounts Receivable	3,645,796.20
Other Current Assets	50,473,091.49
	<hr/>
Total Current Assets	63,226,054.58
Fixed Assets	145,912,371.19
Other Assets	-599,769.40
	<hr/>
TOTAL ASSETS	208,538,656.37
	<hr/> <hr/>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	3,504.99
Other Current Liabilities	7,115,007.90
	<hr/>
Total Current Liabilities	7,118,512.89
Long Term Liabilities	170,440,000.00
	<hr/>
Total Liabilities	177,558,512.89
Equity	30,980,143.48
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TOTAL LIABILITIES & EQUITY	208,538,656.37
	<hr/> <hr/>

Brushy Creek Regional Utility Authority

Balance Sheet

As of April 11, 2018

	Apr 11, 18
ASSETS	
Current Assets	
Checking/Savings	
1008.00 · Wells Fargo Operating Account	409,336.91
1009.00 · Wells Fargo Investing Account	
1009.01 · WF Investing - Cedar Park	459.05
1009.02 · WF Investing - Leander	31,621.46
1009.03 · WF Investing - Round Rock	1,619,656.61
Total 1009.00 · Wells Fargo Investing Account	1,651,737.12
1010.00 · TexSTAR Debt Service Fund	
1010.01 · Cedar Park Debt Service Fund	431,341.27
1010.02 · Leander Debt Service Fund	1,340,867.91
1010.03 · Round Rock Debt Service Fund	913,205.58
1010.04 · Master Debt Service Fund	1,483.17
Total 1010.00 · TexSTAR Debt Service Fund	2,686,897.93
1020.00 · TexSTAR Construction Fund	
1020.01 · Cedar Park Construction Fund	809,580.04
1020.02 · Leander Construction Fund	1,223,021.44
1020.03 · Round Rock Construction Fund	788,846.07
1020.04 · Master Construction Fund	523.65
Total 1020.00 · TexSTAR Construction Fund	2,821,971.20
1030.00 · TexSTAR Escrow Fund	
1030.01 · Cedar Park TexSTAR Escrow Fund	94.95
1030.02 · Leander TexSTAR Escrow Fund	184.39
1030.03 · Round Rock TexSTAR Escrow Fund	276.81
Total 1030.00 · TexSTAR Escrow Fund	556.15
1040.00 · TexSTAR Operating Fund	
1040.04 · Master Operating Fund	1,528,244.37
Total 1040.00 · TexSTAR Operating Fund	1,528,244.37
1060.00 · TexSTAR Reserve Fund	
1060.02 · Leander Reserve Account	8,423.21
Total 1060.00 · TexSTAR Reserve Fund	8,423.21
Total Checking/Savings	9,107,166.89
Accounts Receivable	
11000 · Accounts Receivable	3,645,796.20
Total Accounts Receivable	3,645,796.20
Other Current Assets	
1405.00 · Wells Fargo - Securities	
1405.02 · WF Reserve Account - Leander	1,400,000.00
Total 1405.00 · Wells Fargo - Securities	1,400,000.00
1420.00 · BNY Mellon - Securities	
1420.02 · Securities - Leander	2,000,000.00
1420.03 · Securities - Round Rock	8,000,000.00
1420.10 · Securities (Swift 1C)- Cedar Pk	4,373,344.00
1420.20 · Securities (Swift 1C)- Leander	8,072,740.00
1420.30 · Securities (Swift 1C)- Round Rk	4,378,302.75
Total 1420.00 · BNY Mellon - Securities	26,824,386.75

Brushy Creek Regional Utility Authority

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Balance Sheet

Accrual Basis

As of April 11, 2018

	Apr 11, 18
1450.00 · East West Bank - MMA	
1450.01 · EWB MMA - Cedar Park	941,565.55
1450.02 · EWB MMA - Leander	881,931.15
1450.03 · EWB MMA - Round Rock	2,142,753.81
Total 1450.00 · East West Bank - MMA	3,966,250.51
1460.00 · Comerica Bank - MMA	
1460.01 · CB MMA - Cedar Park	591.85
1460.02 · CB MMA - Leander	14,137.63
1460.03 · CB MMA - Round Rock	358,083.64
Total 1460.00 · Comerica Bank - MMA	372,813.12
1490.50 · Market Adjustment - Restricted	-1,686.40
1899.00 · Capitalization of Interest	
1415.00 · BoA Interest/Service Charge	
1415.01 · BoA Interest - Cedar Park	-8,939.21
1415.02 · BoA Interest - Leander	-36,080.74
1415.03 · BoA Interest - Round Rock	-22,881.35
Total 1415.00 · BoA Interest/Service Charge	-67,901.30
1425.00 · Wells Fargo Interest/Svc Charge	
1425.01 · WF Interest - Cedar Park	-0.09
1425.02 · WF Interest - Leander	-189.64
1425.03 · WF Interest - Round Rock	-230.48
Total 1425.00 · Wells Fargo Interest/Svc Charge	-420.21
1800.00 · Capitalization of Interest Cost	
1800.01 · Interest Cost - Cedar Park	4,185,844.63
1800.02 · Interest Cost - Leander	14,302,190.82
1800.03 · Interest Cost - Round Rock	10,865,982.78
1800.00 · Capitalization of Interest Cost - Other	1,632,331.25
Total 1800.00 · Capitalization of Interest Cost	30,986,349.48
1820.00 · Capitalize Investment Interest	
1820.01 · Investment Interest-Cedar Park	-254,689.53
1820.02 · Investment Interest-Leander	-821,887.47
1820.03 · Investment Interest-Round Rock	-695,131.96
Total 1820.00 · Capitalize Investment Interest	-1,771,708.96
1825.00 · Capitalize TexSTAR Interest	
1825.01 · TexSTAR Interest - Cedar Park	-48,948.64
1825.02 · TexSTAR Interest - Leander	-146,100.55
1825.03 · TexSTAR Interest - Round Rock	-91,512.99
1825.00 · Capitalize TexSTAR Interest - Other	-71.85
Total 1825.00 · Capitalize TexSTAR Interest	-286,634.03
1830.00 · Capitalize TX Capital NOW Int	
1830.01 · TX Capital NOW Int - Cedar Park	-1,227.81
1830.02 · TX Capital NOW Int - Leander	-4,226.43
1830.03 · TX Capital NOW Int - Round Rock	-4,237.39
Total 1830.00 · Capitalize TX Capital NOW Int	-9,691.63
1850.00 · East West Bank Interest MMA	
1850.01 · EWB Interest MMA - Cedar Park	-4,851.88
1850.02 · EWB Interest MMA - Leander	-6,535.04
1850.03 · EWB Interest MMA - Round Rock	-14,946.99
Total 1850.00 · East West Bank Interest MMA	-26,333.91

Brushy Creek Regional Utility Authority

Balance Sheet

As of April 11, 2018

04/11/18

Accrual Basis

	Apr 11, 18	
1860.00 · Comerica Bank Interest MMA		
1860.01 · CB Interest MMA - Cedar Park	-0.27	
1860.02 · CB Interest MMA - Leander	-5.88	
1860.03 · CB Interest MMA - Round Rock	-222.12	
Total 1860.00 · Comerica Bank Interest MMA	-228.27	
9400.00 · Unrealized Gain/Loss on Invest	1,686.40	
9450.00 · Realized Gain/Loss on Invest	106,295.50	
1899.00 · Capitalization of Interest - Other	-25,355,880.01	
Total 1899.00 · Capitalization of Interest	3,575,533.06	
1900.00 · Amort Bond Disc/Prem - Capital		203,568.14
2100.00 · Raw Water Line		
2120.10 · Preliminary Engineering - C1	569,117.85	
2120.20 · Preliminary Engineering - C2	1,159.67	
2130.10 · Final Engineering - C1	2,549,408.00	
2140.10 · Environmental - C1	120,000.00	
2150.10 · Construction (Alt No 1 Rt) - C1	19,630,529.57	
2150.20 · Construction - C2	5,326,553.39	
2155.10 · Contingency - C1	110,039.13	
2160.10 · Easements - C1	748,351.84	
2170.10 · Construction Phase Svcs - C1	779,171.14	
2170.20 · Construction Phase Svcs - C2	81,121.08	
2180.10 · Inspections & Testing - C1	562,699.72	
2180.20 · Inspections & Testing - C2	95,129.00	
2100.00 · Raw Water Line - Other	-30,573,280.39	
Total 2100.00 · Raw Water Line		0.00
2200.00 · Floating Intake Barge		
2220.00 · Preliminary Engineering	287,709.00	
2230.00 · Final Engineering	488,725.68	
2250.00 · Construction	4,412,320.84	
2255.00 · Contingency	676,766.45	
2270.00 · Construction Phase Services	460,317.45	
2280.00 · Inspections & Testing	79,676.91	
2200.00 · Floating Intake Barge - Other	-6,405,516.33	
Total 2200.00 · Floating Intake Barge		0.00
2300.00 · Regional Water Treatment Plant		
2300.01 · WTP Land Acquisition	3,314,051.00	
2304.00 · Disinfection Facility	12,768.50	
2320.00 · Preliminary Engineering	703,112.00	
2330.00 · Final Engineering	3,617,348.98	
2335.00 · Supplemental Engineering	963,804.00	
2350.00 · Construction	47,068,110.26	
2355.00 · Contingency	496,682.36	
2370.00 · Construction Phase Services	4,000,699.32	
2380.00 · Inspections & Testing	1,803,350.04	
2300.00 · Regional Water Treatment Plant - Other	-61,915,178.34	
Total 2300.00 · Regional Water Treatment Plant		64,748.12
2400.00 · Transmission Water Lines Seg 1		
2420.00 · Preliminary Engineering	219,908.44	
2430.00 · Final Engineering	1,222,490.00	
2450.00 · Construction	8,196,239.41	
2455.00 · Contingency	69,794.59	
2460.00 · Easements	67,855.00	
2470.00 · Construction Phase Services	542,379.99	
2480.00 · Inspections & Testing	179,221.25	
2400.00 · Transmission Water Lines Seg 1 - Other	-10,497,888.68	
Total 2400.00 · Transmission Water Lines Seg 1		0.00

Brushy Creek Regional Utility Authority

Balance Sheet

As of April 11, 2018

	Apr 11, 18	
2500.00 · Transmission Water Lines Seg 2A		
2520.00 · Engineering	57,222.33	
2550.00 · Construction	860,980.00	
2555.00 · CP Addl Connection	33,598.00	
2557.00 · L Addl Valve	22,207.00	
2560.00 · Easements	99,943.40	
2500.00 · Transmission Water Lines Seg 2A - Other	-1,073,950.73	
Total 2500.00 · Transmission Water Lines Seg 2A		0.00
2600.00 · Transmission Water Lines Seg 2B		
2620.00 · Engineering	750,047.14	
2650.00 · Construction	8,620,550.00	
2660.00 · Easements	1,006,849.60	
2600.00 · Transmission Water Lines Seg 2B - Other	-10,377,446.74	
Total 2600.00 · Transmission Water Lines Seg 2B		0.00
2700.00 · Transmission Water Lines Seg 2C		
2720.00 · Preliminary Engineering	193,978.08	
2730.00 · Final Engineering	613,858.84	
2750.00 · Construction	5,745,647.60	
2755.00 · Contingency	37,218.91	
2760.00 · Easements	883,452.88	
2770.00 · Construction Phase Services	226,367.82	
2780.00 · Inspections & Testing	176,230.00	
2700.00 · Transmission Water Lines Seg 2C - Other	-7,876,754.13	
Total 2700.00 · Transmission Water Lines Seg 2C		0.00
2800.00 · Construction Management Service		
2801.00 · Construction Management Svc	271,944.24	
2800.00 · Construction Management Service - Other	-271,944.24	
Total 2800.00 · Construction Management Service		0.00
2900.00 · Ancillary/O&M Expenses		
2901.00 · Ancillary Services		
2910.00 · Environmental Consultant	402,245.06	
2920.00 · Real Estate Acq Consultant	572,476.74	
2930.00 · Condemnation Counsel	553,055.08	
2935.00 · Contingency	12,197.75	
2940.00 · Public Relations	578,500.17	
2901.00 · Ancillary Services - Other	-2,118,474.80	
Total 2901.00 · Ancillary Services		0.00
2950.00 · Operational & Maintenance Exp		
2960.00 · GM Salary & Supplies	902,877.35	
2970.00 · Preliminary Engineering Report	152,296.00	
2980.00 · Surveying	17,551.00	
2990.00 · Administration Fees	126,001.00	
2995.00 · Contingency	74,501.42	
2950.00 · Operational & Maintenance Exp - Other	-1,273,226.77	
Total 2950.00 · Operational & Maintenance Exp		0.00
Total 2900.00 · Ancillary/O&M Expenses		0.00
2990.10 · P1B-WTP ReRating		107,973.00
2992.10 · P1C-WTP Expansion		
2992.20 · TWDB Funding Consultant	27,720.00	
2992.30 · Design Engineering	1,055,235.60	
Total 2992.10 · P1C-WTP Expansion		1,082,955.60

Brushy Creek Regional Utility Authority

Balance Sheet

As of April 11, 2018

04/11/18

Accrual Basis

	Apr 11, 18
2993.10 · Segment 2A & 2B Transmiss Lines	
2993.30 · Take Points (Leander)	424,631.76
Total 2993.10 · Segment 2A & 2B Transmiss Lines	424,631.76
2999.20 · P2-Preliminary Engineering	7,658,928.90
2999.30 · P2-DeepWater Due DiligenceStudy	468,507.10
2999.50 · P2-Land & Easement Acquisition	4,321,443.87
2999.60 · P2-Contingency	3,037.96
Total Other Current Assets	50,473,091.49
Total Current Assets	63,226,054.58
Fixed Assets	
3010.00 · Computer & Office Equipment	63,100.82
3015.00 · Transportation Equipment	53,749.44
3020.00 · Lab Equipment	47,973.57
3025.00 · Plant Equipment	101,149.40
3030.00 · Infrastructure	78,334,378.00
3035.00 · Buildings & Structures	71,185,354.03
3040.00 · Land & Easements	8,893,324.55
3099.00 · Accumulated Depreciation	-12,766,658.62
Total Fixed Assets	145,912,371.19
Other Assets	
3000.00 · Bond Issuance Costs	166,758.07
3002.00 · Bond Discounts - Unrestricted	-115,396.91
3002.10 · Bond Premiums - Unrestricted	-14,827.17
3002.50 · Bond Discounts - Restricted	-36,845.83
3002.60 · Bond Premiums - Restricted	-16,257,704.70
3003.00 · Accum Amort Bond - Unrestr	79,335.53
3003.50 · Accum Amort Bond - Restr	20,910.51
3004.00 · Deferred Refunding on Bonds	15,558,001.10
3100.00 · Raw Water Line-U	
3120.00 · Preliminary Engineering	570,089.00
3130.00 · Final Engineering	2,784,016.00
3140.00 · Environmental	413,000.00
3150.00 · Construction (Alt No. 1 Route)	36,493,000.00
3155.00 · Contingency	3,649,300.00
3160.00 · Easements	1,481,798.00
3170.00 · Construction Phase Services	802,846.00
3180.00 · Inspections & Testing	923,000.00
3100.00 · Raw Water Line-U - Other	-14,965,041.77
Total 3100.00 · Raw Water Line-U	32,152,007.23
3200.00 · Floating Intake Barge-U	
3220.00 · Preliminary Engineering	287,709.00
3230.00 · Final Engineering	458,610.01
3250.00 · Construction	5,583,201.00
3255.00 · Contingency	928,910.64
3270.00 · Construction Phase Services	36,983.12
3200.00 · Floating Intake Barge-U - Other	-707,541.00
Total 3200.00 · Floating Intake Barge-U	6,587,872.77

Brushy Creek Regional Utility Authority

Balance Sheet

As of April 11, 2018

04/11/18

Accrual Basis

	Apr 11, 18
3300.00 · Regional Wtr Treatment Plant-U	
3300.01 · WTP Land Acquisition	3,324,022.00
3301.00 · Construction	59,275,000.00
3320.00 · Preliminary Engineering	703,112.00
3330.00 · Final Engineering	3,457,493.00
3335.00 · Supplemental Engineering	581,395.00
3370.00 · Construction Phase Services	1,185,500.00
3380.00 · Inspections & Testing	1,189,000.00
3300.00 · Regional Wtr Treatment Plant-U - Other	-28,603,888.50
Total 3300.00 · Regional Wtr Treatment Plant-U	41,111,633.50
3400.00 · Transmission Wtr Lines Seg 1-U	
3420.00 · Preliminary Engineering	211,214.99
3430.00 · Final Engineering	1,173,931.00
3450.00 · Construction	16,332,542.00
3455.00 · Contingency	1,633,254.20
3460.00 · Easements	250,000.00
3470.00 · Construction Phase Services	359,315.93
3480.00 · Inspections & Testing	236,000.00
3400.00 · Transmission Wtr Lines Seg 1-U - Other	-1,663,684.79
Total 3400.00 · Transmission Wtr Lines Seg 1-U	18,532,573.33
3500.00 · Transmission Wtr Lines Seg 2A-U	
3520.00 · Preliminary Engineering	55,971.00
3550.00 · Construction	858,980.00
3555.00 · CP Addl Connection	38,690.00
3557.00 · Leander Addl Valve	22,207.00
3500.00 · Transmission Wtr Lines Seg 2A-U - Other	-966,011.00
Total 3500.00 · Transmission Wtr Lines Seg 2A-U	9,837.00
3600.00 · Transmission Wtr Lines Seg 2B-U	
3620.00 · Engineering	754,029.00
3650.00 · Construction	8,678,440.00
3600.00 · Transmission Wtr Lines Seg 2B-U - Other	-9,361,665.00
Total 3600.00 · Transmission Wtr Lines Seg 2B-U	70,804.00
3700.00 · Transmission Wtr Lines Seg 2C-U	
3720.00 · Preliminary Engineering	191,919.00
3730.00 · Final Engineering	627,561.00
3750.00 · Construction	9,550,149.00
3755.00 · Contingency	477,507.45
3757.00 · Allowance for Materials	955,014.90
3760.00 · Easements	330,000.00
3770.00 · Construction Phase Services	219,653.42
3700.00 · Transmission Wtr Lines Seg 2C-U - Other	-1,381,504.50
Total 3700.00 · Transmission Wtr Lines Seg 2C-U	10,970,300.27
3800.00 · Construction Management Svc-U	
3801.00 · Construction Management Svc	1,695,593.46
3800.00 · Construction Management Svc-U - Other	-173,251.48
Total 3800.00 · Construction Management Svc-U	1,522,341.98
3900.00 · Ancillary/O&M Expenses-U	
3901.00 · Ancillary Services	
3910.00 · Environmental Consultant	471,155.00
3920.00 · Real Estate Acq Consultant	470,570.00
3930.00 · Condemnation Counsel	150,000.00
3940.00 · Public Relations	520,000.00
3901.00 · Ancillary Services - Other	-2,062,794.32
Total 3901.00 · Ancillary Services	-451,069.32

Brushy Creek Regional Utility Authority

Balance Sheet

As of April 11, 2018

04/11/18

Accrual Basis

	Apr 11, 18
3950.00 · Operational & Maintenance Exp	
3960.00 · GM Salary & Supplies	425,917.00
3970.00 · Preliminary Engineering Report	152,300.00
3980.00 · Surveying	17,551.00
3990.00 · Administration Fees	84,000.00
3950.00 · Operational & Maintenance Exp - Other	-627,504.97
Total 3950.00 · Operational & Maintenance Exp	52,263.03
Total 3900.00 · Ancillary/O&M Expenses-U	-398,806.29
3999.99 · Unspent	-110,558,563.79
Total Other Assets	-599,769.40
TOTAL ASSETS	208,538,656.37
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	3,504.99
Total Accounts Payable	3,504.99
Other Current Liabilities	
4000.00 · Accrued Bond Interest Payable	1,044,503.00
4600.00 · Retainage Liability	1,600,504.90
4850.00 · Current Revenue Bonds Payable	4,470,000.00
Total Other Current Liabilities	7,115,007.90
Total Current Liabilities	7,118,512.89
Long Term Liabilities	
5100.00 · Bonds BCRUA	170,440,000.00
Total Long Term Liabilities	170,440,000.00
Total Liabilities	177,558,512.89
Equity	
5200.00 · Unrestricted Net Assets	-53,459,295.00
5510.00 · Cedar Park Contributions	12,707,496.70
5520.00 · Leander Contributions	36,309,609.02
5530.00 · Round Rock Contributions	34,687,856.52
Net Income	734,476.24
Total Equity	30,980,143.48
TOTAL LIABILITIES & EQUITY	208,538,656.37

Brushy Creek Regional Utility Authority
Balance Sheet by Class
As of April 11, 2018

	Cedar Park	Leander	Round Rock	Unclassified	TOTAL
ASSETS					
Current Assets					
Checking/Savings					
1005.00 · BoA Operating Account					
1005.01 · Dedication Sponsorship	-0.01	0.02	-0.01	0.00	0.00
1005.00 · BoA Operating Account - Other	3.23	20,552.71	-20,555.95	0.00	0.00
Total 1005.00 · BoA Operating Account	3.22	20,552.73	-20,555.96	0.00	0.00
1008.00 · Wells Fargo Operating Account	22,981.17	154,726.44	182,001.98	49,627.32	409,336.91
1009.00 · Wells Fargo Investing Account					
1009.01 · WF Investing - Cedar Park	459.05	0.00	0.00	0.00	459.05
1009.02 · WF Investing - Leander	0.00	31,621.46	0.00	0.00	31,621.46
1009.03 · WF Investing - Round Rock	0.00	0.00	1,619,656.61	0.00	1,619,656.61
Total 1009.00 · Wells Fargo Investing Account	459.05	31,621.46	1,619,656.61	0.00	1,651,737.12
1010.00 · TexSTAR Debt Service Fund					
1010.01 · Cedar Park Debt Service Fund	431,341.27	0.00	0.00	0.00	431,341.27
1010.02 · Leander Debt Service Fund	0.00	1,340,867.91	0.00	0.00	1,340,867.91
1010.03 · Round Rock Debt Service Fund	0.00	0.00	913,205.58	0.00	913,205.58
1010.04 · Master Debt Service Fund	232.59	690.28	560.30	0.00	1,483.17
Total 1010.00 · TexSTAR Debt Service Fund	431,573.86	1,341,558.19	913,765.88	0.00	2,686,897.93
1020.00 · TexSTAR Construction Fund					
1020.01 · Cedar Park Construction Fund	559,240.04	19,803.00	230,537.00	0.00	809,580.04
1020.02 · Leander Construction Fund	0.00	1,223,021.44	0.00	0.00	1,223,021.44
1020.03 · Round Rock Construction Fund	0.00	0.00	788,846.07	0.00	788,846.07
1020.04 · Master Construction Fund	-20,475.12	70,033.29	-49,034.52	0.00	523.65
Total 1020.00 · TexSTAR Construction Fund	538,764.92	1,312,857.73	970,348.55	0.00	2,821,971.20
1030.00 · TexSTAR Escrow Fund					
1030.01 · Cedar Park TexSTAR Escrow Fund	94.95	0.00	0.00	0.00	94.95
1030.02 · Leander TexSTAR Escrow Fund	0.00	184.39	0.00	0.00	184.39
1030.03 · Round Rock TexSTAR Escrow Fund	0.00	0.00	276.81	0.00	276.81
Total 1030.00 · TexSTAR Escrow Fund	94.95	184.39	276.81	0.00	556.15
1040.00 · TexSTAR Operating Fund					
1040.04 · Master Operating Fund	53,300.01	842,600.76	681,970.91	-49,627.32	1,528,244.37
Total 1040.00 · TexSTAR Operating Fund	53,300.01	842,600.76	681,970.91	-49,627.32	1,528,244.37
1050.00 · TX Capital NOW Acct					
1050.01 · TX Capital NOW-Cedar Park 3077	-3,922,922.57	3,922,922.57	0.00	0.00	0.00
1050.02 · TX Capital NOW-Leander 2962	3,922,922.57	-14,589,524.98	10,666,602.41	0.00	0.00
1050.03 · TX Capital NOW-Round Rock 3069	0.00	10,666,602.41	-10,666,602.41	0.00	0.00
Total 1050.00 · TX Capital NOW Acct	0.00	0.00	0.00	0.00	0.00
1060.00 · TexSTAR Reserve Fund					
1060.02 · Leander Reserve Account	0.00	8,423.21	0.00	0.00	8,423.21
Total 1060.00 · TexSTAR Reserve Fund	0.00	8,423.21	0.00	0.00	8,423.21
Total Checking/Savings	1,047,177.19	3,712,524.92	4,347,464.78	0.00	9,107,166.89
Accounts Receivable					
11000 · Accounts Receivable	633,033.23	1,891,688.58	1,121,074.39	0.00	3,645,796.20
Total Accounts Receivable	633,033.23	1,891,688.58	1,121,074.39	0.00	3,645,796.20
Other Current Assets					
1405.00 · Wells Fargo - Securities					
1405.02 · WF Reserve Account - Leander	0.00	1,400,000.00	0.00	0.00	1,400,000.00
Total 1405.00 · Wells Fargo - Securities	0.00	1,400,000.00	0.00	0.00	1,400,000.00
1420.00 · BNY Mellon - Securities					
1420.02 · Securities - Leander	0.00	2,000,000.00	0.00	0.00	2,000,000.00
1420.03 · Securities - Round Rock	0.31	0.29	7,999,999.40	0.00	8,000,000.00
1420.10 · Securities (Swift 1C)- Cedar Pk	4,373,344.00	0.00	0.00	0.00	4,373,344.00
1420.20 · Securities (Swift 1C)- Leander	0.00	8,072,740.00	0.00	0.00	8,072,740.00
1420.30 · Securities (Swift 1C)- Round Rk	0.00	0.00	4,378,302.75	0.00	4,378,302.75
Total 1420.00 · BNY Mellon - Securities	4,373,344.31	10,072,740.29	12,378,302.15	0.00	26,824,386.75
1450.00 · East West Bank - MMA					
1450.01 · EWB MMA - Cedar Park	941,565.55	0.00	0.00	0.00	941,565.55
1450.02 · EWB MMA - Leander	0.00	881,931.15	0.00	0.00	881,931.15
1450.03 · EWB MMA - Round Rock	0.00	0.00	2,142,753.81	0.00	2,142,753.81
1450.00 · East West Bank - MMA - Other	-28.49	310.80	-282.31	0.00	0.00
Total 1450.00 · East West Bank - MMA	941,537.06	882,241.95	2,142,471.50	0.00	3,966,250.51
1460.00 · Comerica Bank - MMA					
1460.01 · CB MMA - Cedar Park	591.85	0.00	0.00	0.00	591.85
1460.02 · CB MMA - Leander	0.00	14,137.63	0.00	0.00	14,137.63
1460.03 · CB MMA - Round Rock	0.00	0.00	358,083.64	0.00	358,083.64
Total 1460.00 · Comerica Bank - MMA	591.85	14,137.63	358,083.64	0.00	372,813.12

Brushy Creek Regional Utility Authority
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	Cedar Park	Leander	Round Rock	Unclassified	TOTAL
1490.50 · Market Adjustment - Restricted	0.00	-1,686.40	0.00	0.00	-1,686.40
1899.00 · Capitalization of Interest					
1415.00 · BoA Interest/Service Charge					
1415.01 · BoA Interest - Cedar Park	-8,939.21	0.00	0.00	0.00	-8,939.21
1415.02 · BoA Interest - Leander	0.00	-36,080.74	0.00	0.00	-36,080.74
1415.03 · BoA Interest - Round Rock	0.00	0.00	-22,881.35	0.00	-22,881.35
Total 1415.00 · BoA Interest/Service Charge	-8,939.21	-36,080.74	-22,881.35	0.00	-67,901.30
1425.00 · Wells Fargo Interest/Svc Charge					
1425.01 · WF Interest - Cedar Park	-0.09	0.00	0.00	0.00	-0.09
1425.02 · WF Interest - Leander	0.00	-189.64	0.00	0.00	-189.64
1425.03 · WF Interest - Round Rock	0.00	0.00	-230.48	0.00	-230.48
Total 1425.00 · Wells Fargo Interest/Svc Charge	-0.09	-189.64	-230.48	0.00	-420.21
1800.00 · Capitalization of Interest Cost					
1800.01 · Interest Cost - Cedar Park	4,159,953.37	25,891.26	0.00	0.00	4,185,844.63
1800.02 · Interest Cost - Leander	0.00	14,302,190.82	0.00	0.00	14,302,190.82
1800.03 · Interest Cost - Round Rock	0.00	0.00	10,865,982.78	0.00	10,865,982.78
1800.00 · Capitalization of Interest Cost - Other	0.00	1,632,331.25	0.00	0.00	1,632,331.25
Total 1800.00 · Capitalization of Interest Cost	4,159,953.37	15,960,413.33	10,865,982.78	0.00	30,986,349.48
1820.00 · Capitalize Investment Interest					
1820.01 · Investment Interest-Cedar Park	-254,689.53	0.00	0.00	0.00	-254,689.53
1820.02 · Investment Interest-Leander	0.00	-821,887.47	0.00	0.00	-821,887.47
1820.03 · Investment Interest-Round Rock	0.00	0.00	-695,131.96	0.00	-695,131.96
Total 1820.00 · Capitalize Investment Interest	-254,689.53	-821,887.47	-695,131.96	0.00	-1,771,708.96
1825.00 · Capitalize TexSTAR Interest					
1825.01 · TexSTAR Interest - Cedar Park	-48,948.64	0.00	0.00	0.00	-48,948.64
1825.02 · TexSTAR Interest - Leander	0.00	-146,071.73	-28.82	0.00	-146,100.55
1825.03 · TexSTAR Interest - Round Rock	0.00	-35.96	-91,477.03	0.00	-91,512.99
1825.00 · Capitalize TexSTAR Interest - Other	-10.76	-33.90	-27.19	0.00	-71.85
Total 1825.00 · Capitalize TexSTAR Interest	-48,959.40	-146,141.59	-91,533.04	0.00	-286,634.03
1830.00 · Capitalize TX Capital NOW Int					
1830.01 · TX Capital NOW Int - Cedar Park	-1,227.81	0.00	0.00	0.00	-1,227.81
1830.02 · TX Capital NOW Int - Leander	0.00	-4,226.43	0.00	0.00	-4,226.43
1830.03 · TX Capital NOW Int - Round Rock	0.00	0.00	-4,237.39	0.00	-4,237.39
Total 1830.00 · Capitalize TX Capital NOW Int	-1,227.81	-4,226.43	-4,237.39	0.00	-9,691.63
1850.00 · East West Bank Interest MMA					
1850.01 · EWB Interest MMA - Cedar Park	-4,851.88	0.00	0.00	0.00	-4,851.88
1850.02 · EWB Interest MMA - Leander	0.00	-6,535.04	0.00	0.00	-6,535.04
1850.03 · EWB Interest MMA - Round Rock	0.00	0.00	-14,946.99	0.00	-14,946.99
Total 1850.00 · East West Bank Interest MMA	-4,851.88	-6,535.04	-14,946.99	0.00	-26,333.91
1860.00 · Comerica Bank Interest MMA					
1860.01 · CB Interest MMA - Cedar Park	-0.27	0.00	0.00	0.00	-0.27
1860.02 · CB Interest MMA - Leander	0.00	-5.88	0.00	0.00	-5.88
1860.03 · CB Interest MMA - Round Rock	0.00	0.00	-222.12	0.00	-222.12
Total 1860.00 · Comerica Bank Interest MMA	-0.27	-5.88	-222.12	0.00	-228.27
9400.00 · Unrealized Gain/Loss on Invest	0.00	1,686.40	0.00	0.00	1,686.40
9450.00 · Realized Gain/Loss on Invest	18,593.50	0.00	87,702.00	0.00	106,295.50
1899.00 · Capitalization of Interest - Other	-3,467,528.41	-12,876,238.04	-9,012,113.56	0.00	-25,355,880.01
Total 1899.00 · Capitalization of Interest	392,350.27	2,070,794.90	1,112,387.89	0.00	3,575,533.06
1900.00 · Amort Bond Disc/Prem - Capital	21,095.79	90,147.18	92,325.17	0.00	203,568.14
2100.00 · Raw Water Line					
2120.10 · Preliminary Engineering - C1	80,701.29	268,965.04	219,451.52	0.00	569,117.85
2120.20 · Preliminary Engineering - C2	164.44	548.06	447.17	0.00	1,159.67
2130.10 · Final Engineering - C1	361,503.00	1,204,842.00	983,063.00	0.00	2,549,408.00
2140.10 · Environmental - C1	17,016.00	56,712.00	46,272.00	0.00	120,000.00
2150.10 · Construction (Alt No 1 Rt) - C1	2,779,878.70	9,309,369.76	7,541,281.11	0.00	19,630,529.57
2150.20 · Construction - C2	1,420,591.79	2,485,369.81	1,420,591.79	0.00	5,326,553.39
2155.10 · Contingency - C1	15,603.50	52,004.60	42,431.03	0.00	110,039.13
2160.10 · Easements - C1	106,115.11	353,671.79	288,564.94	0.00	748,351.84
2170.10 · Construction Phase Svcs - C1	106,161.03	370,623.11	302,387.00	0.00	779,171.14
2170.20 · Construction Phase Svcs - C2	11,520.32	38,335.54	31,265.22	0.00	81,121.08
2180.10 · Inspections & Testing - C1	79,790.84	265,931.82	216,977.06	0.00	562,699.72
2180.20 · Inspections & Testing - C2	25,167.84	44,398.70	25,562.46	0.00	95,129.00
2100.00 · Raw Water Line - Other	-5,004,019.25	-14,449,147.93	-11,120,113.21	0.00	-30,573,280.39
Total 2100.00 · Raw Water Line	194.61	1,624.30	-1,818.91	0.00	0.00

Brushy Creek Regional Utility Authority
Balance Sheet by Class
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	Cedar Park	Leander	Round Rock	Unclassified	TOTAL
2200.00 · Floating Intake Barge					
2220.00 · Preliminary Engineering	40,797.00	135,971.00	110,941.00	0.00	287,709.00
2230.00 · Final Engineering	69,304.13	230,981.16	188,440.39	0.00	488,725.68
2250.00 · Construction	1,270,748.41	1,999,222.56	1,142,349.87	0.00	4,412,320.84
2255.00 · Contingency	191,335.84	307,119.43	178,311.18	0.00	676,766.45
2270.00 · Construction Phase Services	130,721.66	209,746.95	119,848.84	0.00	460,317.45
2280.00 · Inspections & Testing	22,929.40	36,160.05	20,587.46	0.00	79,676.91
2200.00 · Floating Intake Barge - Other	-1,725,836.44	-2,919,201.15	-1,760,478.74	0.00	-6,405,516.33
Total 2200.00 · Floating Intake Barge	0.00	0.00	0.00	0.00	0.00
2300.00 · Regional Water Treatment Plant					
2300.01 · WTP Land Acquisition	469,932.00	1,566,221.00	1,277,898.00	0.00	3,314,051.00
2304.00 · Disinfection Facility	2,351.96	6,008.85	4,407.69	0.00	12,768.50
2320.00 · Preliminary Engineering	99,701.00	332,291.00	271,120.00	0.00	703,112.00
2330.00 · Final Engineering	512,940.44	1,709,558.47	1,394,850.07	0.00	3,617,348.98
2335.00 · Supplemental Engineering	136,667.00	455,494.00	371,643.00	0.00	963,804.00
2350.00 · Construction	8,679,133.29	22,116,669.77	16,272,307.20	0.00	47,068,110.26
2355.00 · Contingency	89,399.87	233,819.37	173,463.12	0.00	496,682.36
2370.00 · Construction Phase Services	733,232.27	1,882,917.00	1,384,550.05	0.00	4,000,699.32
2380.00 · Inspections & Testing	331,004.38	848,746.79	623,598.87	0.00	1,803,350.04
2300.00 · Regional Water Treatment Plant - Other	-11,042,435.60	-29,121,255.79	-21,751,486.95	0.00	-61,915,178.34
Total 2300.00 · Regional Water Treatment Plant	11,926.61	30,470.46	22,351.05	0.00	64,748.12
2400.00 · Transmission Water Lines Seg 1					
2420.00 · Preliminary Engineering	31,182.72	103,928.54	84,797.18	0.00	219,908.44
2430.00 · Final Engineering	173,349.00	577,749.00	471,392.00	0.00	1,222,490.00
2450.00 · Construction	1,222,268.37	3,813,501.12	3,160,469.92	0.00	8,196,239.41
2455.00 · Contingency	10,197.24	32,819.51	26,777.84	0.00	69,794.59
2460.00 · Easements	9,622.00	32,068.00	26,165.00	0.00	67,855.00
2470.00 · Construction Phase Services	109,868.35	238,259.91	194,251.73	0.00	542,379.99
2480.00 · Inspections & Testing	12,339.71	91,899.67	74,981.87	0.00	179,221.25
2400.00 · Transmission Water Lines Seg 1 - Other	-1,568,827.39	-4,890,225.75	-4,038,835.54	0.00	-10,497,888.68
Total 2400.00 · Transmission Water Lines Seg 1	0.00	0.00	0.00	0.00	0.00
2500.00 · Transmission Water Lines Seg 2A					
2520.00 · Engineering	3,309.11	27,983.25	25,929.97	0.00	57,222.33
2550.00 · Construction	35,036.25	575,644.75	250,299.00	0.00	860,980.00
2555.00 · CP Addl Connection	33,598.00	0.00	0.00	0.00	33,598.00
2557.00 · L Addl Valve	0.00	22,207.00	0.00	0.00	22,207.00
2560.00 · Easements	0.00	99,943.40	0.00	0.00	99,943.40
2500.00 · Transmission Water Lines Seg 2A - Other	-71,943.36	-725,778.40	-276,228.97	0.00	-1,073,950.73
Total 2500.00 · Transmission Water Lines Seg 2A	0.00	0.00	0.00	0.00	0.00
2600.00 · Transmission Water Lines Seg 2B					
2620.00 · Engineering	6,886.00	357,917.36	385,243.78	0.00	750,047.14
2650.00 · Construction	9,964.00	4,152,146.75	4,458,439.25	0.00	8,620,550.00
2660.00 · Easements	0.00	1,006,849.60	0.00	0.00	1,006,849.60
2600.00 · Transmission Water Lines Seg 2B - Other	-16,850.00	-5,516,913.71	-4,843,683.03	0.00	-10,377,446.74
Total 2600.00 · Transmission Water Lines Seg 2B	0.00	0.00	0.00	0.00	0.00
2700.00 · Transmission Water Lines Seg 2C					
2720.00 · Preliminary Engineering	27,214.00	91,693.88	75,070.20	0.00	193,978.08
2730.00 · Final Engineering	0.00	296,002.69	317,856.15	0.00	613,858.84
2750.00 · Construction	0.00	2,770,551.28	2,975,096.32	0.00	5,745,647.60
2755.00 · Contingency	0.00	18,109.52	19,109.39	0.00	37,218.91
2760.00 · Easements	0.00	426,001.06	457,451.82	0.00	883,452.88
2770.00 · Construction Phase Services	0.00	130,186.62	96,181.20	0.00	226,367.82
2780.00 · Inspections & Testing	0.00	84,978.09	91,251.91	0.00	176,230.00
2700.00 · Transmission Water Lines Seg 2C - Other	-27,214.00	-3,817,523.14	-4,032,016.99	0.00	-7,876,754.13
Total 2700.00 · Transmission Water Lines Seg 2C	0.00	0.00	0.00	0.00	0.00
2800.00 · Construction Management Service					
2801.00 · Construction Management Svc	41,516.82	128,360.37	102,067.05	0.00	271,944.24
2800.00 · Construction Management Service - Other	-41,516.82	-128,360.37	-102,067.05	0.00	-271,944.24
Total 2800.00 · Construction Management Service	0.00	0.00	0.00	0.00	0.00
2900.00 · Ancillary/O&M Expenses					
2901.00 · Ancillary Services					
2910.00 · Environmental Consultant	61,004.02	187,917.58	153,323.46	0.00	402,245.06
2920.00 · Real Estate Acq Consultant	81,177.54	270,552.29	220,746.91	0.00	572,476.74
2930.00 · Condemnation Counsel	81,473.06	259,694.23	211,887.79	0.00	553,055.08
2935.00 · Contingency	3,412.88	4,830.86	3,954.01	0.00	12,197.75
2940.00 · Public Relations	84,848.21	270,907.73	222,744.23	0.00	578,500.17
2901.00 · Ancillary Services - Other	-311,915.71	-993,902.69	-812,656.40	0.00	-2,118,474.80
Total 2901.00 · Ancillary Services	0.00	0.00	0.00	0.00	0.00

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	Cedar Park	Leander	Round Rock	Unclassified	TOTAL
2950.00 · Operational & Maintenance Exp					
2960.00 · GM Salary & Supplies	128,060.52	427,632.54	347,184.29	0.00	902,877.35
2970.00 · Preliminary Engineering Report	23,987.00	63,037.00	65,272.00	0.00	152,296.00
2980.00 · Surveying	2,806.00	7,110.00	7,635.00	0.00	17,551.00
2990.00 · Administration Fees	17,867.00	59,548.00	48,586.00	0.00	126,001.00
2995.00 · Contingency	11,295.85	34,960.19	28,245.38	0.00	74,501.42
2950.00 · Operational & Maintenance Exp - Other	-184,016.37	-592,287.73	-496,922.67	0.00	-1,273,226.77
Total 2950.00 · Operational & Maintenance Exp	0.00	0.00	0.00	0.00	0.00
Total 2900.00 · Ancillary/O&M Expenses	0.00	0.00	0.00	0.00	0.00
2990.10 · P1B-WTP ReRating	28,796.40	50,380.20	28,796.40	0.00	107,973.00
2992.10 · P1C-WTP Expansion					
2992.20 · TWDB Funding Consultant	7,392.92	12,934.16	7,392.92	0.00	27,720.00
2992.30 · Design Engineering	281,431.33	478,196.21	295,608.06	0.00	1,055,235.60
Total 2992.10 · P1C-WTP Expansion	288,824.25	491,130.37	303,000.98	0.00	1,082,955.60
2993.10 · Segment 2A & 2B Transmiss Lines					
2993.30 · Take Points (Leander)	0.00	424,631.76	0.00	0.00	424,631.76
Total 2993.10 · Segment 2A & 2B Transmiss Lines	0.00	424,631.76	0.00	0.00	424,631.76
2999.20 · P2-Preliminary Engineering	2,033,088.74	3,369,732.17	2,256,107.99	0.00	7,658,928.90
2999.30 · P2-DeepWater Due DiligenceStudy	128,605.20	205,018.70	134,883.20	0.00	468,507.10
2999.50 · P2-Land & Easement Acquisition	1,197,342.14	1,874,639.91	1,249,461.82	0.00	4,321,443.87
2999.60 · P2-Contingency	833.92	1,311.45	892.59	0.00	3,037.96
Total Other Current Assets	9,418,531.15	20,977,314.87	20,077,245.47	0.00	50,473,091.49
Total Current Assets	11,098,741.57	26,581,528.37	25,545,784.64	0.00	63,226,054.58
Fixed Assets					
3010.00 · Computer & Office Equipment	8,947.70	29,821.45	24,331.67	0.00	63,100.82
3015.00 · Transportation Equipment	7,611.07	25,402.16	20,736.21	0.00	53,749.44
3020.00 · Lab Equipment	6,802.63	22,672.35	18,498.59	0.00	47,973.57
3025.00 · Plant Equipment	14,435.07	48,281.94	38,432.39	0.00	101,149.40
3030.00 · Infrastructure	10,011,201.99	37,586,384.35	30,736,791.66	0.00	78,334,378.00
3035.00 · Buildings & Structures	12,673,540.82	33,823,115.36	24,688,697.85	0.00	71,185,354.03
3040.00 · Land & Easements	903,756.17	4,971,045.17	3,018,523.21	0.00	8,893,324.55
3099.00 · Accumulated Depreciation	-1,997,989.69	-6,020,905.41	-4,747,763.52	0.00	-12,766,658.62
Total Fixed Assets	21,628,305.76	70,485,817.37	53,798,248.06	0.00	145,912,371.19
Other Assets					
3000.00 · Bond Issuance Costs	56,656.00	53,904.82	56,197.25	0.00	166,758.07
3002.00 · Bond Discounts - Unrestricted	-22,186.96	-71,022.99	-22,186.96	0.00	-115,396.91
3002.10 · Bond Premiums - Unrestricted	0.00	-14,827.17	0.00	0.00	-14,827.17
3002.50 · Bond Discounts - Restricted	0.00	-8,165.83	-28,680.00	0.00	-36,845.83
3002.60 · Bond Premiums - Restricted	-2,433,906.10	-6,422,915.40	-7,400,883.20	0.00	-16,257,704.70
3003.00 · Accum Amort Bond - Unrestr	18,800.71	53,334.11	7,200.71	0.00	79,335.53
3003.50 · Accum Amort Bond - Restr	0.00	480.00	20,430.51	0.00	20,910.51
3004.00 · Deferred Refunding on Bonds	2,402,670.07	7,092,841.46	6,062,489.57	0.00	15,558,001.10
3100.00 · Raw Water Line-U					
3120.00 · Preliminary Engineering	80,838.62	269,424.06	219,826.32	0.00	570,089.00
3130.00 · Final Engineering	394,773.00	1,315,726.00	1,073,517.00	0.00	2,784,016.00
3140.00 · Environmental	58,563.40	195,183.80	159,252.80	0.00	413,000.00
3150.00 · Construction (Alt No. 1 Route)	5,174,707.40	17,246,591.80	14,071,700.80	0.00	36,493,000.00
3155.00 · Contingency	517,470.74	1,724,659.18	1,407,170.08	0.00	3,649,300.00
3160.00 · Easements	210,118.96	700,297.73	571,381.31	0.00	1,481,798.00
3170.00 · Construction Phase Services	113,843.56	379,425.02	309,577.42	0.00	802,846.00
3180.00 · Inspections & Testing	145,494.70	435,507.80	341,997.50	0.00	923,000.00
3100.00 · Raw Water Line-U - Other	-2,122,106.53	-7,072,467.95	-5,770,467.29	0.00	-14,965,041.77
Total 3100.00 · Raw Water Line-U	4,573,703.85	15,194,347.44	12,383,955.94	0.00	32,152,007.23
3200.00 · Floating Intake Barge-U					
3220.00 · Preliminary Engineering	40,797.14	135,971.27	110,940.59	0.00	287,709.00
3230.00 · Final Engineering	65,030.90	216,739.09	176,840.02	0.00	458,610.01
3250.00 · Construction	1,607,961.89	2,529,748.37	1,445,490.74	0.00	5,583,201.00
3255.00 · Contingency	241,194.28	437,646.47	250,069.89	0.00	928,910.64
3270.00 · Construction Phase Services	36,983.12	0.00	0.00	0.00	36,983.12
3200.00 · Floating Intake Barge-U - Other	-100,332.00	-334,393.00	-272,816.00	0.00	-707,541.00
Total 3200.00 · Floating Intake Barge-U	1,891,635.33	2,985,712.20	1,710,525.24	0.00	6,587,872.77
3300.00 · Regional Wtr Treatment Plant-U					
3300.01 · WTP Land Acquisition	471,346.32	1,570,932.80	1,281,742.88	0.00	3,324,022.00
3301.00 · Construction	10,920,556.10	27,892,531.00	20,461,912.90	0.00	59,275,000.00
3320.00 · Preliminary Engineering	99,701.28	332,290.73	271,119.99	0.00	703,112.00
3330.00 · Final Engineering	490,272.51	1,634,011.19	1,333,209.30	0.00	3,457,493.00
3335.00 · Supplemental Engineering	82,441.81	274,767.28	224,185.91	0.00	581,395.00
3370.00 · Construction Phase Services	218,411.12	557,850.62	409,238.26	0.00	1,185,500.00
3380.00 · Inspections & Testing	219,013.80	559,543.40	410,442.80	0.00	1,189,000.00
3300.00 · Regional Wtr Treatment Plant-U - Other	-4,804,258.42	-13,482,905.77	-10,316,724.31	0.00	-28,603,888.50
Total 3300.00 · Regional Wtr Treatment Plant-U	7,697,484.52	19,339,021.25	14,075,127.73	0.00	41,111,633.50

Brushy Creek Regional Utility Authority
Balance Sheet by Class
As of April 11, 2018

	Cedar Park	Leander	Round Rock	Unclassified	TOTAL
3400.00 · Transmission Wtr Lines Seg 1-U					
3420.00 · Preliminary Engineering	29,950.29	99,820.21	81,444.49	0.00	211,214.99
3430.00 · Final Engineering	166,463.42	554,799.79	452,667.79	0.00	1,173,931.00
3450.00 · Construction	2,315,954.46	7,718,759.34	6,297,828.20	0.00	16,332,542.00
3455.00 · Contingency	231,595.45	771,875.93	629,782.82	0.00	1,633,254.20
3460.00 · Easements	35,450.00	118,150.00	96,400.00	0.00	250,000.00
3470.00 · Construction Phase Services	50,951.00	169,812.71	138,552.22	0.00	359,315.93
3480.00 · Inspections & Testing	33,464.80	111,533.60	91,001.60	0.00	236,000.00
3400.00 · Transmission Wtr Lines Seg 1-U - Other	-235,910.31	-786,257.15	-641,517.33	0.00	-1,663,684.79
Total 3400.00 · Transmission Wtr Lines Seg 1-U	2,627,919.11	8,758,494.43	7,146,159.79	0.00	18,532,573.33
3500.00 · Transmission Wtr Lines Seg 2A-U					
3520.00 · Preliminary Engineering	2,182.87	25,936.96	27,851.17	0.00	55,971.00
3550.00 · Construction	121,803.36	405,953.95	331,222.69	0.00	858,980.00
3555.00 · CP Addl Connection	38,690.00	0.00	0.00	0.00	38,690.00
3557.00 · Leander Addl Valve	0.00	22,207.00	0.00	0.00	22,207.00
3500.00 · Transmission Wtr Lines Seg 2A-U - Other	-70,989.00	-622,072.00	-272,950.00	0.00	-966,011.00
Total 3500.00 · Transmission Wtr Lines Seg 2A-U	91,687.23	-167,974.09	86,123.86	0.00	9,837.00
3600.00 · Transmission Wtr Lines Seg 2B-U					
3620.00 · Engineering	0.00	363,592.78	390,436.22	0.00	754,029.00
3650.00 · Construction	0.00	4,184,743.77	4,493,696.23	0.00	8,678,440.00
3600.00 · Transmission Wtr Lines Seg 2B-U - Other	-16,850.00	-4,505,757.00	-4,839,058.00	0.00	-9,361,665.00
Total 3600.00 · Transmission Wtr Lines Seg 2B-U	-16,850.00	42,579.55	45,074.45	0.00	70,804.00
3700.00 · Transmission Wtr Lines Seg 2C-U					
3720.00 · Preliminary Engineering	27,214.11	90,700.92	74,003.97	0.00	191,919.00
3730.00 · Final Engineering	0.00	302,609.91	324,951.09	0.00	627,561.00
3750.00 · Construction	0.00	4,605,081.85	4,945,067.15	0.00	9,550,149.00
3755.00 · Contingency	0.00	230,254.09	247,253.36	0.00	477,507.45
3757.00 · Allowance for Materials	0.00	460,508.18	494,506.72	0.00	955,014.90
3760.00 · Easements	0.00	159,126.00	170,874.00	0.00	330,000.00
3770.00 · Construction Phase Services	0.00	105,916.88	113,736.54	0.00	219,653.42
3700.00 · Transmission Wtr Lines Seg 2C-U - Other	-27,214.00	-703,599.64	-650,690.86	0.00	-1,381,504.50
Total 3700.00 · Transmission Wtr Lines Seg 2C-U	0.11	5,250,598.19	5,719,701.97	0.00	10,970,300.27
3800.00 · Construction Management Svc-U					
3801.00 · Construction Management Svc	232,309.91	800,199.36	663,084.19	0.00	1,695,593.46
3800.00 · Construction Management Svc-U - Other	-24,760.21	-81,864.94	-66,626.33	0.00	-173,251.48
Total 3800.00 · Construction Management Svc-U	207,549.70	718,334.42	596,457.86	0.00	1,522,341.98
3900.00 · Ancillary/O&M Expenses-U					
3901.00 · Ancillary Services					
3910.00 · Environmental Consultant	66,809.78	222,667.85	181,677.37	0.00	471,155.00
3920.00 · Real Estate Acq Consultant	66,726.83	222,391.38	181,451.79	0.00	470,570.00
3930.00 · Condemnation Counsel	21,270.00	70,890.00	57,840.00	0.00	150,000.00
3940.00 · Public Relations	73,736.00	245,752.00	200,512.00	0.00	520,000.00
3901.00 · Ancillary Services - Other	-303,039.94	-968,298.61	-791,455.77	0.00	-2,062,794.32
Total 3901.00 · Ancillary Services	-74,497.33	-206,597.38	-169,974.61	0.00	-451,069.32
3950.00 · Operational & Maintenance Exp					
3960.00 · GM Salary & Supplies	60,395.03	201,288.37	164,233.60	0.00	425,917.00
3970.00 · Preliminary Engineering Report	23,987.25	63,036.97	65,275.78	0.00	152,300.00
3980.00 · Surveying	2,806.40	7,109.91	7,634.69	0.00	17,551.00
3990.00 · Administration Fees	11,911.04	39,698.82	32,390.14	0.00	84,000.00
3950.00 · Operational & Maintenance Exp - Other	-91,635.56	-287,147.49	-248,721.92	0.00	-627,504.97
Total 3950.00 · Operational & Maintenance Exp	7,464.16	23,986.58	20,812.29	0.00	52,263.03
Total 3900.00 · Ancillary/O&M Expenses-U	-67,033.17	-182,610.80	-149,162.32	0.00	-398,806.29
3999.99 · Unspent	-17,006,096.68	-51,938,502.59	-41,613,964.52	0.00	-110,558,563.79
Total Other Assets	22,033.72	683,629.00	-1,305,432.12	0.00	-599,769.40
TOTAL ASSETS	32,749,081.05	97,750,974.74	78,038,600.58	0.00	208,538,656.37
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Accounts Payable					
20000 · Accounts Payable	-3,295.94	31,863.79	-25,062.86	0.00	3,504.99
Total Accounts Payable	-3,295.94	31,863.79	-25,062.86	0.00	3,504.99
Other Current Liabilities					
4000.00 · Accrued Bond Interest Payable	139,185.00	532,282.00	373,036.00	0.00	1,044,503.00
4600.00 · Retainage Liability	291,453.78	762,852.12	546,199.00	0.00	1,600,504.90
4850.00 · Current Revenue Bonds Payable	625,000.00	2,270,000.00	1,575,000.00	0.00	4,470,000.00
4899.00 · Reallocation of Expenses Paid	56,325.44	-5,341.33	-50,984.11	0.00	0.00
Total Other Current Liabilities	1,111,964.22	3,559,792.79	2,443,250.89	0.00	7,115,007.90
Total Current Liabilities	1,108,668.28	3,591,656.58	2,418,188.03	0.00	7,118,512.89

Brushy Creek Regional Utility Authority

Balance Sheet by Class

As of April 11, 2018

Accrual Basis

	Cedar Park	Leander	Round Rock	Unclassified	TOTAL
Long Term Liabilities					
5100.00 · Bonds BCRUA	26,845,000.00	83,875,000.00	59,720,000.00	0.00	170,440,000.00
Total Long Term Liabilities	26,845,000.00	83,875,000.00	59,720,000.00	0.00	170,440,000.00
Total Liabilities	27,953,668.28	87,466,656.58	62,138,188.03	0.00	177,558,512.89
Equity					
5200.00 · Unrestricted Net Assets	-8,080,050.73	-26,419,784.58	-18,959,459.69	0.00	-53,459,295.00
5510.00 · Cedar Park Contributions	12,707,496.70	0.00	0.00	0.00	12,707,496.70
5520.00 · Leander Contributions	0.00	36,309,609.02	0.00	0.00	36,309,609.02
5530.00 · Round Rock Contributions	0.00	0.00	34,687,856.52	0.00	34,687,856.52
Net Income	167,966.80	394,493.72	172,015.72	0.00	734,476.24
Total Equity	4,795,412.77	10,284,318.16	15,900,412.55	0.00	30,980,143.48
TOTAL LIABILITIES & EQUITY	32,749,081.05	97,750,974.74	78,038,600.58	0.00	208,538,656.37

	Color Park			Lester			Round Rock			Total (unallocated)			TOTAL			
	Oct 1 - 31, 17	Budget	% of Budget	Oct 1 - 31, 17	Budget	% of Budget	Oct 1 - 31, 17	Budget	% of Budget	Oct 1 - 31, 17	Budget	% of Budget	Oct 1 - 31, 17	Budget	% of Budget	
Ordinary Income/Expense																
Revenue																
Interest Income	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Service Income	387,758.00	387,758.00	100.0%	688,371.25	688,371.25	100.0%	233,620.25	233,620.25	100.0%	0.00	0.00	0.0%	1,309,750.00	1,309,750.00	100.0%	0.0%
Donations	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Total Income	387,758.00	387,758.00	100.0%	688,371.25	688,371.25	100.0%	233,620.25	233,620.25	100.0%	0.00	0.00	0.0%	1,309,750.00	1,309,750.00	100.0%	0.0%
Cost of Goods Sold	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Total COGS	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Gross Profit	387,758.00	387,758.00	100.0%	688,371.25	688,371.25	100.0%	233,620.25	233,620.25	100.0%	0.00	0.00	0.0%	1,309,750.00	1,309,750.00	100.0%	0.0%
Expenses																
Plant Operations	44,792.01	46,650.00	95.8%	53,757.40	119,330.00	45.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	98,847.00	218,820.00	45.2%	0.0%
Mechanics/Technician	0.00	26,542.00	0.0%	13,057.41	31,057.41	42.1%	0.00	0.00	0.0%	0.00	0.00	0.0%	18,400.00	58,400.00	31.5%	0.0%
Treatment	7,226.51	6,612.00	109.1%	5,682.54	6,712.00	84.7%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,217.00	15,012.00	8.1%	0.0%
Vehicle Repairs & Maintenance	916.23	456.32	200.7%	810.39	1,109.00	73.1%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,122.62	2,122.24	52.9%	0.0%
Contractor/Professional Services	202.07	4,246.00	4.8%	2,376.12	2,376.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,221.00	6,843.00	17.8%	0.0%
Fuel and Oil	7,512.00	1,200.00	625.6%	6,000.00	6,000.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	10,500.00	10,500.00	100.0%	0.0%
Janitorial/Security Maintenance	0.00	280.00	0.0%	0.00	347.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	7,000.00	0.0%	0.0%
Equipment Facility Maintenance	4,287.13	6,028.41	71.1%	5,148.44	7,258.40	70.8%	0.00	0.00	0.0%	0.00	0.00	0.0%	8,432.37	13,287.81	63.5%	0.0%
Salaries and Fringe	165.07	1,800.00	9.2%	222.74	1,102.00	20.2%	0.00	0.00	0.0%	0.00	0.00	0.0%	4,034.14	3,971.00	101.6%	0.0%
Utilities	82.04	800.00	10.3%	86.00	800.00	10.8%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,397.45	3,387.00	41.3%	0.0%
Licenses & Membership Dues	812.41	1,543.28	52.6%	875.04	1,622.28	53.9%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,914.25	3,587.00	53.4%	0.0%
General Management/Service	7,425.00	10,000.00	74.2%	8,248.06	10,000.00	82.5%	18,188.04	25,488.00	71.4%	0.00	0.00	0.0%	48,286.14	67,568.00	71.5%	0.0%
Plant Supervision	12,158.77	23,322.41	52.1%	17,020.36	34,348.00	49.6%	3,438.84	8,228.00	41.8%	0.00	0.00	0.0%	34,284.47	65,883.13	51.9%	0.0%
Administrative Operations	62.42	400.00	15.6%	60.00	400.00	15.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	48.00	1,200.00	4.0%	0.0%
Office Help & Contract Supplies	453.07	1,048.23	43.2%	688.02	2,110.38	32.6%	16.14	508.00	3.2%	0.00	0.00	0.0%	1,827.73	2,544.43	71.8%	0.0%
Plant Wastewater	162.42	145.00	112.0%	60.00	60.00	100.0%	35.41	160.00	22.1%	0.00	0.00	0.0%	74.00	1,254.00	5.9%	0.0%
Power/Pumping RTTL Stations	18,168.05	16,200.23	112.1%	18,818.26	17,928.00	105.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	17,177.87	33,544.43	51.2%	0.0%
Regulation of Plant/Flow Rates	295.88	60,000.00	0.5%	38,068.44	78,240.00	48.8%	0.00	0.00	0.0%	0.00	0.00	0.0%	142,200.00	71,517.00	199.0%	0.0%
Gravels/Slag Main (miscellaneous)	1,871.07	1,000.00	187.1%	1,720.44	3,200.00	53.8%	868.08	2,600.00	66.1%	0.00	0.00	0.0%	2,388.89	8,807.00	27.3%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	1,420.00	1,420.00	100.0%	0.0%
TC&D Administration Fee	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00	0.00	0.0%	0.0%
Regulation of Plant/Flow Rates	1,000.00	240.00	416.7%	1,420.00	1,420.00	100.0%	0.00	0.00	0.0%	0.00						

Brushy Creek Regional Utility Authority

Profit & Loss by Class

04/11/18

October 1, 2017 through April 11, 2018

Accrual Basis

	Cedar Park	Leander	Round Rock	Unclassified	TOTAL
Ordinary Income/Expense					
Income					
6100.00 · Service Income	387,758.00	698,371.25	223,600.25	0.00	1,309,729.50
Total Income	387,758.00	698,371.25	223,600.25	0.00	1,309,729.50
Gross Profit	387,758.00	698,371.25	223,600.25	0.00	1,309,729.50
Expense					
7000.00 · Plant Operators	44,789.63	53,757.42	0.00	0.00	98,547.05
7010.00 · Treatment Materials & Supplies	2,421.39	2,906.22	0.00	0.00	5,327.61
7015.00 · Vehicles Repairs & Maintenance	510.23	612.39	0.00	0.00	1,122.62
7020.00 · Contract Services(Lab Services)	565.87	679.13	0.00	0.00	1,245.00
7020.50 · Laboratory Supplies	7,515.52	9,020.29	0.00	0.00	16,535.81
7035.00 · Equipment Facility Maintenance	4,287.13	5,145.44	0.00	0.00	9,432.57
7040.00 · Schools and Training	198.07	237.74	0.00	0.00	435.81
7045.00 · License & Membership Dues	50.45	60.55	0.00	0.00	111.00
7050.00 · Uniforms	812.41	975.04	0.00	0.00	1,787.45
7100.00 · General Manager/Admin Services	7,423.68	23,406.66	18,760.04	0.00	49,590.38
7101.00 · Plant Superintendent	12,158.77	17,907.36	4,288.84	0.00	34,354.97
7110.00 · Small Tools & Equipment	24.77	36.48	8.74	0.00	69.99
7115.00 · Office/Bldg & General Supplies	453.97	668.62	160.14	0.00	1,282.73
7120.00 · Plant Winterization	66.42	97.83	23.43	0.00	187.68
7200.00 · Power-Pumping R/T/Lift Stations	78,158.55	93,819.26	0.00	0.00	171,977.81
7205.00 · Chemicals	32,466.20	38,966.64	0.00	0.00	71,432.84
7210.00 · Sludge Disposal	2,317.96	2,782.04	0.00	0.00	5,100.00
7215.00 · Grounds/Bldg Maint (landscape)	390.57	1,231.44	986.98	0.00	2,608.99
7220.00 · Irrigation at Plant/Solid Waste	275.88	869.78	697.12	0.00	1,842.78
7225.00 · TCEQ Administration Fee	18.71	59.00	47.29	0.00	125.00
7230.00 · Safety Equipment	90.56	285.54	228.85	0.00	604.95
7235.00 · Treated/Raw Lines Repair&Maint.	6,193.62	9,121.91	2,184.71	0.00	17,500.24
7240.00 · SCADA Maintenance	3,377.29	4,974.01	1,191.28	0.00	9,542.58
7300.00 · Power-Security/Lighting	249.16	785.58	629.63	0.00	1,664.37
7430.00 · Accounting Services	2,604.42	3,835.75	918.67	0.00	7,358.84
7470.00 · Audit/Investment/Bank Fees	5,816.37	18,099.73	14,382.39	0.00	38,298.49
7510.00 · Insurance	952.77	3,004.05	2,407.70	0.00	6,364.52
7680.00 · Legal Fees	1,179.94	3,720.33	2,981.79	0.00	7,882.06
7710.00 · Computers/Radios Maintenance	699.18	1,029.75	246.62	0.00	1,975.55
7715.00 · Communication/Phone Line (Land)	3,059.76	4,506.37	1,079.28	0.00	8,645.41
7720.00 · Miscellaneous Expense	608.07	895.59	214.50	0.00	1,718.16
7740.00 · Paying Agent Fees	0.00	200.00	0.00	0.00	200.00
9310.00 · Contingency (3%)	53.88	179.59	146.53	0.00	380.00
Total Expense	219,791.20	303,877.53	51,584.53	0.00	575,253.26
Net Ordinary Income	167,966.80	394,493.72	172,015.72	0.00	734,476.24
Net Income	167,966.80	394,493.72	172,015.72	0.00	734,476.24

Brushy Creek Regional Utility Authority
Statement of Revenue and Expenses - Actual vs Budget by Class
October 1, 2017 to April 11, 2018

Acct Code	Account Description	FY 2018 Budget	Total Actual	Variance	Actuals		
					Cedar Park	Leander	Round Rock
7510.00	Insurance	15,600.00	6,364.52	9,235.48	952.77	3,004.05	2,407.70
7300.00	Power-Security/Lighting	9,000.00	1,664.37	7,335.63	249.16	785.58	629.63
7100.00	General Manager / Admin Services	127,000.00	49,590.38	77,409.62	7,423.68	23,406.66	18,760.04
9300.00	Capital Outlay	25,000.00	-	25,000.00			
9305.00	Desks, Files, Kitchen Appliances, etc.	2,000.00	-	2,000.00			
7215.00	Grounds/Building Maintenance (landscaping, etc.)	13,000.00	2,608.99	10,391.01	390.57	1,231.44	986.98
7220.00	Irrigation Water at Plant (W&WW Service) & Solid Waste	6,500.00	1,842.78	4,657.22	275.88	869.78	697.12
7225.00	TCEQ Administration Fee	100.00	125.00	(25.00)	18.71	59.00	47.29
7230.00	Safety Equipment	18,500.00	604.95	17,895.05	90.56	285.54	228.85
7235.00	Treated/Raw Lines Repair and Maintenance	10,000.00	17,500.24	(7,500.24)	6,193.62	9,121.91	2,184.71
7470.00	Audit Fees/ Investment / Bank	51,000.00	38,298.49	12,701.51	5,816.37	18,099.73	14,382.39
7500.00	Bank Service Charges	-	-	-			
7650.00	Investment Consultant	-	-	-			
7680.00	Legal Services	20,000.00	7,882.06	12,117.94	1,179.94	3,720.33	2,981.79
7710.00	Computers/Radios Maintenance/cable/internet/copier	12,000.00	1,975.55	10,024.45	699.18	1,029.75	246.62
7240.00	SCADA Maintenance	18,000.00	9,542.58	8,457.42	3,377.29	4,974.01	1,191.28
7715.00	Communication/Telephone Line (Land Line only)	16,000.00	8,645.41	7,354.59	3,059.76	4,506.37	1,079.28
7245.00	Intake Barge Repair and Maintenance	15,000.00	-	15,000.00			
7430.00	Accounting/Finance/Personnel	45,000.00	7,358.84	37,641.16	2,604.42	3,835.75	918.67
7101.00	Plant Superintendent	124,206.00	34,354.97	89,851.03	12,158.77	17,907.36	4,288.84
7105.00	Administration Assistant (operations)	-	-	-			
7110.00	Small Tools and Equipment	7,500.00	69.99	7,430.01	24.77	36.48	8.74
7115.00	Office/Building and General Supplies (Paper, etc.)	8,000.00	1,282.73	6,717.27	453.97	668.62	160.14
7120.00	Plant Winterization	2,500.00	187.68	2,312.32	66.42	97.83	23.43
7720.00	Miscellaneous Expense	2,000.00	1,718.16	281.84	608.07	895.59	214.50
7000.00	Plant Operators	412,402.00	98,547.05	313,854.95	44,789.63	53,757.42	
7005.00	Maintenance Technician	110,041.00	-	110,041.00			
7010.00	Treatment Materials and Supplies	30,000.00	5,327.61	24,672.39	2,421.39	2,906.22	
7015.00	Vehicles Repairs and Maintenance	4,000.00	1,122.62	2,877.38	510.23	612.39	
7020.00	Contract Services (Lab services, etc.)	18,000.00	1,245.00	16,755.00	565.87	679.13	
7020.50	Laboratory Supplies	31,000.00	16,535.81	14,464.19	7,515.52	9,020.29	
7025.00	Fuel and Oil	5,000.00	-	5,000.00			
7030.00	Janitorial Facility Maintenance	1,200.00	-	1,200.00			
7035.00	Equipment Facility Maintenance (pumps, etc.)	25,000.00	9,432.57	15,567.43	4,287.13	5,145.44	
7040.00	Schools and Training	7,500.00	435.81	7,064.19	198.07	237.74	
7045.00	License and Membership Dues	2,500.00	111.00	2,389.00	50.45	60.55	
7050.00	Uniforms	6,400.00	1,787.45	4,612.55	812.41	975.04	
7200.00	Power-Pumping Raw/Treated/Lift Stations	620,000.00	171,977.81	448,022.19	78,158.55	93,819.26	
7205.00	Chemicals	273,800.00	71,432.84	202,367.16	32,466.20	38,966.64	
7210.00	Sludge Disposal	32,000.00	5,100.00	26,900.00	2,317.96	2,782.04	
9310.00	Contingency	63,803.46	380.00	63,423.46	53.88	179.59	146.53
Totals		<u>\$ 2,190,552.46</u>	<u>\$ 575,053.26</u>	<u>\$ 1,615,499.20</u>			
Annual Budget By City					705,896.00	1,168,279.00	322,923.00
Actual Total					219,791.20	303,677.53	51,584.53
Remaining Budget					<u>\$ 486,104.80</u>	<u>\$ 864,601.47</u>	<u>\$ 271,338.47</u>

Brushy Creek Regional Utility Authority General Ledger

Accrual Basis

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
1005.00 - BoA Operating Account							0.00
1005.01 - Dedication Sponsorship							0.00
Total 1005.01 - Dedication Sponsorship							0.00
1005.00 - BoA Operating Account - Other							0.00
Total 1005.00 - BoA Operating Account - Other							0.00
Total 1005.00 - BoA Operating Account							0.00
1007.00 - BoA Investing Account							0.00
1007.01 - BoA Investing - Cedar Park							0.00
Total 1007.01 - BoA Investing - Cedar Park							0.00
1007.02 - BoA Investing - Leander							0.00
Total 1007.02 - BoA Investing - Leander							0.00
1007.03 - BoA Investing - Round Rock							0.00
Total 1007.03 - BoA Investing - Round Rock							0.00
1007.00 - BoA Investing Account - Other							0.00
Total 1007.00 - BoA Investing Account - Other							0.00
Total 1007.00 - BoA Investing Account							0.00
1008.00 - Wells Fargo Operating Account							129,375.27
Transfer	10/02/2017			Funds Transfer for Cash Activity Report 2017-08	49,627.32		179,002.59
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08	3,858.95		182,861.54
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08	2,415.86		185,277.40
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08	6,505.12		191,782.52
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08	72,365.16		264,147.68
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08	74,767.22		338,914.90
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08	120,759.20		459,674.10
Bill Pmt -Check	10/02/2017	ONLI...	A T & T	September 15, 2017 through October 14, 2017		313.99	459,360.11
Bill Pmt -Check	10/02/2017	ONLI...	ALTAWORX, LLC	September 21, 2017 through October 20, 2017		842.64	458,517.47
Bill Pmt -Check	10/02/2017	ONLI...	PEC			48,470.69	410,046.78
Check	10/11/2017			Service Charge		305.26	409,741.52
Bill Pmt -Check	10/16/2017	ONLI...	Verizon Wireless			221.21	409,520.31
Bill Pmt -Check	10/19/2017	ONLI...	PEC			32,470.69	377,049.62
Deposit	10/31/2017			Deposit	18.65		377,068.27
Bill Pmt -Check	11/03/2017	21227	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	0.00		377,068.27
Bill Pmt -Check	11/03/2017	21228	Leander, City of	JULY 1, 2017 - SEPTEMBER 30, 2017	0.00		377,068.27
Bill Pmt -Check	11/03/2017	21211	CENTRAL TEXAS REFUSE	Billing Period OCTOBER 2017		95.12	376,973.15
Bill Pmt -Check	11/03/2017	21212	Department of State Health Services	September 2017		475.13	376,498.02
Bill Pmt -Check	11/03/2017	21213	DKP LANDSCAPE MANAGEMENT, ...	SEPTEMBER 5, 2017		1,149.96	375,348.06
Bill Pmt -Check	11/03/2017	21214	Elliott Electric Supply	SEPTEMBER 29, 2017		379.05	374,969.01
Bill Pmt -Check	11/03/2017	21215	EUTECHIC SERVICES			9,834.60	365,134.41
Bill Pmt -Check	11/03/2017	21216	Holcomb	PROFESSIONAL SERVICES THROUGH SEPTEMBER 21, 2017		16,554.11	348,580.30
Bill Pmt -Check	11/03/2017	21217	Kent Alan Sick	December 1, 2016 through August 30, 2017		2,074.80	346,505.50
Bill Pmt -Check	11/03/2017	21218	Lower Colorado River Auth	SEPTEMBER 29, 2017		334.00	346,171.50
Bill Pmt -Check	11/03/2017	21219	Napco Chemical Company, Inc.			24,198.05	321,973.45
Bill Pmt -Check	11/03/2017	21220	Office Depot	53794306		395.15	321,578.30
Bill Pmt -Check	11/03/2017	21221	Sheridan Environmental			1,530.00	320,048.30
Bill Pmt -Check	11/03/2017	21222	ThyssenKrupp Elevator	Service Period 10/1/2017 to 12/31/2017		722.37	319,325.93
Bill Pmt -Check	11/03/2017	21223	TMT Solutions	SEPTEMBER 30, 2017		4,650.00	314,675.93
Bill Pmt -Check	11/03/2017	21224	UNIFIRST HOLDINGS INC	1360381		213.99	314,461.94
Bill Pmt -Check	11/03/2017	21225	WALKER PARTNERS, LLC			203,260.77	111,201.17
Bill Pmt -Check	11/03/2017	ONLI...	Bank of America			3,176.00	108,025.17
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	17,290.01		125,315.18
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	5,521.25		130,836.43
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	24,563.37		155,399.80
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	60,946.64		216,346.44
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	62,535.52		278,881.96
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	98,407.52		377,289.48
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	15,197.41		392,486.89
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	152.89		392,639.78
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	18,345.11		410,984.89
Check	11/13/2017			Service Charge		333.23	410,651.66
Bill Pmt -Check	11/17/2017	21226	WHITESTONE CIVIL CONSTRUCTI...	September 2017		248,936.34	161,715.32
Check	11/17/2017			Funds Transfer for Cash Activity Report 2017-09	248,936.34		410,651.66
Deposit	11/30/2017			Deposit	17.07		410,668.73
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	20,322.18		430,990.91
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	1,172.96		432,163.87
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	25,287.80		457,451.67
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	74,633.00		532,084.67
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	76,127.94		608,212.61
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	122,616.78		730,829.39
Bill Pmt -Check	12/07/2017	21229	CENTRAL TEXAS REFUSE	Billing Period NOVEMBER 2017		95.12	730,734.27
Bill Pmt -Check	12/07/2017	21230	CONTRACT LAND STAFF, LLC			10,400.00	720,334.27
Bill Pmt -Check	12/07/2017	21231	EUTECHIC SERVICES	NOVEMBER 21, 2017		215.00	720,119.27
Bill Pmt -Check	12/07/2017	21232	FLUID METER SERVICE CORPOR...	NOVEMBER 20, 2016		1,700.00	718,419.27
Bill Pmt -Check	12/07/2017	21233	Grainger	OCTOBER 26, 2017		247.60	718,171.67
Bill Pmt -Check	12/07/2017	21234	Holcomb	PROFESSIONAL SERVICES THROUGH OCTOBER 20, 2017		15,889.10	702,282.57
Bill Pmt -Check	12/07/2017	21235	Lower Colorado River Auth	OCTOBER 31, 2017		151.00	702,131.57
Bill Pmt -Check	12/07/2017	21236	Napco Chemical Company, Inc.	OCTOBER 31, 2017		4,554.00	697,577.57
Bill Pmt -Check	12/07/2017	21237	Sheridan Environmental	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017		1,020.00	696,557.57
Bill Pmt -Check	12/07/2017	21238	Texas Commission on Environmenta...	November 30, 2017		125.00	696,432.57
Bill Pmt -Check	12/07/2017	21239	TMT Solutions	OCTOBER 20, 2017		705.00	695,727.57
Bill Pmt -Check	12/07/2017	21240	Tomecek Elecectic	OCTOBER 31, 2017		294.93	695,432.64
Bill Pmt -Check	12/07/2017	21241	UNIFIRST HOLDINGS INC	1360381		556.30	694,876.34
Bill Pmt -Check	12/07/2017	21242	WALKER PARTNERS, LLC			247,088.62	447,787.72
Bill Pmt -Check	12/08/2017	ONLI...	A T & T			744.77	447,042.95
Bill Pmt -Check	12/08/2017	ONLI...	ALTAWORX, LLC			1,686.35	445,356.60
Bill Pmt -Check	12/08/2017	ONLI...	Bank of America			3,679.57	441,677.03
Bill Pmt -Check	12/08/2017	ONLI...	PEC			32,011.73	409,665.30
Bill Pmt -Check	12/08/2017	ONLI...	Verizon Wireless			221.29	409,444.01
Bill Pmt -Check	12/08/2017	ONLI...	PEC	QuickBooks generated zero amount transaction for bill payment stub	0.00		409,444.01
Bill Pmt -Check	12/18/2017	ONLI...	Verizon Wireless			221.23	409,222.78
Deposit	12/29/2017			Deposit	19.53		409,242.31
Bill Pmt -Check	01/03/2018	ONLI...	A T & T	December 15, 2017 through January 15, 2018		362.67	408,879.64
Bill Pmt -Check	01/03/2018	ONLI...	ALTAWORX, LLC	December 21, 2017 through January 20, 2018		843.73	408,035.91
Bill Pmt -Check	01/03/2018	ONLI...	Bank of America			4,381.67	403,654.24
Bill Pmt -Check	01/03/2018	ONLI...	PEC			32,334.51	371,319.73
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11	29,492.09		400,811.82
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11	7,850.53		408,662.35
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11	41,462.06		450,124.41
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11	81,435.82		531,560.23
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11	86,565.22		618,125.45
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11	137,895.81		756,021.26
Bill Pmt -Check	01/19/2018	21243	FLUID METER SERVICE CORPOR...	NOVEMBER 27, 2017		775.00	755,246.26
Bill Pmt -Check	01/19/2018	21244	Fort Bend Services	DECEMBER 15, 2017		3,426.20	751,820.06
Bill Pmt -Check	01/19/2018	21245	Holcomb	PROFESSIONAL SERVICES THROUGH NOVEMBER 20, 2017		38,121.19	713,698.87
Bill Pmt -Check	01/19/2018	21246	SHERMCO INDUSTRIES INC	NOVEMBER 30, 2017		17,500.24	696,198.63
Bill Pmt -Check	01/19/2018	21247	TMT Solutions			1,245.00	694,953.63

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance	
Bill Pmt -Check	01/19/2018	21248	USA Blue Book			3,249.43	691,704.20	
Bill Pmt -Check	01/19/2018	21249	WALKER PARTNERS, LLC			267,775.66	423,928.54	
Bill Pmt -Check	01/19/2018	21250	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017		14,000.00	409,928.54	
Bill Pmt -Check	01/25/2018	ONLI...	Verizon Wireless	NOVEMBER 24, 2017 TO DECEMBER 23, 2017		25.07	409,903.47	
Bill Pmt -Check	01/29/2018	21251	CENTRAL TEXAS REFUSE	Billing Period DECEMBER 2017		95.12	409,808.35	
Bill Pmt -Check	01/29/2018	21252	Grainger			102.92	409,705.43	
Bill Pmt -Check	01/29/2018	21253	UNIFIRST HOLDINGS INC			266.96	409,438.47	
Check	01/30/2018			1360381	Check Reorder	158.90	409,279.57	
Deposit	01/31/2018				Deposit	16.71	409,296.28	
Check	02/12/2018				Funds Transfer for Cash Activity Report 2017-12	36,788.32	446,084.60	
Check	02/12/2018				Funds Transfer for Cash Activity Report 2017-12	1,074.37	447,158.97	
Check	02/12/2018				Funds Transfer for Cash Activity Report 2017-12	44,990.41	492,149.38	
Check	02/12/2018				Funds Transfer for Cash Activity Report 2017-12	44,095.42	536,244.80	
Check	02/12/2018				Funds Transfer for Cash Activity Report 2017-12	43,836.30	580,081.10	
Check	02/12/2018				Funds Transfer for Cash Activity Report 2017-12	70,499.53	650,580.63	
Bill Pmt -Check	02/13/2018	ONLI...	A T & T	January 15, 2018 through February 14, 2018		363.07	650,217.56	
Bill Pmt -Check	02/13/2018	ONLI...	ALTAWORX, LLC	January 21, 2018 through February 20, 2018		850.35	649,367.21	
Bill Pmt -Check	02/13/2018	ONLI...	Bank of America			3,305.66	646,061.55	
Bill Pmt -Check	02/13/2018	ONLI...	PEC			36,884.36	609,177.19	
Bill Pmt -Check	02/13/2018	21254	ALTERMAN, INC.			4,039.49	605,137.70	
Bill Pmt -Check	02/13/2018	21255	COLE-PARMER INSTRUMENT CO...			3,067.18	602,070.52	
Bill Pmt -Check	02/13/2018	21256	Elliott Electric Supply	JANUARY 18, 2018		84.92	601,985.60	
Bill Pmt -Check	02/13/2018	21257	Grainger			635.66	601,349.94	
Bill Pmt -Check	02/13/2018	21258	Holcomb	PROFESSIONAL SERVICES THROUGH DECEMBER 21, 2017		2,702.83	598,647.11	
Bill Pmt -Check	02/13/2018	21259	Lower Colorado River Auth	DECEMBER 28, 2017		151.00	598,496.11	
Bill Pmt -Check	02/13/2018	21260	Napco Chemical Company, Inc.			22,718.72	575,777.39	
Bill Pmt -Check	02/13/2018	21261	Office Depot	53794306		466.52	575,310.87	
Bill Pmt -Check	02/13/2018	21262	ROTORK DALLAS, INC.			6,166.88	569,143.99	
Bill Pmt -Check	02/13/2018	21263	Sheridan Environmental	DECEMBER 1, 2017 THROUGH DECEMBER 31, 2017		1,020.00	568,123.99	
Bill Pmt -Check	02/13/2018	21264	UNIFIRST HOLDINGS INC	1360381		267.45	567,856.54	
Bill Pmt -Check	02/13/2018	21265	USA Blue Book	JANUARY 05, 2018		2,806.77	565,049.77	
Bill Pmt -Check	02/13/2018	21266	WALKER PARTNERS, LLC			155,728.42	409,321.35	
Bill Pmt -Check	02/20/2018	ONLI...	Verizon Wireless	DECEMBER 24, 2017 TO JANUARY 23, 2018		30.16	409,291.19	
Deposit	02/28/2018				Deposit	15.56	409,306.75	
Bill Pmt -Check	03/08/2018	21267	1ST FIRE SAFETY, LLC			1,517.00	407,789.75	
Bill Pmt -Check	03/08/2018	21268	ALTIVIA CHEMICALS, LLC	FEBRUARY 13, 2018		1,543.50	406,246.25	
Bill Pmt -Check	03/08/2018	21269	COLE-PARMER INSTRUMENT CO...			288.82	405,957.43	
Bill Pmt -Check	03/08/2018	21270	EUTECHIC SERVICES	FEBRUARY 09, 2018		767.00	405,190.43	
Bill Pmt -Check	03/08/2018	21271	Grainger			2,703.89	402,486.54	
Bill Pmt -Check	03/08/2018	21272	Holcomb	PROFESSIONAL SERVICES THROUGH JANUARY 18, 2018		1,412.00	401,074.54	
Bill Pmt -Check	03/08/2018	21273	Lower Colorado River Auth			302.00	400,772.54	
Bill Pmt -Check	03/08/2018	21274	Regal Plastics Supply Company, Inc.	FEBRUARY 14, 2018		284.76	400,487.78	
Bill Pmt -Check	03/08/2018	21275	Sheridan Environmental	JANUARY 1, 2018 THROUGH JANUARY 31, 2018		510.00	399,977.78	
Bill Pmt -Check	03/08/2018	21276	UNIFIRST HOLDINGS INC	1360381		334.27	399,643.51	
Bill Pmt -Check	03/08/2018	21277	WALKER PARTNERS, LLC			156,730.65	242,912.86	
Bill Pmt -Check	03/08/2018	21278	Walker Process Equipment	FEBRUARY 14, 2018		375.00	242,537.86	
Bill Pmt -Check	03/08/2018	21279	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017 - FINAL BILL		16,300.00	226,237.86	
Check	03/08/2018				Funds Transfer for Cash Activity Report 2018-01	24,077.18	250,315.04	
Check	03/08/2018				Funds Transfer for Cash Activity Report 2018-01	7,425.49	257,740.53	
Check	03/08/2018				Funds Transfer for Cash Activity Report 2018-01	34,648.07	292,388.60	
Check	03/08/2018				Funds Transfer for Cash Activity Report 2018-01	43,300.43	335,689.03	
Check	03/08/2018				Funds Transfer for Cash Activity Report 2018-01	43,067.67	378,756.70	
Check	03/08/2018				Funds Transfer for Cash Activity Report 2018-01	71,394.55	450,151.25	
Bill Pmt -Check	03/08/2018	ONLI...	A T & T	February 15, 2018 through March 14, 2018		364.12	449,787.13	
Bill Pmt -Check	03/08/2018	ONLI...	ALTAWORX, LLC	February 21, 2018 through March 20, 2018		850.35	448,936.78	
Bill Pmt -Check	03/08/2018	ONLI...	Bank of America			2,575.93	446,360.85	
Bill Pmt -Check	03/08/2018	ONLI...	PEC			37,023.94	409,336.91	
Bill Pmt -Check	03/13/2018	21280	PEC	BCRUA ENGINEERING ASSESSMENT LETTER AGREEMENT		17,500.00	391,836.91	
Check	04/09/2018				Funds Transfer for Cash Activity Report 2018-02	50,615.11	442,452.02	
Check	04/09/2018				Funds Transfer for Cash Activity Report 2018-02	51,196.20	493,648.22	
Check	04/09/2018				Funds Transfer for Cash Activity Report 2018-02	85,518.53	579,166.75	
Check	04/09/2018				Funds Transfer for Cash Activity Report 2018-02	22,779.55	601,946.30	
Check	04/09/2018				Funds Transfer for Cash Activity Report 2018-02	4,046.10	605,992.40	
Check	04/09/2018				Funds Transfer for Cash Activity Report 2018-02	30,473.23	636,465.63	
Bill Pmt -Check	04/09/2018	ONLI...	A T & T	March 15, 2018 through April 14, 2018		364.12	636,101.51	
Bill Pmt -Check	04/09/2018	ONLI...	ALTAWORX, LLC	March 21, 2018 through April 20, 2018		850.35	635,251.16	
Bill Pmt -Check	04/09/2018	ONLI...	Bank of America			1,584.72	633,666.44	
Bill Pmt -Check	04/09/2018	ONLI...	PEC			33,723.27	599,943.17	
Bill Pmt -Check	04/09/2018	ONLI...	Verizon Wireless	JANUARY 24, 2018 TO FEBRUARY 23, 2018		25.14	599,918.03	
Bill Pmt -Check	04/09/2018	21281	ALTERMAN, INC.			1,506.25	598,411.78	
Bill Pmt -Check	04/09/2018	21282	ALTIVIA CHEMICALS, LLC	MARCH 21, 2018		1,543.50	596,868.28	
Bill Pmt -Check	04/09/2018	21283	First Southwest Asset Management	MARCH 01, 2018		1,080.00	595,788.28	
Bill Pmt -Check	04/09/2018	21284	Grainger			386.87	595,401.41	
Bill Pmt -Check	04/09/2018	21285	Holcomb	PROFESSIONAL SERVICES THROUGH FEBRUARY 21, 2018		6,533.00	588,868.41	
Bill Pmt -Check	04/09/2018	21286	Lower Colorado River Auth	FEBRUARY 28, 2018		151.00	588,717.41	
Bill Pmt -Check	04/09/2018	21287	Napco Chemical Company, Inc.	FEBRUARY 27, 2018		4,554.00	584,163.41	
Bill Pmt -Check	04/09/2018	21300	Office Depot	53794306		596.52	583,566.89	
Bill Pmt -Check	04/09/2018	21301	RON HOLIFIELD	MARCH 12, 2018		8,020.67	575,546.22	
Bill Pmt -Check	04/09/2018	21302	Sheridan Environmental	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018		2,550.00	572,996.22	
Bill Pmt -Check	04/09/2018	21303	UNIFIRST HOLDINGS INC	1360381		362.47	572,633.75	
Bill Pmt -Check	04/09/2018	21304	WALKER PARTNERS, LLC			163,296.84	409,336.91	
Total 1008.00 - Wells Fargo Operating Account						2,296,971.06	2,017,009.42	409,336.91
1009.00 - Wells Fargo Investing Account								
1009.01 - WF Investing - Cedar Park								
Deposit	10/31/2017			Interest	0.02		458.96	
Deposit	11/30/2017			Interest	0.02		459.00	
Deposit	12/29/2017			Interest	0.01		459.01	
Deposit	01/31/2018			Interest	0.02		459.03	
Deposit	02/28/2018			Interest	0.02		459.05	
Total 1009.01 - WF Investing - Cedar Park						0.09	0.00	459.05
1009.02 - WF Investing - Leander								
Deposit	10/31/2017			Interest	0.63		16,605.28	
General Journal	11/30/2017	11.04		To record Maturity of securities - 10219	700,000.00		17,605.28	
General Journal	11/30/2017	11.04		To record Maturity of securities - 10221	700,000.00		1,416,605.28	
Deposit	11/30/2017			Interest	43.77		1,416,649.05	
Deposit	12/29/2017			Interest	54.14		1,416,703.19	
Deposit	01/31/2018			Interest	54.15		1,416,757.34	
General Journal	02/22/2018	2.01		To record purchase of securities - 10256		1,400,000.00	16,757.34	
General Journal	02/22/2018	2.01		To record purchase of securities - 10256	14,827.17		31,584.51	
Deposit	02/28/2018			Interest	36.95		31,621.46	
Total 1009.02 - WF Investing - Leander						1,415,016.81	1,400,000.00	31,621.46

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
1009.03 · WF Investing - Round Rock							
Deposit	10/31/2017			Interest	0.74		19,426.13
General Journal	11/30/2017	11.04		To record Maturity of securities - 10220	800,000.00		819,426.87
General Journal	11/30/2017	11.04		To record Maturity of securities - 10222	800,000.00		1,619,426.87
Deposit	11/30/2017			Interest	50.03		1,619,476.90
Deposit	12/29/2017			Interest	61.90		1,619,538.80
Deposit	01/31/2018			Interest	61.90		1,619,600.70
Deposit	02/28/2018			Interest	55.91		1,619,656.61
Total 1009.03 · WF Investing - Round Rock					1,600,230.48	0.00	1,619,656.61
1009.00 · Wells Fargo Investing Account - Other							
Total 1009.00 · Wells Fargo Investing Account - Other							0.00
Total 1009.00 · Wells Fargo Investing Account					3,015,247.38	1,400,000.00	1,651,737.12
1010.00 · TexSTAR Debt Service Fund							
1010.01 · Cedar Park Debt Service Fund							
Deposit	10/31/2017			Interest	4.08		4,658.11
Deposit	11/30/2017			Interest	4.11		4,662.19
Deposit	12/31/2017			Interest	4.65		4,666.30
Transfer	01/30/2018			Deposit for CP Portion of Debt Svc Pymnt 2018-02		440,988.01	-436,317.06
Deposit	01/31/2018			Deposit	867,038.00		430,720.94
Deposit	01/31/2018			Interest	173.48		430,894.42
Deposit	02/28/2018			Interest	446.85		431,341.27
Total 1010.01 · Cedar Park Debt Service Fund					867,671.17	440,988.01	431,341.27
1010.02 · Leander Debt Service Fund							
Deposit	10/31/2017			Interest	0.93		1,090.00
Deposit	11/30/2017			Interest	0.93		1,090.93
Deposit	12/31/2017			Interest	1.11		1,091.86
Transfer	01/30/2018			Deposit for LD portion of Debt Svc 2018-01		1,658,422.51	-1,657,329.54
Deposit	01/31/2018			Deposit	2,996,175.00		1,338,845.46
Deposit	01/31/2018			Interest	633.37		1,339,478.83
Deposit	02/28/2018			Interest	1,389.08		1,340,867.91
Total 1010.02 · Leander Debt Service Fund					2,998,200.42	1,658,422.51	1,340,867.91
1010.03 · Round Rock Debt Service Fund							
Deposit	10/31/2017			Interest	9.24		10,346.36
Deposit	11/30/2017			Interest	9.11		10,355.60
Deposit	12/31/2017			Interest	10.33		10,364.71
Transfer	01/29/2018			Funds Transfer		1,158,133.56	-1,147,758.52
Deposit	01/31/2018			Deposit	2,059,189.00		911,430.48
Deposit	01/31/2018			Interest	329.59		911,760.07
Deposit	02/28/2018			Interest	945.51		912,705.58
Deposit	04/03/2018			Deposit	500.00		913,205.58
Total 1010.03 · Round Rock Debt Service Fund					2,060,992.78	1,158,133.56	913,205.58
1010.04 · Master Debt Service Fund							
Deposit	10/31/2017			Deposit	1.27		1,247.25
Deposit	11/30/2017			Deposit	1.15		1,248.52
Deposit	12/29/2017			Deposit	1.24		1,249.67
Transfer	01/29/2018			Funds Transfer for RR Portion of Debt Svc Payment 2018-02	1,158,133.56		1,159,384.47
Transfer	01/30/2018			Funds Transfer for CP Portion of Debt Svc Payment 2018-02	440,988.01		1,600,372.48
Transfer	01/30/2018			Funds Transfer for LD portion of Debt Svc Payment 2018-02	1,658,422.51		3,258,794.99
Deposit	01/31/2018			Deposit	230.74		3,259,025.73
Bill Pmt - Check	02/01/2018	WIRE	Bank of NY Mellon			1,625,012.84	1,634,012.89
Bill Pmt - Check	02/01/2018	WIRE	BOKF, NA	Bondholder Payment 2/1/2018		1,632,531.25	1,481.64
Deposit	02/28/2018			Deposit	1.53		1,483.17
Total 1010.04 · Master Debt Service Fund					3,257,780.01	3,257,544.09	1,483.17
1010.00 · TexSTAR Debt Service Fund - Other							
Total 1010.00 · TexSTAR Debt Service Fund - Other							0.00
Total 1010.00 · TexSTAR Debt Service Fund					9,184,644.38	6,515,088.17	2,668,897.93
1020.00 · TexSTAR Construction Fund							
1020.01 · Cedar Park Construction Fund							
Transfer	10/02/2017			Funds Transfer to Pay Invoices 2017-08		73,913.35	411,388.14
Transfer	10/06/2017			Release # 13 From TWDB	1,118,436.00		128,429.00
Deposit	10/31/2017			Interest	887.18		54,515.65
Transfer	11/03/2017			Funds Transfer to Pay Invoices 2017-09		65,807.30	1,172,951.65
Deposit	11/30/2017			Interest	975.91		1,173,838.83
Transfer	12/05/2017			Funds Transfer for Cash Activity Report 2017-10		80,825.78	1,108,031.53
Deposit	12/31/2017			Interest	1,034.31		1,109,007.44
Transfer	01/12/2018			Funds Transfer for Cash Activity Report 2017-11		81,435.82	1,028,181.66
Deposit	01/31/2018			Interest	1,094.80		1,029,215.97
Transfer	02/12/2018			Funds Transfer for Cash Activity Report 2017-12		46,318.85	947,780.15
Deposit	02/28/2018			Interest	956.06		948,874.95
Transfer	03/08/2018			Funds Transfer for Cash Activity Report 2018-01		43,300.43	902,556.10
Transfer	04/06/2018			Funds Transfer for Cash Activity Report 2018-02		50,631.69	903,512.16
Total 1020.01 · Cedar Park Construction Fund					1,123,384.26	442,233.22	860,211.73
1020.02 · Leander Construction Fund							
Transfer	10/06/2017			Release # 13 From TWDB	1,782,857.00		809,580.04
Deposit	10/31/2017			Interest	1,368.46		39,190.93
Transfer	11/03/2017			Funds Transfer for Invoices 2017-09		109,514.43	1,822,047.93
Transfer	11/17/2017			Funds Transfer for Invoices 2017-09		248,936.34	1,823,416.39
Deposit	11/30/2017			Interest	1,399.68		1,713,901.96
Transfer	12/05/2017			Funds Transfer for Cash Activity Report 2017-10		203,540.22	1,464,965.62
Transfer	12/22/2017			TWDB Release #13, Change Order No. 1	358,524.00		1,466,365.30
Deposit	12/31/2017			Interest	1,409.92		1,262,825.08
Transfer	01/17/2018			Funds Transfer for Cash Activity Report 2017-11		140,415.81	1,621,349.08
Deposit	01/31/2018			Interest	1,702.89		1,622,759.00
Transfer	02/09/2018			Funds Transfer for Cash Activity Report 2017-12		76,815.09	1,482,343.19
Deposit	02/28/2018			Interest	1,478.56		1,484,046.08
Transfer	03/08/2018			Funds Transfer for Cash Activity Report 2018-01		99,992.23	1,407,230.99
Transfer	04/06/2018			Funds Transfer for Cash Activity Report 2018-02		85,695.88	1,408,709.55
Total 1020.02 · Leander Construction Fund					2,148,740.51	964,910.00	1,223,021.44

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
1020.03 - Round Rock Construction Fund							59,370.43
Transfer	10/06/2017			Release # 13 From TWDB	1,101,307.00		1,160,677.43
Deposit	10/31/2017			Interest	876.64		1,161,554.07
Transfer	11/03/2017			Funds Transfer to Pay Invoices 2017-09		67,462.48	1,094,091.59
Deposit	11/30/2017			Interest	963.72		1,095,055.31
Transfer	12/05/2017			Funds Transfer for Cash Activity Report 2017-10		82,320.72	1,012,734.59
Deposit	12/31/2017			Interest	1,021.38		1,013,755.97
Transfer	01/12/2018			Funds Transfer for Cash Activity Report 2017-11		86,565.22	927,190.75
Deposit	01/31/2018			Interest	1,049.16		928,239.91
Transfer	02/09/2018			Funds Transfer for Cash Activity Report 2017-12		46,025.31	882,214.60
Deposit	02/28/2018			Interest	926.41		883,141.01
Transfer	03/08/2018			Funds Transfer for Cash Activity Report 2018-01		43,067.67	840,073.34
Transfer	04/06/2018			Funds Transfer for Cash Activity Report 2018-02		51,227.27	788,846.07
Total 1020.03 - Round Rock Construction Fund					1,106,144.31	376,668.67	788,846.07
1020.04 - Master Construction Fund							184,397.78
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08	4,537.72		188,935.50
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08	5,446.25		194,381.75
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08		267,891.58	-73,509.83
Transfer	10/02/2017			Funds Transfer to Pay Invoices 2017-08	73,913.35		403.52
Deposit	10/31/2017			Deposit	5.99		409.51
Bill Pmt -Check	11/03/2017	WIRE	BRENNTAG SOUTHWEST INC	OCTOBER 9, 2017		3,611.05	-3,201.54
Bill Pmt -Check	11/03/2017	WIRE	Cedar Park, City of			8,840.84	-12,042.38
Bill Pmt -Check	11/03/2017	WIRE	Hach Company	OCTOBER 05, 2017		1,946.39	-13,988.77
Bill Pmt -Check	11/03/2017	WIRE	Leander, City of			129,430.05	-143,418.82
Bill Pmt -Check	11/03/2017	WIRE	Dial Development Svcs			3,200.00	-146,618.82
Bill Pmt -Check	11/03/2017	WIRE	HDR	Service Period 08/06/2017 - 09/02/2017		9,920.00	-156,538.82
Bill Pmt -Check	11/03/2017	WIRE	Jacobs Engineering	Services through March 31, 2017		415.25	-156,954.07
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09		7,359.28	-164,313.35
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	61,400.90		-102,912.45
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	4,926.18		-97,986.27
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	77,501.25		-20,485.02
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09		221,889.68	-242,374.70
Transfer	11/03/2017			Funds Transfer to Pay Invoices 2017-09	109,514.43		-132,860.27
Transfer	11/03/2017			Funds Transfer to Pay Invoices 2017-09	67,462.48		-65,397.79
Transfer	11/03/2017			Funds Transfer to Pay Invoices 2017-09	65,807.30		409.51
Transfer	11/17/2017			Funds Transfer for Invoices 2017-09	248,936.34		249,345.85
Check	11/17/2017			Funds Transfer for Cash Activity Report 2017-09		248,936.34	409.51
Deposit	11/30/2017			Deposit	15.91		425.42
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10		273,377.72	-272,952.30
Transfer	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	80,825.78		-192,126.52
Transfer	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	82,320.72		-109,805.80
Transfer	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	203,540.22		93,734.42
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	3,741.00		97,475.42
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10	4,490.03		101,965.45
Bill Pmt -Check	12/08/2017	WIRE	BRENNTAG SOUTHWEST INC			8,231.03	93,734.42
Bill Pmt -Check	12/08/2017	WIRE	HDR			23,220.00	70,514.42
Bill Pmt -Check	12/08/2017	WIRE	WHITESTONE CIVIL CONSTRUCTI...	OCTOBER 2017		70,089.00	425.42
Deposit	12/29/2017			Deposit	24.48		449.90
Transfer	01/12/2018			Funds Transfer for Cash Activity Report 2017-11	81,435.82		81,885.72
Transfer	01/12/2018			Funds Transfer for Cash Activity Report 2017-11	86,565.22		168,450.94
Transfer	01/17/2018			Funds Transfer for Cash Activity Report 2017-11	140,415.81		308,866.75
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11		305,896.85	2,969.90
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11	2,934.88		5,904.78
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11	3,522.50		9,427.28
Bill Pmt -Check	01/19/2018	WIRE	BRENNTAG SOUTHWEST INC	DECEMBER 1, 2017		4,254.50	5,172.78
Bill Pmt -Check	01/19/2018	WIRE	Dial Development Svcs	OCTOBER 2017		2,520.00	2,652.78
Bill Pmt -Check	01/19/2018	WIRE	Hach Company			2,202.88	449.90
Deposit	01/31/2018			Deposit	52.06		501.96
Transfer	02/09/2018			Funds Transfer for Cash Activity Report 2017-12	46,025.31		46,527.27
Transfer	02/09/2018			Funds Transfer for Cash Activity Report 2017-12	76,815.09		123,342.36
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12		158,431.25	-35,088.89
Transfer	02/12/2018			Funds Transfer for Cash Activity Report 2017-12	46,318.85		11,229.96
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12	61,526.66		72,756.62
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12	5,214.56		77,971.18
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12	77,875.02		155,846.20
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12		4,470.00	151,376.20
Bill Pmt -Check	02/13/2018	WIRE	BRENNTAG SOUTHWEST INC	DECEMBER 29, 2017		4,043.59	147,332.61
Bill Pmt -Check	02/13/2018	WIRE	Cedar Park, City of			7,377.47	139,955.14
Bill Pmt -Check	02/13/2018	WIRE	Leander, City of			133,195.18	6,759.96
Bill Pmt -Check	02/13/2018	WIRE	Dial Development Svcs	NOVEMBER 2017		2,775.00	3,984.96
Bill Pmt -Check	02/13/2018	WIRE	HDR	Service Period 10/29/2017 - 12/30/2017		3,483.00	501.96
Deposit	02/28/2018			Deposit	21.69		523.65
Check	03/08/2018			Funds Transfer for Cash Activity Report 2018-01	146,468.70		146,992.35
Check	03/08/2018			Funds Transfer for Cash Activity Report 2018-01	183,604.70		330,597.05
Check	03/08/2018			Funds Transfer for Cash Activity Report 2018-01		157,762.65	172,834.40
Transfer	03/08/2018			Funds Transfer for Cash Activity Report 2018-01	43,300.43		216,134.83
Transfer	03/08/2018			Funds Transfer for Cash Activity Report 2018-01	43,067.67		259,202.50
Transfer	03/08/2018			Funds Transfer for Cash Activity Report 2018-01	99,992.23		359,194.73
Bill Pmt -Check	03/08/2018	WIRE	BRENNTAG SOUTHWEST INC			8,731.09	350,463.64
Bill Pmt -Check	03/08/2018	WIRE	Cedar Park, City of	FY2013 THRU FY2017 TRUE UP		141,664.00	208,799.64
Bill Pmt -Check	03/08/2018	WIRE	Dial Development Svcs			1,125.00	207,674.64
Bill Pmt -Check	03/08/2018	WIRE	Hach Company	FEBRUARY 19, 2018		1,840.31	205,834.33
Bill Pmt -Check	03/08/2018	WIRE	Leander, City of	FY2013 THRU FY2017 TRUE UP		177,838.00	27,996.33
Bill Pmt -Check	03/08/2018	WIRE	WHITESTONE CIVIL CONSTRUCTI...	NOVEMBER 2017		27,472.68	523.65
Transfer	04/06/2018			Funds Transfer for Cash Activity Report 2018-02	50,631.69		51,155.34
Transfer	04/06/2018			Funds Transfer for Cash Activity Report 2018-02	51,227.27		102,382.61
Transfer	04/06/2018			Funds Transfer for Cash Activity Report 2018-02	85,695.88		188,078.49
Check	04/09/2018			Funds Transfer for Cash Activity Report 2018-02		187,329.84	748.65
Check	04/09/2018			Funds Transfer for Cash Activity Report 2018-02	2,434.16		3,182.81
Check	04/09/2018			Funds Transfer for Cash Activity Report 2018-02	2,921.53		6,104.34
Bill Pmt -Check	04/09/2018	WIRE	BRENNTAG SOUTHWEST INC	MARCH 01, 2018		4,221.66	1,882.68
Bill Pmt -Check	04/09/2018	WIRE	Dial Development Svcs	FEBRUARY 2018		225.00	1,657.68
Bill Pmt -Check	04/09/2018	WIRE	Hach Company	MARCH 19, 2018		1,134.03	523.65
Total 1020.04 - Master Construction Fund					2,432,478.06	2,616,352.19	523.65
1020.00 - TexSTAR Construction Fund - Other							0.00
Total 1020.00 - TexSTAR Construction Fund - Other							0.00
Total 1020.00 - TexSTAR Construction Fund					6,810,747.14	4,400,164.08	2,821,971.20
1030.00 - TexSTAR Escrow Fund							553.27
1030.01 - Cedar Park TexSTAR Escrow Fund							94.77
Deposit	10/31/2017			Interest	0.04		94.81
Deposit	11/30/2017			Interest	0.05		94.86
Deposit	12/31/2017			Interest	0.05		94.91
Deposit	01/31/2018			Interest	0.04		94.95
Total 1030.01 - Cedar Park TexSTAR Escrow Fund					0.18	0.00	94.95

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
1030.02 - Leander TexSTAR Escrow Fund							
Deposit	10/31/2017			Interest	0.26		183.11
Deposit	11/30/2017			Interest	0.25		183.62
Deposit	12/31/2017			Interest	0.26		183.88
Deposit	01/31/2018			Interest	0.27		184.15
Deposit	02/28/2018			Interest	0.24		184.39
Total 1030.02 - Leander TexSTAR Escrow Fund					1.28	0.00	184.39
1030.03 - Round Rock TexSTAR Escrow Fund							
Deposit	10/31/2017			Interest	0.27		275.39
Deposit	11/30/2017			Interest	0.25		275.66
Deposit	12/31/2017			Interest	0.30		276.22
Deposit	01/31/2018			Interest	0.31		276.53
Deposit	02/28/2018			Interest	0.28		276.81
Total 1030.03 - Round Rock TexSTAR Escrow Fund					1.42	0.00	276.81
1030.00 - TexSTAR Escrow Fund - Other							
Total 1030.00 - TexSTAR Escrow Fund - Other							0.00
Total 1030.00 - TexSTAR Escrow Fund					2.88	0.00	556.15
1040.00 - TexSTAR Operating Fund							
1040.04 - Master Operating Fund							
Transfer	10/02/2017			Funds Transfer for Cash Activity Report 2017-08		49,627.32	1,710,337.82
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08		12,779.93	1,710,337.82
Check	10/02/2017			Funds Transfer for Cash Activity Report 2017-08		9,983.97	1,660,710.50
Deposit	10/31/2017			Deposit	1,461.00		1,647,930.57
Bill Pmt -Check	11/03/2017	WIRE	Cedar Park, City of	AUGUST 22, 2017 TO SEPTEMBER 22, 2017		259.90	1,637,946.60
Bill Pmt -Check	11/03/2017	WIRE	PATTERSON AND ASSOCIATES	SEPTEMBER 2017		1,000.00	1,639,407.60
Bill Pmt -Check	11/03/2017	WIRE	Round Rock, City of			80,743.57	1,639,407.60
Bill Pmt -Check	11/03/2017	WIRE	Round Rock, City of	JULY 1, 2017 TO SEPTEMBER 30, 2017		7,359.28	1,639,407.60
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	2,131.25		1,639,407.60
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	2,074.58		1,639,407.60
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09	3,153.45		1,639,407.60
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09		47,374.63	1,639,407.60
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09		143,828.33	1,639,407.60
Check	11/03/2017			Funds Transfer for Cash Activity Report 2017-09		33,695.41	1,639,407.60
Deposit	11/30/2017			Deposit	1,189.75		1,639,407.60
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10		46,782.94	1,639,407.60
Check	12/05/2017			Funds Transfer for Cash Activity Report 2017-10		8,231.03	1,639,407.60
Bill Pmt -Check	12/08/2017	WIRE	Cedar Park, City of	SEPTEMBER 22, 2017 TO OCTOBER 22, 2017		232.45	1,639,407.60
Bill Pmt -Check	12/08/2017	WIRE	Dahill	NOVEMBER 17, 2017 THROUGH DECEMBER 16, 2017		269.01	1,639,407.60
Bill Pmt -Check	12/08/2017	WIRE	PATTERSON AND ASSOCIATES	OCTOBER 2017		1,000.00	1,639,407.60
Bill Pmt -Check	12/08/2017	WIRE	Round Rock, City of	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017		90.00	1,639,407.60
Deposit	12/31/2017			Deposit	1,285.82		1,639,407.60
Deposit	01/18/2018			Deposit for LD Portion of Oper Payment 2018-01	584,139.50		1,639,407.60
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11		78,804.68	1,639,407.60
Check	01/19/2018			Funds Transfer for Cash Activity Report 2017-11		6,457.38	1,639,407.60
Bill Pmt -Check	01/19/2018	WIRE	Cedar Park, City of	OCTOBER 22, 2017 TO NOVEMBER 22, 2017		263.26	1,639,407.60
Bill Pmt -Check	01/19/2018	WIRE	Dahill	DECEMBER 17, 2017 THROUGH JANUARY 16, 2018		82.95	1,639,407.60
Bill Pmt -Check	01/19/2018	WIRE	PATTERSON AND ASSOCIATES			2,000.00	1,639,407.60
Bill Pmt -Check	01/19/2018	WIRE	Round Rock, City of	NOVEMBER 1, 2017 THROUGH NOVEMBER 30, 2017		115.00	1,639,407.60
Bill Pmt -Check	01/19/2018	WIRE	TML Intergovernmental	LIABILITY 17/18 FY		5,364.52	1,639,407.60
Deposit	01/25/2018			Deposit for CP Portion of Oper Payment 2018-01	352,948.00		1,639,407.60
Deposit	01/26/2018			Deposit for RR Portion of Oper Payment 2018-01	161,461.50		1,639,407.60
Deposit	01/31/2018			Deposit	1,772.02		1,639,407.60
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12		82,853.10	1,639,407.60
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12		144,616.24	1,639,407.60
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12	1,294.51		1,639,407.60
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12	1,260.09		1,639,407.60
Check	02/12/2018			Funds Transfer for Cash Activity Report 2017-12	1,915.40		1,639,407.60
Bill Pmt -Check	02/13/2018	WIRE	Cedar Park, City of	NOVEMBER 22, 2017 TO DECEMBER 22, 2017		244.62	1,639,407.60
Bill Pmt -Check	02/13/2018	WIRE	Dahill	JANUARY 17, 2018 THROUGH FEBRUARY 16, 2018		82.95	1,639,407.60
Bill Pmt -Check	02/13/2018	WIRE	Round Rock, City of			53,702.14	1,639,407.60
Deposit	02/28/2018			Deposit	2,192.83		1,639,407.60
Check	03/08/2018			Funds Transfer for Cash Activity Report 2018-01		330,073.40	1,639,407.60
Check	03/08/2018			Funds Transfer for Cash Activity Report 2018-01		66,150.74	1,639,407.60
Bill Pmt -Check	03/08/2018	WIRE	Cedar Park, City of	DECEMBER 22, 2017 TO JANUARY 22, 2018		321.77	1,639,407.60
Bill Pmt -Check	03/08/2018	WIRE	Dahill	FEBRUARY 17, 2018 THROUGH MARCH 16, 2018		153.18	1,639,407.60
Bill Pmt -Check	03/08/2018	WIRE	PATTERSON AND ASSOCIATES			2,000.00	1,639,407.60
Bill Pmt -Check	03/08/2018	WIRE	Round Rock, City of			18,662.00	1,639,407.60
Bill Pmt -Check	03/08/2018	WIRE	TML Intergovernmental	NOV 2017 DEDUCTIBLE		1,000.00	1,639,407.60
Check	04/09/2018			Funds Transfer for Cash Activity Report 2018-02		5,355.69	1,639,407.60
Check	04/09/2018			Funds Transfer for Cash Activity Report 2018-02		57,298.88	1,639,407.60
Bill Pmt -Check	04/09/2018	WIRE	Cedar Park, City of	JANUARY 22, 2018 TO FEBRUARY 22, 2018		314.93	1,639,407.60
Bill Pmt -Check	04/09/2018	WIRE	Dahill	MARCH 17, 2018 THROUGH APRIL 16, 2018		82.95	1,639,407.60
Bill Pmt -Check	04/09/2018	WIRE	PATTERSON AND ASSOCIATES	MARCH 2018		1,000.00	1,639,407.60
Bill Pmt -Check	04/09/2018	WIRE	Round Rock, City of	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018		115.00	1,639,407.60
Total 1040.04 - Master Operating Fund					1,118,279.70	1,300,373.15	1,528,244.37
1040.00 - TexSTAR Operating Fund - Other							
Total 1040.00 - TexSTAR Operating Fund - Other							0.00
Total 1040.00 - TexSTAR Operating Fund					1,118,279.70	1,300,373.15	1,528,244.37
1050.00 - TX Capital NOW Acct							
1050.01 - TX Capital NOW-Cedar Park 3077							
Total 1050.01 - TX Capital NOW-Cedar Park 3077							0.00
1050.02 - TX Capital NOW-Leander 2962							
Total 1050.02 - TX Capital NOW-Leander 2962							0.00
1050.03 - TX Capital NOW-Round Rock 3069							
Total 1050.03 - TX Capital NOW-Round Rock 3069							0.00
1050.00 - TX Capital NOW Acct - Other							
Total 1050.00 - TX Capital NOW Acct - Other							0.00
Total 1050.00 - TX Capital NOW Acct							0.00
1051.00 - TX Capital							
1051.01 - TX Capital - Cedar Park 3366							
Total 1051.01 - TX Capital - Cedar Park 3366							0.00
1051.02 - TX Capital - Leander 3382							
Total 1051.02 - TX Capital - Leander 3382							0.00
1051.03 - TX Capital - Round Rock 3374							
Total 1051.03 - TX Capital - Round Rock 3374							0.00

**Brushy Creek Regional Utility Authority
General Ledger**

04/11/18

Accrual Basis

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
1051.00 · TX Capital - Other							0.00
Total 1051.00 · TX Capital - Other							0.00
Total 1051.00 · TX Capital							0.00
1055.00 · Texas Capital Bank							0.00
1055.01 · Cedar Park - TCB 3366							0.00
Total 1055.01 · Cedar Park - TCB 3366							0.00
1055.02 · Leander - TCB 3382							0.00
Total 1055.02 · Leander - TCB 3382							0.00
1055.03 · Round Rock - TCB 3374							0.00
Total 1055.03 · Round Rock - TCB 3374							0.00
1055.00 · Texas Capital Bank - Other							0.00
Total 1055.00 · Texas Capital Bank - Other							0.00
Total 1055.00 · Texas Capital Bank							0.00
1060.00 · TexSTAR Reserve Fund							8,382.06
1060.02 · Leander Reserve Account							8,382.06
Deposit	10/31/2017			Interest	7.46		8,389.52
Deposit	11/30/2017			Interest	7.39		8,396.91
Deposit	12/31/2017			Interest	8.37		8,405.28
Deposit	01/31/2018			Interest	9.21		8,414.49
Deposit	02/28/2018			Interest	8.72		8,423.21
Total 1060.02 · Leander Reserve Account					41.15	0.00	8,423.21
1060.00 · TexSTAR Reserve Fund - Other							0.00
Total 1060.00 · TexSTAR Reserve Fund - Other							0.00
Total 1060.00 · TexSTAR Reserve Fund					41.15	0.00	8,423.21
1070.00 · BoNY							0.00
1070.01 · BoNY - Cedar Park							0.00
Total 1070.01 · BoNY - Cedar Park							0.00
1070.02 · BoNY - Leander							0.00
Total 1070.02 · BoNY - Leander							0.00
1070.03 · BoNY - Round Rock							0.00
Total 1070.03 · BoNY - Round Rock							0.00
1070.00 · BoNY - Other							0.00
Total 1070.00 · BoNY - Other							0.00
Total 1070.00 · BoNY							0.00
1080.00 · TexSTAR							0.00
1080.02 · TexSTAR - Leander #301000							0.00
Total 1080.02 · TexSTAR - Leander #301000							0.00
1080.00 · TexSTAR - Other							0.00
Total 1080.00 · TexSTAR - Other							0.00
Total 1080.00 · TexSTAR							0.00
1099.00 · Suspense Account							0.00
1099.01 · Suspense - Cedar Park							0.00
Total 1099.01 · Suspense - Cedar Park							0.00
1099.02 · Suspense - Leander							0.00
Total 1099.02 · Suspense - Leander							0.00
1099.03 · Suspense - Round Rock							0.00
Total 1099.03 · Suspense - Round Rock							0.00
1099.00 · Suspense Account - Other							0.00
Total 1099.00 · Suspense Account - Other							0.00
Total 1099.00 · Suspense Account							0.00
11000 · Accounts Receivable							89,553.11
Invoice	01/12/2018	1292	Cedar Park		867,038.00		956,591.11
Invoice	01/12/2018	1293	Cedar Park		352,948.00		1,309,539.11
Invoice	01/12/2018	1294	Round Rock		2,059,189.00		3,368,728.11
Invoice	01/12/2018	1295	Round Rock		161,461.50		3,530,189.61
Invoice	01/12/2018	1296	Leander		584,139.50		4,114,329.11
Invoice	01/12/2018	1297	Leander		2,996,175.00		7,110,504.11
Payment	01/18/2018	1296	Leander			584,139.50	6,526,364.61
Payment	01/25/2018	1293	Cedar Park			352,948.00	6,173,416.61
Payment	01/25/2018	1292	Cedar Park			867,038.00	5,306,378.61
Payment	01/26/2018	1295	Round Rock			161,461.50	5,144,917.11
Payment	01/29/2018	1294	Round Rock			2,059,189.00	3,085,728.11
Payment	01/30/2018	1297	Leander			2,996,175.00	89,553.11
Invoice	04/03/2018	1301	Leander		1,528,430.21		1,617,983.32
Invoice	04/03/2018	1302	Leander		292,069.75		1,910,053.07
Invoice	04/03/2018	1303	Cedar Park		176,474.00		2,086,527.07
Invoice	04/03/2018	1304	Cedar Park		441,232.15		2,527,759.22
Invoice	04/03/2018	1305	Round Rock		80,730.75		2,608,489.97
Invoice	04/03/2018	1306	Round Rock		1,037,306.23		3,645,796.20
Total 11000 · Accounts Receivable					10,577,194.09	7,020,951.00	3,645,796.20
11001 · Allowance for Doubtful Accounts							0.00
1110.01 · Allowance for Doubtful Accts-CP							0.00
Total 1110.01 · Allowance for Doubtful Accts-CP							0.00
1110.02 · Allowance for Doubtful Accts-LD							0.00
Total 1110.02 · Allowance for Doubtful Accts-LD							0.00
1110.03 · Allowance for Doubtful Accts-RR							0.00
Total 1110.03 · Allowance for Doubtful Accts-RR							0.00
11001 · Allowance for Doubtful Accounts - Other							0.00
Total 11001 · Allowance for Doubtful Accounts - Other							0.00
Total 11001 · Allowance for Doubtful Accounts							0.00
1100.00 · Due From Cities							0.00
1100.01 · Due From Cedar Park							0.00
Total 1100.01 · Due From Cedar Park							0.00

**Brushy Creek Regional Utility Authority
General Ledger**

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
1100.02 - Due From Leander							0.00
Total 1100.02 - Due From Leander							0.00
1100.03 - Due From Round Rock							0.00
Total 1100.03 - Due From Round Rock							0.00
1100.00 - Due From Cities - Other							0.00
Total 1100.00 - Due From Cities - Other							0.00
Total 1100.00 - Due From Cities							0.00
1150.00 - Due To/From BoNY							0.00
1150.01 - Due to/from BoNY - Cedar Park							0.00
Total 1150.01 - Due to/from BoNY - Cedar Park							0.00
1150.02 - Due to/from BoNY - Leander							0.00
Total 1150.02 - Due to/from BoNY - Leander							0.00
1150.03 - Due to/from BoNY - Round Rock							0.00
Total 1150.03 - Due to/from BoNY - Round Rock							0.00
1150.00 - Due To/From BoNY - Other							0.00
Total 1150.00 - Due To/From BoNY - Other							0.00
Total 1150.00 - Due To/From BoNY							0.00
12000 - Undeposited Funds							0.00
Payment 01/18/2018 1296 Leander					584,139.50		584,139.50
Deposit 01/18/2018 1296 Leander				1st & 2nd LD Portion of Oper Expenses		584,139.50	0.00
Payment 01/25/2018 1293 Cedar Park					352,948.00		352,948.00
Payment 01/25/2018 1292 Cedar Park					867,038.00		1,219,986.00
Deposit 01/25/2018 1293 Cedar Park				Funds for CP 1st and 2nd Qtr Operating Expenses		352,948.00	867,038.00
Payment 01/26/2018 1295 Round Rock					161,461.50		1,028,499.50
Deposit 01/26/2018 1295 Round Rock				Deposit for RR Portion of Oper Payment 2018-01		161,461.50	867,038.00
Payment 01/29/2018 1294 Round Rock					2,059,189.00		2,928,227.00
Payment 01/30/2018 1297 Leander					2,996,175.00		5,924,402.00
Deposit 01/31/2018 1292 Cedar Park				Deposit		867,038.00	5,055,364.00
Deposit 01/31/2018 1297 Leander				1st and 2nd Qtr Debt Service Payment		2,996,175.00	2,059,189.00
Deposit 01/31/2018 1294 Round Rock				1st and 2nd Debt Service Payment		2,059,189.00	0.00
Total 12000 - Undeposited Funds					7,020,951.00	7,020,951.00	0.00
12100 - Inventory Asset							0.00
Total 12100 - Inventory Asset							0.00
1400.00 - Viewpoint Bank - CD							0.00
1400.02 - Viewpoint Bank - Leander							0.00
Total 1400.02 - Viewpoint Bank - Leander							0.00
1400.00 - Viewpoint Bank - CD - Other							0.00
Total 1400.00 - Viewpoint Bank - CD - Other							0.00
Total 1400.00 - Viewpoint Bank - CD							0.00
1405.00 - Wells Fargo - Securities							3,000,000.00
1405.01 - WF Securities - Cedar Park							0.00
Total 1405.01 - WF Securities - Cedar Park							0.00
1405.02 - WF Reserve Account - Leander							1,400,000.00
General Journal 11/30/2017 11.04				To record Maturity of securities - 10219		700,000.00	700,000.00
General Journal 11/30/2017 11.04				To record Maturity of securities - 10221		700,000.00	0.00
General Journal 02/22/2018 2.01				To record purchase of securities - 10256	1,400,000.00		1,400,000.00
Total 1405.02 - WF Reserve Account - Leander					1,400,000.00	1,400,000.00	1,400,000.00
1405.03 - WF Securities - Round Rock							1,600,000.00
General Journal 11/30/2017 11.04				To record Maturity of securities - 10220		800,000.00	800,000.00
General Journal 11/30/2017 11.04				To record Maturity of securities - 10222		800,000.00	0.00
Total 1405.03 - WF Securities - Round Rock					0.00	1,600,000.00	0.00
1405.00 - Wells Fargo - Securities - Other							0.00
Total 1405.00 - Wells Fargo - Securities - Other							0.00
Total 1405.00 - Wells Fargo - Securities					1,400,000.00	3,000,000.00	1,400,000.00
1410.00 - Bank of America - Securities							0.00
1410.01 - BOA Securities - Cedar Park							0.00
Total 1410.01 - BOA Securities - Cedar Park							0.00
1410.02 - BOA Reserve Account - Leander							0.00
Total 1410.02 - BOA Reserve Account - Leander							0.00
1410.03 - BOA Securities - Round Rock							0.00
Total 1410.03 - BOA Securities - Round Rock							0.00
1410.00 - Bank of America - Securities - Other							0.00
Total 1410.00 - Bank of America - Securities - Other							0.00
Total 1410.00 - Bank of America - Securities							0.00
1420.00 - BNY Mellon - Securities							0.00
1420.01 - Securities - Cedar Park							0.00
Total 1420.01 - Securities - Cedar Park							0.00
1420.02 - Securities - Leander							0.00
General Journal 10/31/2017 10.01				To record purchase of securities - 10219	1,000,000.00		1,000,000.00
General Journal 10/31/2017 10.01				To record purchase of securities - 10220	1,000,000.00		2,000,000.00
General Journal 02/13/2018 2.03				To record Maturity of securities - 10220	1,000,000.00		3,000,000.00
General Journal 02/13/2018 2.03				To record Maturity of securities - 10220		1,000,000.00	2,000,000.00
General Journal 02/22/2018 2.02				To record purchase of securities - 10255		1,000,000.00	1,000,000.00
General Journal 02/22/2018 2.02				To record purchase of securities - 10255	1,000,000.00		2,000,000.00
Total 1420.02 - Securities - Leander					4,000,000.00	2,000,000.00	2,000,000.00
1420.03 - Securities - Round Rock							0.00
General Journal 10/31/2017 10.01				To record purchase of securities - 10221	4,000,000.00		4,000,000.00
General Journal 10/31/2017 10.01				To record purchase of securities - 10222	4,000,000.00		8,000,000.00
Total 1420.03 - Securities - Round Rock					8,000,000.00	0.00	8,000,000.00
1420.10 - Securities (Swift 1C)- Cedar Pk							0.00
General Journal 11/16/2017 11.05				RECORD BOND ISSUE CP - NOV 16, 2017 TWDB SWIFT 1C BONDS	4,373,344.00		4,373,344.00
Total 1420.10 - Securities (Swift 1C)- Cedar Pk					4,373,344.00	0.00	4,373,344.00

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Type	Date	Num	Name	Memo	Debit	Credit	Balance
1420.20 · Securities (Swift 1C)- Leander							0.00
General Journal	11/16/2017	11.05		RECORD BOND ISSUE LD - NOV 16, 2017 TWDB SWIFT 1C BONDS	8,072,740.00		8,072,740.00
Total 1420.20 · Securities (Swift 1C)- Leander					8,072,740.00	0.00	8,072,740.00
1420.30 · Securities (Swift 1C)- Round Rk							0.00
General Journal	11/16/2017	11.05		RECORD BOND ISSUE RR - NOV 16, 2017 TWDB SWIFT 1C BONDS	4,378,302.75		4,378,302.75
Total 1420.30 · Securities (Swift 1C)- Round Rk					4,378,302.75	0.00	4,378,302.75
1420.00 · BNY Mellon - Securities - Other							0.00
Total 1420.00 · BNY Mellon - Securities - Other							0.00
Total 1420.00 · BNY Mellon - Securities					28,824,386.75	2,000,000.00	26,824,386.75
1430.00 · Treasury Discounts							0.00
1430.02 · Treasury Discounts - Leander							0.00
Total 1430.02 · Treasury Discounts - Leander							0.00
1430.00 · Treasury Discounts - Other							0.00
Total 1430.00 · Treasury Discounts - Other							0.00
Total 1430.00 · Treasury Discounts							0.00
1440.00 · East West Bank - CD							0.00
1440.01 · EWB CD - Cedar Park							0.00
Total 1440.01 · EWB CD - Cedar Park							0.00
1440.02 · EWB CD - Leander							0.00
Total 1440.02 · EWB CD - Leander							0.00
1440.03 · EWB CD - Round Rock							0.00
Total 1440.03 · EWB CD - Round Rock							0.00
1440.00 · East West Bank - CD - Other							0.00
Total 1440.00 · East West Bank - CD - Other							0.00
Total 1440.00 · East West Bank - CD							0.00
1450.00 · East West Bank - MMA							18,301,070.60
1450.01 · EWB MMA - Cedar Park							2,055,149.67
General Journal	10/05/2017	10.02		Service Charge		30.00	2,055,119.67
Transfer	10/06/2017			Release # 13 From TWDB		1,118,436.00	936,683.67
Deposit	10/19/2017			Deposit	30.00		936,713.67
Deposit	10/31/2017			Interest	1,005.66		937,719.33
Deposit	11/30/2017			Interest	854.74		938,574.07
Deposit	12/31/2017			Interest	909.54		939,483.61
Deposit	01/31/2018			Interest	1,071.81		940,555.42
Deposit	02/28/2018			Interest	1,010.13		941,565.55
Total 1450.01 · EWB MMA - Cedar Park					4,881.88	1,118,466.00	941,565.55
1450.02 · EWB MMA - Leander							5,016,807.11
Transfer	10/06/2017			Release # 13 From TWDB		1,782,857.00	3,233,950.11
General Journal	10/31/2017	10.01		To record purchase of securities - 10219		1,000,000.00	2,233,950.11
General Journal	10/31/2017	10.01		To record purchase of securities - 10220		1,000,000.00	1,233,950.11
Deposit	10/31/2017			Deposit	60.00		1,234,010.11
General Journal	10/31/2017	10.05		Service Charge		60.00	1,233,950.11
Deposit	10/31/2017			Interest	2,382.14		1,236,332.25
Deposit	11/30/2017			Interest	1,126.93		1,237,459.18
Transfer	12/22/2017			TWDB Release #13, Change Order No. 1		358,524.00	878,935.18
General Journal	12/31/2017	12.04		Service Charge		30.00	878,905.18
Deposit	12/31/2017			Interest	1,075.89		879,981.07
Deposit	01/31/2018			Interest	1,003.92		880,984.99
Deposit	02/28/2018			Interest	946.16		881,931.15
Total 1450.02 · EWB MMA - Leander					6,595.04	4,141,471.00	881,931.15
1450.03 · EWB MMA - Round Rock							11,229,113.82
Transfer	10/06/2017			Release # 13 From TWDB		1,101,307.00	10,127,806.82
Deposit	10/19/2017			Deposit	30.00		10,127,836.82
General Journal	10/31/2017	10.01		To record purchase of securities - 10221		4,000,000.00	6,127,836.82
General Journal	10/31/2017	10.01		To record purchase of securities - 10222		4,000,000.00	2,127,836.82
General Journal	10/31/2017	10.06		Service Charge		30.00	2,127,806.82
Deposit	10/31/2017			Interest	6,194.00		2,134,000.82
Deposit	11/30/2017			Interest	1,945.16		2,135,945.98
Deposit	12/31/2017			Interest	2,069.88		2,138,015.86
Deposit	01/31/2018			Interest	2,439.15		2,140,455.01
Deposit	02/28/2018			Interest	2,298.80		2,142,753.81
Total 1450.03 · EWB MMA - Round Rock					14,976.99	9,101,337.00	2,142,753.81
1450.00 · East West Bank - MMA - Other							0.00
Total 1450.00 · East West Bank - MMA - Other							0.00
Total 1450.00 · East West Bank - MMA					26,453.91	14,361,274.00	3,966,250.51
1460.00 · Comerica Bank - MMA							372,834.85
1460.01 · CB MMA - Cedar Park							716.58
General Journal	10/31/2017	10.03		Service Charge		25.00	691.58
Deposit	10/31/2017			Interest	0.06		691.64
General Journal	11/30/2017	11.02		Service Charge		25.00	666.64
Deposit	11/30/2017			Interest	0.05		666.69
General Journal	12/31/2017	12.01		Service Charge		25.00	641.69
Deposit	12/31/2017			Interest	0.06		641.75
General Journal	01/31/2018	12.05		Service Charge		25.00	616.75
Deposit	01/31/2018			Interest	0.05		616.80
General Journal	02/28/2018	1.04		Service Charge		25.00	591.80
Deposit	02/28/2018			Interest	0.05		591.85
Total 1460.01 · CB MMA - Cedar Park					0.27	125.00	591.85
1460.02 · CB MMA - Leander							14,256.75
General Journal	10/31/2017	10.04		Service Charge		25.00	14,231.75
Deposit	10/31/2017			Interest	1.21		14,232.96
General Journal	11/30/2017	11.03		Service Charge		25.00	14,207.96
Deposit	11/30/2017			Interest	1.17		14,209.13
General Journal	12/31/2017	12.02		Service Charge		25.00	14,184.13
Deposit	12/31/2017			Interest	1.21		14,185.34
General Journal	01/31/2018	12.06		Service Charge		25.00	14,160.34
Deposit	01/31/2018			Interest	1.20		14,161.54
General Journal	02/28/2018	1.05		Service Charge		25.00	14,136.54
Deposit	02/28/2018			Interest	1.09		14,137.63
Total 1460.02 · CB MMA - Leander					5.88	125.00	14,137.63

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Type	Date	Num	Name	Memo	Debit	Credit	Balance
1460.03 · CB MMA - Round Rock							
Deposit	10/31/2017			Interest	45.59		357,861.52
Deposit	11/30/2017			Interest	44.12		357,907.11
Deposit	12/31/2017			Interest	45.61		357,951.23
Deposit	01/31/2018			Interest	45.60		357,996.84
Deposit	02/28/2018			Interest	41.20		358,042.44
Total 1460.03 · CB MMA - Round Rock					222.12	0.00	358,083.64
1460.00 · Comerica Bank - MMA - Other							
Total 1460.00 · Comerica Bank - MMA - Other							0.00
Total 1460.00 · Comerica Bank - MMA					228.27	250.00	372,813.12
1490.00 · Market Adjustment -Unrestricted							
Total 1490.00 · Market Adjustment -Unrestricted							0.00
1490.50 · Market Adjustment - Restricted							
Total 1490.50 · Market Adjustment - Restricted							-1,686.40
Total 1490.50 · Market Adjustment - Restricted							-1,686.40
1500.00 · Accrued Interest Receivable							
1500.01 · Accrued Int Rec - Cedar Park							
Total 1500.01 · Accrued Int Rec - Cedar Park							0.00
1500.02 · Accrued Int Rec - Leander							
Total 1500.02 · Accrued Int Rec - Leander							0.00
1500.03 · Accrued Int Rec - Round Rock							
Total 1500.03 · Accrued Int Rec - Round Rock							0.00
1500.00 · Accrued Interest Receivable - Other							
Total 1500.00 · Accrued Interest Receivable - Other							0.00
Total 1500.00 · Accrued Interest Receivable							0.00
1899.00 · Capitalization of Interest							
1415.00 · BoA Interest/Service Charge							
1415.01 · BoA Interest - Cedar Park							
Total 1415.01 · BoA Interest - Cedar Park							-8,939.21
1415.02 · BoA Interest - Leander							
Total 1415.02 · BoA Interest - Leander							-36,080.74
1415.03 · BoA Interest - Round Rock							
Total 1415.03 · BoA Interest - Round Rock							-22,881.35
1415.00 · BoA Interest/Service Charge - Other							
Total 1415.00 · BoA Interest/Service Charge - Other							0.00
Total 1415.00 · BoA Interest/Service Charge							-67,901.30
1425.00 · Wells Fargo Interest/Svc Charge							
1425.01 · WF Interest - Cedar Park							
Deposit	10/31/2017			Interest		0.02	-0.02
Deposit	11/30/2017			Interest		0.02	-0.04
Deposit	12/29/2017			Interest		0.01	-0.05
Deposit	01/31/2018			Interest		0.02	-0.07
Deposit	02/28/2018			Interest		0.02	-0.09
Total 1425.01 · WF Interest - Cedar Park					0.00	0.09	-0.09
1425.02 · WF Interest - Leander							
Deposit	10/31/2017			Interest		0.63	-0.63
Deposit	11/30/2017			Interest		43.77	-44.40
Deposit	12/29/2017			Interest		54.14	-98.54
Deposit	01/31/2018			Interest		54.15	-152.69
Deposit	02/28/2018			Interest		36.95	-189.64
Total 1425.02 · WF Interest - Leander					0.00	189.64	-189.64
1425.03 · WF Interest - Round Rock							
Deposit	10/31/2017			Interest		0.74	-0.74
Deposit	11/30/2017			Interest		50.03	-50.77
Deposit	12/29/2017			Interest		61.90	-112.67
Deposit	01/31/2018			Interest		61.90	-174.57
Deposit	02/28/2018			Interest		55.91	-230.48
Total 1425.03 · WF Interest - Round Rock					0.00	230.48	-230.48
1425.00 · Wells Fargo Interest/Svc Charge - Other							
Total 1425.00 · Wells Fargo Interest/Svc Charge - Other							0.00
Total 1425.00 · Wells Fargo Interest/Svc Charge					0.00	420.21	-420.21
1800.00 · Capitalization of Interest Cost							
1800.01 · Interest Cost - Cedar Park							
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder payment 2/1/2018	24,260.60		3,718,965.36
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder payment 2/1/2018	402,575.00		3,743,225.96
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder payment 2/1/2018	14,152.41		4,145,800.96
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder payment 2/1/2018	25,891.26		4,159,953.37
Total 1800.01 · Interest Cost - Cedar Park					466,879.27	0.00	4,185,844.63
1800.02 · Interest Cost - Leander							
Deposit	10/31/2017			Interest		0.93	14,304,216.24
Deposit	11/30/2017			Interest		0.93	14,304,215.31
Deposit	12/31/2017			Interest		1.11	14,304,214.38
Deposit	01/31/2018			Interest		633.37	14,304,213.27
Deposit	02/28/2018			Interest		1,389.08	14,303,579.90
Total 1800.02 · Interest Cost - Leander					0.00	2,025.42	14,302,190.82
1800.03 · Interest Cost - Round Rock							
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder Payment 2/1/2018	61,074.60		9,707,849.21
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder Payment 2/1/2018	1,082,900.00		9,768,923.81
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder Payment 2/1/2018	14,158.97		10,851,823.81
Total 1800.03 · Interest Cost - Round Rock					1,158,133.57	0.00	10,865,982.78
1800.00 · Capitalization of Interest Cost - Other							
Bill	01/29/2018	BRUS...	BOKF, NA	Bondholder Payment 2/1/2018	1,632,331.25		0.00
Total 1800.00 · Capitalization of Interest Cost - Other					1,632,331.25	0.00	1,632,331.25
Total 1800.00 · Capitalization of Interest Cost					3,257,344.09	2,025.42	30,986,349.48

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Type	Date	Num	Name	Memo	Debit	Credit	Balance
1820.00 · Capitalize Investment Interest							-1,771,708.96
1820.01 · Investment Interest-Cedar Park							-254,689.53
Total 1820.01 · Investment Interest-Cedar Park							-254,689.53
1820.02 · Investment Interest-Leander							-821,887.47
Total 1820.02 · Investment Interest-Leander							-821,887.47
1820.03 · Investment Interest-Round Rock							-695,131.96
Total 1820.03 · Investment Interest-Round Rock							-695,131.96
1820.00 · Capitalize Investment Interest - Other							0.00
Total 1820.00 · Capitalize Investment Interest - Other							0.00
Total 1820.00 · Capitalize Investment Interest							-1,771,708.96
1825.00 · Capitalize TexSTAR Interest							-267,507.97
1825.01 · TexSTAR Interest - Cedar Park							-43,367.03
Deposit	10/31/2017		Interest			887.18	-44,254.21
Deposit	10/31/2017		Interest			4.08	-44,258.29
Deposit	10/31/2017		Interest			0.04	-44,258.33
Deposit	11/30/2017		Interest			975.91	-45,234.24
Deposit	11/30/2017		Interest			4.11	-45,238.35
Deposit	11/30/2017		Interest			0.05	-45,238.40
Deposit	12/31/2017		Interest			1,034.31	-46,272.71
Deposit	12/31/2017		Interest			4.65	-46,277.36
Deposit	12/31/2017		Interest			0.05	-46,277.41
Deposit	01/31/2018		Interest			1,094.80	-47,372.21
Deposit	01/31/2018		Interest			173.48	-47,545.69
Deposit	01/31/2018		Interest			0.04	-47,545.73
Deposit	02/28/2018		Interest			956.06	-48,501.79
Deposit	02/28/2018		Interest			446.85	-48,948.64
Total 1825.01 · TexSTAR Interest - Cedar Park					0.00	5,581.61	-48,948.64
1825.02 · TexSTAR Interest - Leander							-138,698.61
Deposit	10/31/2017		Interest			1,368.46	-140,067.07
Deposit	10/31/2017		Interest			0.26	-140,067.33
Deposit	10/31/2017		Interest			7.46	-140,074.79
Deposit	11/30/2017		Interest			1,399.68	-141,474.47
Deposit	11/30/2017		Interest			0.25	-141,474.72
Deposit	11/30/2017		Interest			7.39	-141,482.11
Deposit	12/31/2017		Interest			1,409.92	-142,892.03
Deposit	12/31/2017		Interest			8.37	-142,900.40
Deposit	12/31/2017		Interest			0.26	-142,900.66
Deposit	01/31/2018		Interest			1,702.89	-144,603.55
Deposit	01/31/2018		Interest			9.21	-144,612.76
Deposit	01/31/2018		Interest			0.27	-144,613.03
Deposit	02/28/2018		Interest			1,478.56	-146,091.59
Deposit	02/28/2018		Interest			8.72	-146,100.31
Deposit	02/28/2018		Interest			0.24	-146,100.55
Total 1825.02 · TexSTAR Interest - Leander					0.00	7,401.94	-146,100.55
1825.03 · TexSTAR Interest - Round Rock							-85,370.48
Deposit	10/31/2017		Interest			876.64	-86,247.12
Deposit	10/31/2017		Interest			9.24	-86,256.36
Deposit	10/31/2017		Interest			0.27	-86,256.63
Deposit	11/30/2017		Interest			963.72	-87,220.35
Deposit	11/30/2017		Interest			9.11	-87,229.46
Deposit	11/30/2017		Interest			0.26	-87,229.72
Deposit	12/31/2017		Interest			10.33	-87,240.05
Deposit	12/31/2017		Interest			0.30	-87,240.35
Deposit	12/31/2017		Interest			1,021.38	-88,261.73
Deposit	01/31/2018		Interest			1,049.16	-89,310.89
Deposit	01/31/2018		Interest			329.59	-89,640.48
Deposit	01/31/2018		Interest			0.31	-89,640.79
Deposit	02/28/2018		Interest			926.41	-90,567.20
Deposit	02/28/2018		Interest			945.51	-91,512.71
Deposit	02/28/2018		Interest			0.28	-91,512.99
Total 1825.03 · TexSTAR Interest - Round Rock					0.00	6,142.51	-91,512.99
1825.00 · Capitalize TexSTAR Interest - Other							-71.85
Total 1825.00 · Capitalize TexSTAR Interest - Other							-71.85
Total 1825.00 · Capitalize TexSTAR Interest					0.00	19,126.06	-286,634.03
1830.00 · Capitalize TX Capital NOW Int							-9,691.63
1830.01 · TX Capital NOW Int - Cedar Park							-1,227.81
Total 1830.01 · TX Capital NOW Int - Cedar Park							-1,227.81
1830.02 · TX Capital NOW Int - Leander							-4,226.43
Total 1830.02 · TX Capital NOW Int - Leander							-4,226.43
1830.03 · TX Capital NOW Int - Round Rock							-4,237.39
Total 1830.03 · TX Capital NOW Int - Round Rock							-4,237.39
1830.00 · Capitalize TX Capital NOW Int - Other							0.00
Total 1830.00 · Capitalize TX Capital NOW Int - Other							0.00
Total 1830.00 · Capitalize TX Capital NOW Int							-9,691.63
1840.00 · East West Bank Interest CD							0.00
1840.01 · EWB Interest CD - Cedar Park							0.00
Total 1840.01 · EWB Interest CD - Cedar Park							0.00
1840.02 · EWB Interest CD - Leander							0.00
Total 1840.02 · EWB Interest CD - Leander							0.00
1840.03 · EWB Interest CD - Round Rock							0.00
Total 1840.03 · EWB Interest CD - Round Rock							0.00
1840.00 · East West Bank Interest CD - Other							0.00
Total 1840.00 · East West Bank Interest CD - Other							0.00
Total 1840.00 · East West Bank Interest CD							0.00

**Brushy Creek Regional Utility Authority
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Accrual Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
1850.00 - East West Bank Interest MMA							0.00
1850.01 - EWB Interest MMA - Cedar Park							0.00
Deposit	10/31/2017			Interest		1,005.66	-1,005.66
Deposit	11/30/2017			Interest	854.74		-1,860.40
Deposit	12/31/2017			Interest	909.54		-2,769.94
Deposit	01/31/2018			Interest	1,071.81		-3,841.75
Deposit	02/28/2018			Interest	1,010.13		-4,851.88
Total 1850.01 - EWB Interest MMA - Cedar Park					0.00	4,851.88	-4,851.88
1850.02 - EWB Interest MMA - Leander							0.00
Deposit	10/31/2017			Interest		2,382.14	-2,382.14
Deposit	11/30/2017			Interest	1,126.93		-3,509.07
Deposit	12/31/2017			Interest	1,075.89		-4,584.96
Deposit	01/31/2018			Interest	1,003.92		-5,588.88
Deposit	02/28/2018			Interest	946.16		-6,535.04
Total 1850.02 - EWB Interest MMA - Leander					0.00	6,535.04	-6,535.04
1850.03 - EWB Interest MMA - Round Rock							0.00
Deposit	10/31/2017			Interest		6,194.00	-6,194.00
Deposit	11/30/2017			Interest	1,945.16		-8,139.16
Deposit	12/31/2017			Interest	2,069.88		-10,209.04
Deposit	01/31/2018			Interest	2,439.15		-12,648.19
Deposit	02/28/2018			Interest	2,298.80		-14,946.99
Total 1850.03 - EWB Interest MMA - Round Rock					0.00	14,946.99	-14,946.99
1850.00 - East West Bank Interest MMA - Other							0.00
Total 1850.00 - East West Bank Interest MMA - Other							0.00
Total 1850.00 - East West Bank Interest MMA					0.00	26,333.91	-26,333.91
1860.00 - Comerica Bank Interest MMA							0.00
1860.01 - CB Interest MMA - Cedar Park							0.00
Deposit	10/31/2017			Interest		0.06	-0.06
Deposit	11/30/2017			Interest		0.05	-0.11
Deposit	12/31/2017			Interest		0.06	-0.17
Deposit	01/31/2018			Interest		0.05	-0.22
Deposit	02/28/2018			Interest		0.05	-0.27
Total 1860.01 - CB Interest MMA - Cedar Park					0.00	0.27	-0.27
1860.02 - CB Interest MMA - Leander							0.00
Deposit	10/31/2017			Interest		1.21	-1.21
Deposit	11/30/2017			Interest		1.17	-2.38
Deposit	12/31/2017			Interest		1.21	-3.59
Deposit	01/31/2018			Interest		1.20	-4.79
Deposit	02/28/2018			Interest		1.09	-5.88
Total 1860.02 - CB Interest MMA - Leander					0.00	5.88	-5.88
1860.03 - CB Interest MMA - Round Rock							0.00
Deposit	10/31/2017			Interest		45.59	-45.59
Deposit	11/30/2017			Interest		44.12	-89.71
Deposit	12/31/2017			Interest		45.61	-135.32
Deposit	01/31/2018			Interest		45.60	-180.92
Deposit	02/28/2018			Interest		41.20	-222.12
Total 1860.03 - CB Interest MMA - Round Rock					0.00	222.12	-222.12
1860.00 - Comerica Bank Interest MMA - Other							0.00
Total 1860.00 - Comerica Bank Interest MMA - Other							0.00
Total 1860.00 - Comerica Bank Interest MMA					0.00	228.27	-228.27
9400.00 - Unrealized Gain/Loss on Invest							1,686.40
Total 9400.00 - Unrealized Gain/Loss on Invest							1,686.40
9450.00 - Realized Gain/Loss on Invest							106,295.50
Total 9450.00 - Realized Gain/Loss on Invest							106,295.50
1899.00 - Capitalization of Interest - Other							-25,347,535.01
Deposit	10/31/2017			Interest		0.89	-25,347,535.90
Deposit	10/31/2017			Interest		2.27	-25,347,538.17
Deposit	10/31/2017			Interest		2.83	-25,347,541.00
Deposit	10/31/2017			Interest		0.19	-25,347,541.19
Deposit	10/31/2017			Interest		0.48	-25,347,541.67
Deposit	10/31/2017			Interest		0.60	-25,347,542.27
Deposit	10/31/2017			Interest		218.71	-25,347,760.98
Deposit	10/31/2017			Interest		552.69	-25,348,313.67
Deposit	10/31/2017			Interest		689.60	-25,349,003.27
Deposit	10/31/2017			Interest		2.79	-25,349,006.06
Deposit	10/31/2017			Interest		7.06	-25,349,013.12
Deposit	10/31/2017			Interest		8.80	-25,349,021.92
Deposit	11/30/2017			Interest		178.10	-25,349,200.02
Deposit	11/30/2017			Interest		450.08	-25,349,650.10
Deposit	11/30/2017			Interest		561.57	-25,350,211.67
Deposit	11/30/2017			Interest		2.38	-25,350,214.05
Deposit	11/30/2017			Interest		6.02	-25,350,220.07
Deposit	11/30/2017			Interest		7.51	-25,350,227.58
Deposit	11/30/2017			Interest		0.17	-25,350,227.75
Deposit	11/30/2017			Interest		0.44	-25,350,228.19
Deposit	11/30/2017			Interest		0.54	-25,350,228.73
Deposit	11/30/2017			Interest		2.56	-25,350,231.29
Deposit	11/30/2017			Interest		6.46	-25,350,237.75
Deposit	11/30/2017			Interest		8.05	-25,350,245.80
Deposit	12/29/2017			Interest		3.67	-25,350,249.47
Deposit	12/29/2017			Interest		9.26	-25,350,258.73
Deposit	12/29/2017			Interest		11.55	-25,350,270.28
Deposit	12/29/2017			Interest		0.19	-25,350,270.47
Deposit	12/29/2017			Interest		0.47	-25,350,270.94
Deposit	12/29/2017			Interest		0.58	-25,350,271.52
Deposit	12/29/2017			Interest		2.93	-25,350,274.45
Deposit	12/29/2017			Interest		7.39	-25,350,281.84
Deposit	12/29/2017			Interest		9.21	-25,350,291.05
Deposit	12/31/2017			Interest		192.49	-25,350,483.54
Deposit	12/31/2017			Interest		486.42	-25,350,969.96
Deposit	12/31/2017			Interest		606.91	-25,351,576.87
Deposit	01/31/2018			Interest Income		265.27	-25,351,842.14
Deposit	01/31/2018			Interest Income		670.35	-25,352,512.49
Deposit	01/31/2018			Interest Income		836.40	-25,353,348.89
Deposit	01/31/2018			Interest		7.79	-25,353,356.68
Deposit	01/31/2018			Interest		19.70	-25,353,376.38
Deposit	01/31/2018			Interest		24.57	-25,353,400.95

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As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance	
Deposit	01/31/2018			Interest		34.54	-25,353,435.49	
Deposit	01/31/2018			Interest		87.29	-25,353,522.78	
Deposit	01/31/2018			Interest		108.91	-25,353,631.69	
Deposit	01/31/2018			Interest		2.51	-25,353,634.20	
Deposit	01/31/2018			Interest		6.32	-25,353,640.52	
Deposit	01/31/2018			Interest		7.88	-25,353,648.40	
Deposit	02/28/2018			Interest		328.26	-25,353,976.66	
Deposit	02/28/2018			Interest		829.54	-25,354,806.20	
Deposit	02/28/2018			Interest		1,035.03	-25,355,841.23	
Deposit	02/28/2018			Interest		3.25	-25,355,844.48	
Deposit	02/28/2018			Interest		8.20	-25,355,852.68	
Deposit	02/28/2018			Interest		10.24	-25,355,862.92	
Deposit	02/28/2018			Interest		0.23	-25,355,863.15	
Deposit	02/28/2018			Interest		0.58	-25,355,863.73	
Deposit	02/28/2018			Interest		0.72	-25,355,864.45	
Deposit	02/28/2018			Interest		2.34	-25,355,866.79	
Deposit	02/28/2018			Interest		5.89	-25,355,872.68	
Deposit	02/28/2018			Interest		7.33	-25,355,880.01	
Total 1899.00 · Capitalization of Interest - Other					0.00	8,345.00	-25,355,880.01	
Total 1899.00 · Capitalization of Interest					3,257,344.09	56,478.87	3,575,533.06	
1900.00 · Amort Bond Disc/Prem - Capital								
General Journal	10/31/2017	10.00		To Amortize Bond Discounts - 10217	874.03		168,971.44	
General Journal	10/31/2017	10.00		To Amortize Bond Discounts - 10218	998.89		169,845.47	
General Journal	10/31/2017	10.00		To Amortize Bond Discounts - 10215	874.03		170,844.36	
General Journal	10/31/2017	10.00		To Amortize Bond Discounts - 10216	998.89		171,718.39	
General Journal	10/31/2017	10.01		To record purchase of securities - 10219	509.17		172,717.28	
General Journal	10/31/2017	10.01		To record purchase of securities - 10220	520.00		173,226.45	
General Journal	10/31/2017	10.01		To record purchase of securities - 10221	753.43		173,746.45	
General Journal	10/31/2017	10.01		To record purchase of securities - 10222	257.93		174,509.88	
General Journal	11/30/2017	11.00		To Amortize Bond Discounts - 10217	140.97		174,767.81	
General Journal	11/30/2017	11.00		To Amortize Bond Discounts - 10218	161.11		174,908.78	
General Journal	11/30/2017	11.00		To Amortize Bond Discounts - 10215	140.97		175,069.89	
General Journal	11/30/2017	11.00		To Amortize Bond Discounts - 10216	161.11		175,210.86	
General Journal	11/30/2017	11.01		To Amortize Bond Discounts - 10219	1,175.00		175,371.97	
General Journal	11/30/2017	11.01		To Amortize Bond Discounts - 10220	1,200.00		176,546.97	
General Journal	11/30/2017	11.01		To Amortize Bond Discounts - 10221	1,761.78		177,746.97	
General Journal	11/30/2017	11.01		To Amortize Bond Discounts - 10222	595.23		179,508.75	
General Journal	12/31/2017	12.10		Amortization of Securities - 10226	622.48		180,103.98	
General Journal	12/31/2017	12.10		Amortization of Securities - 10227	1,149.20		180,726.46	
General Journal	12/31/2017	12.10		Amortization of Securities - 10228	622.48		181,875.66	
General Journal	12/31/2017	12.10		Amortization of Securities - 10229	217.32		182,498.14	
General Journal	12/31/2017	12.10		Amortization of Securities - 10230	401.20		182,715.46	
General Journal	12/31/2017	12.10		Amortization of Securities - 10231	217.32		183,116.66	
General Journal	12/31/2017	12.10		Amortization of Securities - 10232		48.66	183,333.98	
General Journal	12/31/2017	12.10		Amortization of Securities - 10233		89.84	183,285.32	
General Journal	12/31/2017	12.10		Amortization of Securities - 10234		48.66	183,195.48	
General Journal	12/31/2017	12.10		Amortization of Securities - 10235	98.08		183,146.82	
General Journal	12/31/2017	12.10		Amortization of Securities - 10236	181.07		183,244.90	
General Journal	12/31/2017	12.10		Amortization of Securities - 10237	98.08		183,425.97	
General Journal	12/31/2017	12.10		Amortization of Securities - 10238	63.75		183,524.05	
General Journal	12/31/2017	12.10		Amortization of Securities - 10239	117.69		183,587.80	
General Journal	12/31/2017	12.10		Amortization of Securities - 10240	63.75		183,705.49	
General Journal	12/31/2017	12.10		Amortization of Securities - 10241	100.15		183,769.24	
General Journal	12/31/2017	12.10		Amortization of Securities - 10242	184.89		183,869.39	
General Journal	12/31/2017	12.10		Amortization of Securities - 10243	100.15		184,054.28	
General Journal	12/31/2017	12.10		Amortization of Securities - 10244		0.91	184,154.43	
General Journal	12/31/2017	12.10		Amortization of Securities - 10246		1.68	184,153.52	
General Journal	12/31/2017	12.10		Amortization of Securities - 10247		0.91	184,151.84	
General Journal	12/31/2017	12.03		To Amortize Bond Discounts - 10219	1,214.16		184,150.93	
General Journal	12/31/2017	12.03		To Amortize Bond Discounts - 10220	1,240.00		185,365.09	
General Journal	12/31/2017	12.03		To Amortize Bond Discounts - 10221	1,820.50		186,605.09	
General Journal	12/31/2017	12.03		To Amortize Bond Discounts - 10222	615.06		188,425.59	
General Journal	01/31/2018	1.01		To Amortize Bond Discounts - 10219	587.50		189,040.65	
General Journal	01/31/2018	1.01		To Amortize Bond Discounts - 10220	1,240.00		189,628.15	
General Journal	01/31/2018	1.01		To Amortize Bond Discounts - 10221	1,820.49		190,868.15	
General Journal	01/31/2018	1.01		To Amortize Bond Discounts - 10222	615.07		192,688.64	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10226	1,135.12		193,303.71	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10227	2,095.60		194,438.83	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10228	1,135.12		196,534.43	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10229	396.28		197,669.55	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10230	731.60		198,065.83	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10231	396.28		198,797.43	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10232		132.72	199,193.71	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10233		245.01	199,060.99	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10234		132.72	198,815.98	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10235	267.49		198,683.26	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10236	493.83		198,950.75	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10237	267.49		199,444.58	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10238	191.25		199,712.07	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10239	353.08		199,903.32	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10240	191.25		200,256.40	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10241	300.44		200,447.65	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10242	554.67		200,748.09	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10243	300.44		201,302.76	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10244		2.74	201,603.20	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10246		5.06	201,600.46	
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10247		2.74	201,595.40	
General Journal	01/31/2018	1.03		To record purchase of securities - 10248	178.92		201,592.66	
General Journal	01/31/2018	1.03		To record purchase of securities - 10249	330.31		201,771.58	
General Journal	01/31/2018	1.03		To record purchase of securities - 10250	178.92		202,101.89	
General Journal	01/31/2018	1.03		To record purchase of securities - 10251	293.33		202,280.81	
General Journal	02/22/2018	2.01		To record purchase of securities - 10256	579.83		202,574.14	
General Journal	02/22/2018	2.02		To record purchase of securities - 10255	414.17		203,153.97	
Total 1900.00 · Amort Bond Disc/Prem - Capital					35,308.35	711.65	203,568.14	
2100.00 · Raw Water Line								
2120.10 · Preliminary Engineering - C1								
Total 2120.10 · Preliminary Engineering - C1								0.00
Total 2120.10 · Preliminary Engineering - C1								569,117.85
2120.20 · Preliminary Engineering - C2								
Total 2120.20 · Preliminary Engineering - C2								1,159.67
2130.10 · Final Engineering - C1								
Total 2130.10 · Final Engineering - C1								2,549,408.00
2130.20 · Final Engineering - C2								
Total 2130.20 · Final Engineering - C2								0.00
Total 2130.20 · Final Engineering - C2								0.00

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Type	Date	Num	Name	Memo	Debit	Credit	Balance
2140.10 - Environmental - C1							120,000.00
Total 2140.10 - Environmental - C1							120,000.00
2140.20 - Environmental - C2							0.00
Total 2140.20 - Environmental - C2							0.00
2150.10 - Construction (Alt No 1 Rt) - C1							19,630,529.57
Total 2150.10 - Construction (Alt No 1 Rt) - C1							19,630,529.57
2150.20 - Construction - C2							5,326,553.39
Total 2150.20 - Construction - C2							5,326,553.39
2155.10 - Contingency - C1							110,039.13
Total 2155.10 - Contingency - C1							110,039.13
2155.20 - Contingency - C2							0.00
Total 2155.20 - Contingency - C2							0.00
2160.10 - Easements - C1							748,351.84
Total 2160.10 - Easements - C1							748,351.84
2160.20 - Easements - C2							0.00
Total 2160.20 - Easements - C2							0.00
2170.10 - Construction Phase Svcs - C1							779,171.14
Total 2170.10 - Construction Phase Svcs - C1							779,171.14
2170.20 - Construction Phase Svcs - C2							81,121.08
Total 2170.20 - Construction Phase Svcs - C2							81,121.08
2180.10 - Inspections & Testing - C1							562,699.72
Total 2180.10 - Inspections & Testing - C1							562,699.72
2180.20 - Inspections & Testing - C2							95,129.00
Total 2180.20 - Inspections & Testing - C2							95,129.00
2199.00 - Release to Actual							0.00
Total 2199.00 - Release to Actual							0.00
2100.00 - Raw Water Line - Other							-30,573,280.39
Total 2100.00 - Raw Water Line - Other							-30,573,280.39
Total 2100.00 - Raw Water Line							0.00
2200.00 - Floating Intake Barge							0.00
2220.00 - Preliminary Engineering							287,709.00
Total 2220.00 - Preliminary Engineering							287,709.00
2230.00 - Final Engineering							488,725.68
Total 2230.00 - Final Engineering							488,725.68
2250.00 - Construction							4,412,320.84
Total 2250.00 - Construction							4,412,320.84
2255.00 - Contingency							676,766.45
Total 2255.00 - Contingency							676,766.45
2270.00 - Construction Phase Services							460,317.45
Total 2270.00 - Construction Phase Services							460,317.45
2280.00 - Inspections & Testing							79,676.91
Total 2280.00 - Inspections & Testing							79,676.91
2299.00 - Release To Actual							0.00
Total 2299.00 - Release To Actual							0.00
2200.00 - Floating Intake Barge - Other							-6,405,516.33
Total 2200.00 - Floating Intake Barge - Other							-6,405,516.33
Total 2200.00 - Floating Intake Barge							0.00
2300.00 - Regional Water Treatment Plant							0.00
2300.01 - WTP Land Acquisition							3,314,051.00
Total 2300.01 - WTP Land Acquisition							3,314,051.00
2301.00 - Raw Water Conveyance							0.00
Total 2301.00 - Raw Water Conveyance							0.00
2302.00 - Treatment Structure							0.00
Total 2302.00 - Treatment Structure							0.00
2303.00 - Chemical Feed Facility							0.00
Total 2303.00 - Chemical Feed Facility							0.00
2304.00 - Disinfection Facility							12,768.50
Total 2304.00 - Disinfection Facility							12,768.50
2305.00 - Disinfection Basin							0.00
Total 2305.00 - Disinfection Basin							0.00
2306.00 - Ground Storage Tank							0.00
Total 2306.00 - Ground Storage Tank							0.00
2307.00 - Booster Pump Station							0.00
Total 2307.00 - Booster Pump Station							0.00
2308.00 - Sludge Dewatering Facility Bldg							0.00
Total 2308.00 - Sludge Dewatering Facility Bldg							0.00
2309.00 - Sludge Handling Facility							0.00
Total 2309.00 - Sludge Handling Facility							0.00
2310.00 - Washwater Recovery & Recycle							0.00
Total 2310.00 - Washwater Recovery & Recycle							0.00
2311.00 - Electrical Building							0.00
Total 2311.00 - Electrical Building							0.00
2312.00 - Yard Piping							0.00
Total 2312.00 - Yard Piping							0.00
2313.00 - Wastewater Lift Station							0.00
Total 2313.00 - Wastewater Lift Station							0.00
2314.00 - Civil/Site							0.00
Total 2314.00 - Civil/Site							0.00

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Type	Date	Num	Name	Memo	Debit	Credit	Balance		
2320.00 - Preliminary Engineering							703,112.00		
Total 2320.00 - Preliminary Engineering							703,112.00		
2330.00 - Final Engineering							3,617,348.98		
Total 2330.00 - Final Engineering							3,617,348.98		
2335.00 - Supplemental Engineering							963,804.00		
Total 2335.00 - Supplemental Engineering							963,804.00		
2350.00 - Construction							47,068,110.26		
Total 2350.00 - Construction							47,068,110.26		
2355.00 - Contingency							432,024.24		
Bill	11/01/2017	67264	Holcomb	PROFESSIONAL SERVICES THROUGH OCTOBER 20, 2017	2,926.77		434,951.01		
Bill	11/01/2017	67264	Holcomb	PROFESSIONAL SERVICES THROUGH OCTOBER 20, 2017	5,484.92		440,435.93		
Bill	11/01/2017	67264	Holcomb	PROFESSIONAL SERVICES THROUGH OCTOBER 20, 2017	7,477.41		447,913.34		
Bill	12/01/2017	67408	Holcomb	PROFESSIONAL SERVICES THROUGH NOVEMBER 20, 2017	7,021.93		454,935.27		
Bill	12/01/2017	67408	Holcomb	PROFESSIONAL SERVICES THROUGH NOVEMBER 20, 2017	13,159.43		468,094.70		
Bill	12/01/2017	67408	Holcomb	PROFESSIONAL SERVICES THROUGH NOVEMBER 20, 2017	17,939.83		486,034.53		
Bill	01/01/2018	67447	Holcomb	PROFESSIONAL SERVICES THROUGH DECEMBER 21, 2017	497.86		486,532.39		
Bill	01/01/2018	67447	Holcomb	PROFESSIONAL SERVICES THROUGH DECEMBER 21, 2017	933.02		487,465.41		
Bill	01/01/2018	67447	Holcomb	PROFESSIONAL SERVICES THROUGH DECEMBER 21, 2017	1,271.95		488,737.36		
Bill	02/19/2018	67542	Holcomb	PROFESSIONAL SERVICES THROUGH JANUARY 18, 2018	260.09		488,997.45		
Bill	02/19/2018	67542	Holcomb	PROFESSIONAL SERVICES THROUGH JANUARY 18, 2018	487.42		489,484.87		
Bill	02/19/2018	67542	Holcomb	PROFESSIONAL SERVICES THROUGH JANUARY 18, 2018	664.49		490,149.36		
Bill	03/01/2018	67675	Holcomb	PROFESSIONAL SERVICES THROUGH FEBRUARY 21, 2018	1,203.38		491,352.74		
Bill	03/01/2018	67675	Holcomb	PROFESSIONAL SERVICES THROUGH FEBRUARY 21, 2018	2,255.19		493,607.93		
Bill	03/01/2018	67675	Holcomb	PROFESSIONAL SERVICES THROUGH FEBRUARY 21, 2018	3,074.43		496,682.36		
Total 2355.00 - Contingency							64,658.12	0.00	496,682.36
2370.00 - Construction Phase Services							4,000,699.32		
Total 2370.00 - Construction Phase Services							4,000,699.32		
2380.00 - Inspections & Testing							1,803,260.04		
Bill	02/28/2018	100	Dial Development Svcs	FEBRUARY 2018	16.58		1,803,276.62		
Bill	02/28/2018	100	Dial Development Svcs	FEBRUARY 2018	31.07		1,803,307.69		
Bill	02/28/2018	100	Dial Development Svcs	FEBRUARY 2018	42.35		1,803,350.04		
Total 2380.00 - Inspections & Testing							90.00	0.00	1,803,350.04
2399.00 - Release To Actual							0.00		
Total 2399.00 - Release To Actual							0.00		
2300.00 - Regional Water Treatment Plant - Other							-61,915,178.34		
Total 2300.00 - Regional Water Treatment Plant - Other							-61,915,178.34		
Total 2300.00 - Regional Water Treatment Plant							64,748.12	0.00	64,748.12
2400.00 - Transmission Water Lines Seg 1							0.00		
2420.00 - Preliminary Engineering							219,908.44		
Total 2420.00 - Preliminary Engineering							219,908.44		
2430.00 - Final Engineering							1,222,490.00		
Total 2430.00 - Final Engineering							1,222,490.00		
2450.00 - Construction							8,196,239.41		
Total 2450.00 - Construction							8,196,239.41		
2455.00 - Contingency							69,794.59		
Total 2455.00 - Contingency							69,794.59		
2460.00 - Easements							67,855.00		
Total 2460.00 - Easements							67,855.00		
2470.00 - Construction Phase Services							542,379.99		
Total 2470.00 - Construction Phase Services							542,379.99		
2480.00 - Inspections & Testing							179,221.25		
Total 2480.00 - Inspections & Testing							179,221.25		
2499.00 - Release To Actual							0.00		
Total 2499.00 - Release To Actual							0.00		
2400.00 - Transmission Water Lines Seg 1 - Other							-10,497,888.68		
Total 2400.00 - Transmission Water Lines Seg 1 - Other							-10,497,888.68		
Total 2400.00 - Transmission Water Lines Seg 1							0.00		
2500.00 - Transmission Water Lines Seg 2A							0.00		
2520.00 - Engineering							57,222.33		
Total 2520.00 - Engineering							57,222.33		
2550.00 - Construction							860,980.00		
Total 2550.00 - Construction							860,980.00		
2555.00 - CP Addl Connection							33,598.00		
Total 2555.00 - CP Addl Connection							33,598.00		
2557.00 - L Addl Valve							22,207.00		
Total 2557.00 - L Addl Valve							22,207.00		
2560.00 - Easements							99,943.40		
Total 2560.00 - Easements							99,943.40		
2580.00 - Inspections & Testing							0.00		
Total 2580.00 - Inspections & Testing							0.00		
2599.00 - Release To Actual							0.00		
Total 2599.00 - Release To Actual							0.00		
2500.00 - Transmission Water Lines Seg 2A - Other							-1,073,950.73		
Total 2500.00 - Transmission Water Lines Seg 2A - Other							-1,073,950.73		
Total 2500.00 - Transmission Water Lines Seg 2A							0.00		
2600.00 - Transmission Water Lines Seg 2B							0.00		
2620.00 - Engineering							750,047.14		
Total 2620.00 - Engineering							750,047.14		
2650.00 - Construction							8,620,550.00		
Total 2650.00 - Construction							8,620,550.00		
2660.00 - Easements							1,006,849.60		
Total 2660.00 - Easements							1,006,849.60		

**Brushy Creek Regional Utility Authority
General Ledger**

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As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
2680.00 · Inspections							0.00
Total 2680.00 · Inspections							0.00
2699.00 · Release To Actual							0.00
Total 2699.00 · Release To Actual							0.00
2600.00 · Transmission Water Lines Seg 2B - Other							-10,377,446.74
Total 2600.00 · Transmission Water Lines Seg 2B - Other							-10,377,446.74
Total 2600.00 · Transmission Water Lines Seg 2B							0.00
2700.00 · Transmission Water Lines Seg 2C							0.00
2720.00 · Preliminary Engineering							193,978.08
Total 2720.00 · Preliminary Engineering							193,978.08
2730.00 · Final Engineering							613,858.84
Total 2730.00 · Final Engineering							613,858.84
2750.00 · Construction							5,745,647.60
Total 2750.00 · Construction							5,745,647.60
2755.00 · Contingency							37,218.91
Total 2755.00 · Contingency							37,218.91
2757.00 · Allowance for Materials							0.00
Total 2757.00 · Allowance for Materials							0.00
2760.00 · Easements							883,452.88
Total 2760.00 · Easements							883,452.88
2770.00 · Construction Phase Services							226,367.82
Total 2770.00 · Construction Phase Services							226,367.82
2780.00 · Inspections & Testing							176,230.00
Total 2780.00 · Inspections & Testing							176,230.00
2799.00 · Release To Actual							0.00
Total 2799.00 · Release To Actual							0.00
2700.00 · Transmission Water Lines Seg 2C - Other							-7,876,754.13
Total 2700.00 · Transmission Water Lines Seg 2C - Other							-7,876,754.13
Total 2700.00 · Transmission Water Lines Seg 2C							0.00
2800.00 · Construction Management Service							0.00
2801.00 · Construction Management Svc							271,944.24
Total 2801.00 · Construction Management Svc							271,944.24
2899.00 · Release To Actual							0.00
Total 2899.00 · Release To Actual							0.00
2800.00 · Construction Management Service - Other							-271,944.24
Total 2800.00 · Construction Management Service - Other							-271,944.24
Total 2800.00 · Construction Management Service							0.00
2900.00 · Ancillary/O&M Expenses							0.00
2901.00 · Ancillary Services							0.00
2910.00 · Environmental Consultant							402,245.06
Total 2910.00 · Environmental Consultant							402,245.06
2920.00 · Real Estate Acq Consultant							572,476.74
Total 2920.00 · Real Estate Acq Consultant							572,476.74
2930.00 · Condemnation Counsel							553,055.08
Total 2930.00 · Condemnation Counsel							553,055.08
2935.00 · Contingency							12,197.75
Total 2935.00 · Contingency							12,197.75
2940.00 · Public Relations							578,500.17
Total 2940.00 · Public Relations							578,500.17
2949.00 · Release To Actual							0.00
Total 2949.00 · Release To Actual							0.00
2901.00 · Ancillary Services - Other							-2,118,474.80
Total 2901.00 · Ancillary Services - Other							-2,118,474.80
Total 2901.00 · Ancillary Services							0.00
2950.00 · Operational & Maintenance Exp							0.00
2960.00 · GM Salary & Supplies							902,877.35
Total 2960.00 · GM Salary & Supplies							902,877.35
2970.00 · Preliminary Engineering Report							152,296.00
Total 2970.00 · Preliminary Engineering Report							152,296.00
2980.00 · Surveying							17,551.00
Total 2980.00 · Surveying							17,551.00
2990.00 · Administration Fees							126,001.00
Total 2990.00 · Administration Fees							126,001.00
2995.00 · Contingency							74,501.42
Total 2995.00 · Contingency							74,501.42
2999.00 · Release To Actual							0.00
Total 2999.00 · Release To Actual							0.00
2950.00 · Operational & Maintenance Exp - Other							-1,273,226.77
Total 2950.00 · Operational & Maintenance Exp - Other							-1,273,226.77
Total 2950.00 · Operational & Maintenance Exp							0.00
2900.00 · Ancillary/O&M Expenses - Other							0.00
Total 2900.00 · Ancillary/O&M Expenses - Other							0.00
Total 2900.00 · Ancillary/O&M Expenses							0.00

Brushy Creek Regional Utility Authority General Ledger

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Accrual Basis

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
2990.10 - P1B-WTP ReRating							
Bill	11/17/2017	12000...	HDR	Service Period 10/01/2017 - 10/28/2017	2,871.03		93,725.00
Bill	11/17/2017	12000...	HDR	Service Period 10/01/2017 - 10/28/2017	2,871.03		96,596.03
Bill	11/17/2017	12000...	HDR	Service Period 10/01/2017 - 10/28/2017	5,022.94		99,467.06
Bill	01/08/2018	12000...	HDR	Service Period 10/29/2017 - 12/30/2017	928.92		104,490.00
Bill	01/08/2018	12000...	HDR	Service Period 10/29/2017 - 12/30/2017	928.92		105,418.92
Bill	01/08/2018	12000...	HDR	Service Period 10/29/2017 - 12/30/2017	1,625.16		106,347.84
Bill	01/08/2018	12000...	HDR	Service Period 10/29/2017 - 12/30/2017	1,625.16		107,973.00
Total 2990.10 - P1B-WTP ReRating					14,248.00	0.00	107,973.00
2992.10 - P1C-WTP Expansion							
2992.20 - TWDB Funding Consultant							
Total 2992.20 - TWDB Funding Consultant							546,219.77
2992.30 - Design Engineering							
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017	28,944.57		547,444.34
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017	28,944.57		576,388.91
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017	50,639.43		627,028.34
Bill	11/30/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH NOVEMBER 28, 2017	39,272.40		666,300.74
Bill	11/30/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH NOVEMBER 28, 2017	39,272.40		705,573.14
Bill	11/30/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH NOVEMBER 28, 2017	68,708.31		774,281.45
Bill	12/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH DECEMBER 26, 2017	17,485.59		791,767.04
Bill	12/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH DECEMBER 26, 2017	17,485.59		809,252.63
Bill	12/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH DECEMBER 26, 2017	30,591.60		839,844.23
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	25,736.65		865,580.88
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	25,736.65		891,317.53
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	45,027.07		936,344.60
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	31,708.23		968,052.83
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	31,708.23		999,761.06
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	55,474.54		1,055,235.60
Total 2992.30 - Design Engineering					536,735.83	0.00	1,055,235.60
2992.10 - P1C-WTP Expansion - Other							
Total 2992.10 - P1C-WTP Expansion - Other							0.00
Total 2992.10 - P1C-WTP Expansion - Other							0.00
Total 2992.10 - P1C-WTP Expansion					536,735.83	0.00	1,082,955.60
2993.10 - Segment 2A & 2B Transmiss Lines							
2993.20 - LCRA Overhead (Leander)							
Total 2993.20 - LCRA Overhead (Leander)							314,025.25
2993.30 - Take Points (Leander)							
Bill	10/30/2017	Pay A...	WHITESTONE CIVIL CONSTRUCTI...	OCTOBER 2017	73,777.90		387,803.15
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017	480.00		388,283.15
Bill	10/31/2017	096	Dial Development Svcs	OCTOBER 2017	2,520.00		390,803.15
Bill	11/30/2017	097	Dial Development Svcs	NOVEMBER 2017	2,775.00		393,578.15
Bill	12/31/2017	098	Dial Development Svcs	DECEMBER 2017	450.00		394,028.15
Bill	01/31/2018	099	Dial Development Svcs	JANUARY 2018	675.00		394,703.15
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	100.00		394,803.15
Bill	02/01/2018	Pay A...	WHITESTONE CIVIL CONSTRUCTI...	NOVEMBER 2017	28,918.61		423,721.76
Bill	02/28/2018	100	Dial Development Svcs	FEBRUARY 2018	135.00		423,856.76
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	775.00		424,631.76
Total 2993.30 - Take Points (Leander)					110,606.51	0.00	424,631.76
2993.10 - Segment 2A & 2B Transmiss Lines - Other							
Total 2993.10 - Segment 2A & 2B Transmiss Lines - Other							0.00
Total 2993.10 - Segment 2A & 2B Transmiss Lines					110,606.51	0.00	424,631.76
2999.10 - P2-Planning (14.18/47.26/35.56)							
Total 2999.10 - P2-Planning (14.18/47.26/35.56)							0.00
2999.15 - P2-Planning (28.96/42.85/28.19)							
Total 2999.15 - P2-Planning (28.96/42.85/28.19)							0.00
2999.20 - P2-Preliminary Engineering							
Bill	03/13/2018	ENGI...	PEC	BCRUA ENGINEERING ASSESSMENT LETTER AGREEMENT	5,068.15		7,641,428.90
Bill	03/13/2018	ENGI...	PEC	BCRUA ENGINEERING ASSESSMENT LETTER AGREEMENT	4,933.38		7,646,497.05
Bill	03/13/2018	ENGI...	PEC	BCRUA ENGINEERING ASSESSMENT LETTER AGREEMENT	7,498.47		7,651,430.43
Bill	03/13/2018	ENGI...	PEC	BCRUA ENGINEERING ASSESSMENT LETTER AGREEMENT	7,498.47		7,658,928.90
Total 2999.20 - P2-Preliminary Engineering					17,500.00	0.00	7,658,928.90
2999.30 - P2-DeepWater Due DiligenceStudy							
Total 2999.30 - P2-DeepWater Due DiligenceStudy							468,507.10
Total 2999.30 - P2-DeepWater Due DiligenceStudy							468,507.10
2999.50 - P2-Land & Easement Acquisition							
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017	39,987.98		3,864,824.51
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017	38,924.77		3,904,812.49
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017	59,167.30		3,943,737.26
Bill	11/30/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH NOVEMBER 28, 2017	34,903.33		4,002,904.56
Bill	11/30/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH NOVEMBER 28, 2017	33,975.31		4,037,807.89
Bill	11/30/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH NOVEMBER 28, 2017	51,643.91		4,071,783.20
Bill	12/31/2017	Legal ...	Round Rock, City of	SERVICE THROUGH NOVEMBER 28, 2017	51,643.91		4,123,427.11
Bill	12/31/2017	Legal ...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	1,294.51		4,124,721.62
Bill	12/31/2017	Legal ...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	1,260.09		4,125,981.71
Bill	12/31/2017	Legal ...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	1,915.40		4,127,897.11
Bill	12/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH DECEMBER 26, 2017	26,111.97		4,154,009.08
Bill	12/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH DECEMBER 26, 2017	25,417.69		4,179,426.77
Bill	12/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH DECEMBER 26, 2017	38,635.98		4,218,062.75
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	16,294.72		4,234,357.47
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	15,861.46		4,250,218.93
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	24,110.10		4,274,329.03
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	1,008.97		4,275,338.00
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	982.14		4,276,320.14
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	1,492.89		4,277,813.03
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	11,936.98		4,289,750.01
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	11,619.59		4,301,369.60
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	17,662.27		4,319,031.87
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	698.52		4,319,730.39
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	679.94		4,320,410.33
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018	1,033.54		4,321,443.87
Total 2999.50 - P2-Land & Easement Acquisition					456,619.36	0.00	4,321,443.87
2999.60 - P2-Contingency							
Total 2999.60 - P2-Contingency							3,037.96
Total 2999.60 - P2-Contingency							3,037.96
3010.00 - Computer & Office Equipment							
Total 3010.00 - Computer & Office Equipment							63,100.82
Total 3010.00 - Computer & Office Equipment							63,100.82
3015.00 - Transportation Equipment							
Total 3015.00 - Transportation Equipment							53,749.44
Total 3015.00 - Transportation Equipment							53,749.44

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Accrual Basis

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance		
3020.00 - Lab Equipment							47,973.57		
Total 3020.00 - Lab Equipment							47,973.57		
3025.00 - Plant Equipment							94,982.52		
Bill	11/29/2017	TI46515	ROTORK DALLAS, INC.	NOVEMBER 29, 2017	951.54		95,934.06		
Bill	11/29/2017	TI46515	ROTORK DALLAS, INC.	NOVEMBER 29, 2017	1,142.06		97,076.12		
Bill	11/29/2017	TI46515	ROTORK DALLAS, INC.	NOVEMBER 29, 2017	0.00		97,076.12		
Bill	11/29/2017	TI46515	ROTORK DALLAS, INC.	NOVEMBER 29, 2017	0.00		97,076.12		
Bill	12/21/2017	TI47346	ROTORK DALLAS, INC.	DECEMBER 21, 2017	1,851.31		98,927.43		
Bill	12/21/2017	TI47346	ROTORK DALLAS, INC.	DECEMBER 21, 2017	2,221.97		101,149.40		
Total 3025.00 - Plant Equipment							6,166.88	0.00	101,149.40
3030.00 - Infrastructure							78,334,378.00		
Total 3030.00 - Infrastructure							78,334,378.00		
3035.00 - Buildings & Structures							71,185,354.03		
Total 3035.00 - Buildings & Structures							71,185,354.03		
3040.00 - Land & Easements							8,893,324.55		
Total 3040.00 - Land & Easements							8,893,324.55		
3099.00 - Accumulated Depreciation							-12,766,658.62		
Total 3099.00 - Accumulated Depreciation							-12,766,658.62		
3000.00 - Bond Issuance Costs							-3,355.18		
General Journal	11/16/2017	11.05		RECORD BOND ISSUE CP - NOV 16, 2017 TWDB SWIFT 1C BONDS	56,656.00		53,300.82		
General Journal	11/16/2017	11.05		RECORD BOND ISSUE LD - NOV 16, 2017 TWDB SWIFT 1C BONDS	57,260.00		110,560.82		
General Journal	11/16/2017	11.05		RECORD BOND ISSUE RR - NOV 16, 2017 TWDB SWIFT 1C BONDS	56,697.25		167,258.07		
Deposit	04/03/2018	6492		Bond Printing and Distribution Cost Refund		500.00	166,758.07		
Total 3000.00 - Bond Issuance Costs							170,613.25	500.00	166,758.07
3001.00 - Accum Amort Bond Issuance Costs							0.00		
Total 3001.00 - Accum Amort Bond Issuance Costs							0.00		
3002.00 - Bond Discounts - Unrestricted							0.00		
General Journal	12/31/2017	12.10		Amortization of Securities - 10226		5,016.48	-5,016.48		
General Journal	12/31/2017	12.10		Amortization of Securities - 10227		9,261.20	-14,277.68		
General Journal	12/31/2017	12.10		Amortization of Securities - 10228		5,016.48	-19,294.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10229		2,301.00	-21,595.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10230		4,248.00	-25,843.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10231		2,301.00	-28,144.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10232			-26,958.56		
General Journal	12/31/2017	12.10		Amortization of Securities - 10233	1,185.60		-24,769.76		
General Journal	12/31/2017	12.10		Amortization of Securities - 10234	2,188.80		-23,584.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10235	1,185.60		-26,958.56		
General Journal	12/31/2017	12.10		Amortization of Securities - 10236		3,156.40	-24,740.56		
General Journal	12/31/2017	12.10		Amortization of Securities - 10237		5,827.20	-32,567.76		
General Journal	12/31/2017	12.10		Amortization of Securities - 10238		3,156.40	-35,724.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10239		2,849.60	-38,573.76		
General Journal	12/31/2017	12.10		Amortization of Securities - 10240		5,260.80	-43,834.56		
General Journal	12/31/2017	12.10		Amortization of Securities - 10241		2,849.60	-46,684.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10242		5,408.00	-52,092.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10243		9,984.00	-62,076.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10244		5,408.00	-67,484.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10246	57.20		-67,426.96		
General Journal	12/31/2017	12.10		Amortization of Securities - 10247	105.60		-67,321.36		
General Journal	12/31/2017	12.10		Amortization of Securities - 10247	57.20		-67,264.16		
General Journal	01/31/2018	1.03		To record purchase of securities - 10248		4,698.28	-71,962.44		
General Journal	01/31/2018	1.03		To record purchase of securities - 10249		8,673.75	-80,636.19		
General Journal	01/31/2018	1.03		To record purchase of securities - 10250		4,698.28	-85,334.47		
General Journal	01/31/2018	1.03		To record purchase of securities - 10251		4,644.44	-89,978.91		
General Journal	02/22/2018	2.01		To record purchase of securities - 10256		14,827.17	-104,806.08		
General Journal	02/22/2018	2.02		To record purchase of securities - 10255		10,590.83	-115,396.91		
Total 3002.00 - Bond Discounts - Unrestricted							4,780.00	120,176.91	-115,396.91
3002.10 - Bond Premiums - Unrestricted							0.00		
General Journal	02/22/2018	2.01		To record purchase of securities - 10256		14,827.17	-14,827.17		
Total 3002.10 - Bond Premiums - Unrestricted							0.00	14,827.17	-14,827.17
3002.50 - Bond Discounts - Restricted							0.00		
General Journal	10/31/2017	10.01		To record purchase of securities - 10220		4,680.00	-4,680.00		
General Journal	10/31/2017	10.01		To record purchase of securities - 10221		21,200.00	-25,880.00		
General Journal	10/31/2017	10.01		To record purchase of securities - 10222		7,480.00	-33,360.00		
General Journal	10/31/2017	10.01		To record purchase of securities - 10219		3,485.83	-36,845.83		
Total 3002.50 - Bond Discounts - Restricted							0.00	36,845.83	-36,845.83
3002.60 - Bond Premiums - Restricted							-16,257,704.70		
Total 3002.60 - Bond Premiums - Restricted							-16,257,704.70		
3003.00 - Accum Amort Bond - Unrestr							-17,400.00		
General Journal	10/31/2017	10.00		To Amortize Bond Discounts - 10217		874.03	-18,274.03		
General Journal	10/31/2017	10.00		To Amortize Bond Discounts - 10218		998.89	-19,272.92		
General Journal	10/31/2017	10.00		To Amortize Bond Discounts - 10215		874.03	-20,146.95		
General Journal	10/31/2017	10.00		To Amortize Bond Discounts - 10216		998.89	-21,145.84		
General Journal	11/30/2017	11.00		To Amortize Bond Discounts - 10217		140.97	-21,286.81		
General Journal	11/30/2017	11.00		To Amortize Bond Discounts - 10218		161.11	-21,447.92		
General Journal	11/30/2017	11.00		To Amortize Bond Discounts - 10215		140.97	-21,588.89		
General Journal	11/30/2017	11.00		To Amortize Bond Discounts - 10216		161.11	-21,750.00		
General Journal	12/31/2017	12.10		Amortization of Securities - 10226		622.48	-22,372.48		
General Journal	12/31/2017	12.10		Amortization of Securities - 10226	5,016.48		-17,356.00		
General Journal	12/31/2017	12.10		Amortization of Securities - 10227		1,149.20	-18,505.20		
General Journal	12/31/2017	12.10		Amortization of Securities - 10227	9,261.20		-9,244.00		
General Journal	12/31/2017	12.10		Amortization of Securities - 10228		622.48	-9,866.48		
General Journal	12/31/2017	12.10		Amortization of Securities - 10228	5,016.48		-4,850.00		
General Journal	12/31/2017	12.10		Amortization of Securities - 10229		217.32	-5,067.32		
General Journal	12/31/2017	12.10		Amortization of Securities - 10229	2,301.00		-2,766.32		
General Journal	12/31/2017	12.10		Amortization of Securities - 10230		401.20	-3,167.52		
General Journal	12/31/2017	12.10		Amortization of Securities - 10230	4,248.00		1,080.48		
General Journal	12/31/2017	12.10		Amortization of Securities - 10231		217.32	863.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10231	2,301.00		3,164.16		
General Journal	12/31/2017	12.10		Amortization of Securities - 10232	48.66		3,212.82		
General Journal	12/31/2017	12.10		Amortization of Securities - 10232		1,185.60	2,027.22		
General Journal	12/31/2017	12.10		Amortization of Securities - 10233	89.84		2,117.06		
General Journal	12/31/2017	12.10		Amortization of Securities - 10233		2,188.80	-71.74		
General Journal	12/31/2017	12.10		Amortization of Securities - 10234	48.66		-23.08		
General Journal	12/31/2017	12.10		Amortization of Securities - 10234		1,185.60	-1,208.68		
General Journal	12/31/2017	12.10		Amortization of Securities - 10235		98.08	-1,306.76		
General Journal	12/31/2017	12.10		Amortization of Securities - 10235	3,156.40		1,849.64		
General Journal	12/31/2017	12.10		Amortization of Securities - 10236		181.07	1,668.57		
General Journal	12/31/2017	12.10		Amortization of Securities - 10236	5,827.20		7,495.77		
General Journal	12/31/2017	12.10		Amortization of Securities - 10237		98.08	7,397.69		

**Brushy Creek Regional Utility Authority
General Ledger**

Accrual Basis

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
General Journal	12/31/2017	12.10		Amortization of Securities - 10237	3,156.40		10,554.09
General Journal	12/31/2017	12.10		Amortization of Securities - 10238		63.75	10,490.34
General Journal	12/31/2017	12.10		Amortization of Securities - 10238	2,849.60		13,339.94
General Journal	12/31/2017	12.10		Amortization of Securities - 10239		117.69	13,222.25
General Journal	12/31/2017	12.10		Amortization of Securities - 10239	5,260.80		18,483.05
General Journal	12/31/2017	12.10		Amortization of Securities - 10240		63.75	18,419.30
General Journal	12/31/2017	12.10		Amortization of Securities - 10240	2,849.60		21,268.90
General Journal	12/31/2017	12.10		Amortization of Securities - 10241		100.15	21,168.75
General Journal	12/31/2017	12.10		Amortization of Securities - 10241	5,408.00		26,576.75
General Journal	12/31/2017	12.10		Amortization of Securities - 10242		184.89	26,391.86
General Journal	12/31/2017	12.10		Amortization of Securities - 10242	9,984.00		36,375.86
General Journal	12/31/2017	12.10		Amortization of Securities - 10243		100.15	36,275.71
General Journal	12/31/2017	12.10		Amortization of Securities - 10243	5,408.00		41,683.71
General Journal	12/31/2017	12.10		Amortization of Securities - 10244	0.91		41,684.62
General Journal	12/31/2017	12.10		Amortization of Securities - 10244		57.20	41,627.42
General Journal	12/31/2017	12.10		Amortization of Securities - 10246	1.68		41,629.10
General Journal	12/31/2017	12.10		Amortization of Securities - 10246		105.60	41,523.50
General Journal	12/31/2017	12.10		Amortization of Securities - 10247	0.91		41,524.41
General Journal	12/31/2017	12.10		Amortization of Securities - 10247		57.20	41,467.21
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10226		1,135.12	40,332.09
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10227		2,095.60	38,236.49
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10228		1,135.12	37,101.37
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10229		396.28	36,705.09
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10230		731.60	35,973.49
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10231		396.28	35,577.21
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10232	132.72		35,709.93
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10233	245.01		35,954.94
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10234	132.72		36,087.66
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10235		267.49	35,820.17
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10236		493.83	35,326.34
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10237		267.49	35,058.85
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10238		191.25	34,867.60
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10239		353.08	34,514.52
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10240		191.25	34,323.27
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10241		300.44	34,022.83
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10242		554.67	33,468.16
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10243		300.44	33,167.72
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10244	2.74		33,170.46
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10246	5.06		33,175.52
General Journal	01/31/2018	1.02		To Amortize Bond Discounts - 10247	2.74		33,178.26
General Journal	01/31/2018	1.03		To record purchase of securities - 10248		178.92	32,999.34
General Journal	01/31/2018	1.03		To record purchase of securities - 10248	4,698.28		37,697.62
General Journal	01/31/2018	1.03		To record purchase of securities - 10249		330.31	37,367.31
General Journal	01/31/2018	1.03		To record purchase of securities - 10250	8,673.75		46,041.06
General Journal	01/31/2018	1.03		To record purchase of securities - 10250		178.92	45,862.14
General Journal	01/31/2018	1.03		To record purchase of securities - 10251	4,698.28		50,560.42
General Journal	01/31/2018	1.03		To record purchase of securities - 10251		293.33	50,267.09
General Journal	01/31/2018	1.03		To record purchase of securities - 10251	4,644.44		54,911.53
General Journal	02/22/2018	2.01		To record purchase of securities - 10256		579.83	54,331.70
General Journal	02/22/2018	2.01		To record purchase of securities - 10256	14,827.17		69,158.87
General Journal	02/22/2018	2.02		To record purchase of securities - 10255		414.17	68,744.70
General Journal	02/22/2018	2.02		To record purchase of securities - 10255	10,590.83		79,335.53
Total 3003.00 - Accum Amort Bond - Unrestr					120,888.56	24,153.03	79,335.53
3003.50 - Accum Amort Bond - Restr							0.00
General Journal	10/31/2017	10.01		To record purchase of securities - 10219		509.17	-509.17
General Journal	10/31/2017	10.01		To record purchase of securities - 10219	3,485.83		2,976.66
General Journal	10/31/2017	10.01		To record purchase of securities - 10220	4,680.00		7,656.66
General Journal	10/31/2017	10.01		To record purchase of securities - 10220		520.00	7,136.66
General Journal	10/31/2017	10.01		To record purchase of securities - 10221	21,200.00		28,336.66
General Journal	10/31/2017	10.01		To record purchase of securities - 10221		763.43	27,573.23
General Journal	10/31/2017	10.01		To record purchase of securities - 10222	7,480.00		35,053.23
General Journal	10/31/2017	10.01		To record purchase of securities - 10222		257.93	34,795.30
General Journal	11/30/2017	11.01		To Amortize Bond Discounts - 10219		1,175.00	33,620.30
General Journal	11/30/2017	11.01		To Amortize Bond Discounts - 10220		1,200.00	32,420.30
General Journal	11/30/2017	11.01		To Amortize Bond Discounts - 10221		1,761.78	30,658.52
General Journal	11/30/2017	11.01		To Amortize Bond Discounts - 10222		595.23	30,063.29
General Journal	12/31/2017	12.03		To Amortize Bond Discounts - 10219		1,214.16	28,849.13
General Journal	12/31/2017	12.03		To Amortize Bond Discounts - 10220		1,240.00	27,609.13
General Journal	12/31/2017	12.03		To Amortize Bond Discounts - 10221		1,820.50	25,788.63
General Journal	12/31/2017	12.03		To Amortize Bond Discounts - 10222		615.06	25,173.57
General Journal	01/31/2018	1.01		To Amortize Bond Discounts - 10219		587.50	24,586.07
General Journal	01/31/2018	1.01		To Amortize Bond Discounts - 10220		1,240.00	23,346.07
General Journal	01/31/2018	1.01		To Amortize Bond Discounts - 10221		1,820.49	21,525.58
General Journal	01/31/2018	1.01		To Amortize Bond Discounts - 10222		615.07	20,910.51
Total 3003.50 - Accum Amort Bond - Restr					36,845.83	15,935.32	20,910.51
3004.00 - Deferred Refunding on Bonds							15,558,001.10
Total 3004.00 - Deferred Refunding on Bonds							15,558,001.10
3005.00 - Capitalized Interest							0.00
Total 3005.00 - Capitalized Interest							0.00
3006.00 - Accum Amort Capitalized Int							0.00
Total 3006.00 - Accum Amort Capitalized Int							0.00
3100.00 - Raw Water Line-U							32,152,007.23
3120.00 - Preliminary Engineering							570,089.00
Total 3120.00 - Preliminary Engineering							570,089.00
3130.00 - Final Engineering							2,784,016.00
Total 3130.00 - Final Engineering							2,784,016.00
3140.00 - Environmental							413,000.00
Total 3140.00 - Environmental							413,000.00
3150.00 - Construction (Alt No. 1 Route)							36,493,000.00
Total 3150.00 - Construction (Alt No. 1 Route)							36,493,000.00
3155.00 - Contingency							3,649,300.00
Total 3155.00 - Contingency							3,649,300.00
3160.00 - Easements							1,481,798.00
Total 3160.00 - Easements							1,481,798.00
3170.00 - Construction Phase Services							802,846.00
Total 3170.00 - Construction Phase Services							802,846.00
3180.00 - Inspections & Testing							923,000.00
Total 3180.00 - Inspections & Testing							923,000.00

**Brushy Creek Regional Utility Authority
General Ledger**

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Accrual Basis

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
3100.00 · Raw Water Line-U - Other							-14,965,041.77
Total 3100.00 · Raw Water Line-U - Other							-14,965,041.77
Total 3100.00 · Raw Water Line-U							32,152,007.23
3200.00 · Floating Intake Barge-U							6,587,872.77
3220.00 · Preliminary Engineering							287,709.00
Total 3220.00 · Preliminary Engineering							287,709.00
3230.00 · Final Engineering							458,610.01
Total 3230.00 · Final Engineering							458,610.01
3250.00 · Construction							5,583,201.00
Total 3250.00 · Construction							5,583,201.00
3255.00 · Contingency							928,910.64
Total 3255.00 · Contingency							928,910.64
3270.00 · Construction Phase Services							36,983.12
Total 3270.00 · Construction Phase Services							36,983.12
3280.00 · Inspections & Testing							0.00
Total 3280.00 · Inspections & Testing							0.00
3200.00 · Floating Intake Barge-U - Other							-707,541.00
Total 3200.00 · Floating Intake Barge-U - Other							-707,541.00
Total 3200.00 · Floating Intake Barge-U							6,587,872.77
3300.00 · Regional Wtr Treatment Plant-U							41,111,633.50
3300.01 · WTP Land Acquisition							3,324,022.00
Total 3300.01 · WTP Land Acquisition							3,324,022.00
3301.00 · Construction							59,275,000.00
Total 3301.00 · Construction							59,275,000.00
3320.00 · Preliminary Engineering							703,112.00
Total 3320.00 · Preliminary Engineering							703,112.00
3330.00 · Final Engineering							3,457,493.00
Total 3330.00 · Final Engineering							3,457,493.00
3335.00 · Supplemental Engineering							581,395.00
Total 3335.00 · Supplemental Engineering							581,395.00
3350.00 · Total Construction							0.00
Total 3350.00 · Total Construction							0.00
3355.00 · Contingency							0.00
Total 3355.00 · Contingency							0.00
3370.00 · Construction Phase Services							1,185,500.00
Total 3370.00 · Construction Phase Services							1,185,500.00
3380.00 · Inspections & Testing							1,189,000.00
Total 3380.00 · Inspections & Testing							1,189,000.00
3300.00 · Regional Wtr Treatment Plant-U - Other							-28,603,888.50
Total 3300.00 · Regional Wtr Treatment Plant-U - Other							-28,603,888.50
Total 3300.00 · Regional Wtr Treatment Plant-U							41,111,633.50
3400.00 · Transmission Wtr Lines Seg 1-U							18,532,573.33
3420.00 · Preliminary Engineering							211,214.99
Total 3420.00 · Preliminary Engineering							211,214.99
3430.00 · Final Engineering							1,173,931.00
Total 3430.00 · Final Engineering							1,173,931.00
3450.00 · Construction							16,332,542.00
Total 3450.00 · Construction							16,332,542.00
3455.00 · Contingency							1,633,254.20
Total 3455.00 · Contingency							1,633,254.20
3460.00 · Easements							250,000.00
Total 3460.00 · Easements							250,000.00
3470.00 · Construction Phase Services							359,315.93
Total 3470.00 · Construction Phase Services							359,315.93
3480.00 · Inspections & Testing							236,000.00
Total 3480.00 · Inspections & Testing							236,000.00
3400.00 · Transmission Wtr Lines Seg 1-U - Other							-1,663,684.79
Total 3400.00 · Transmission Wtr Lines Seg 1-U - Other							-1,663,684.79
Total 3400.00 · Transmission Wtr Lines Seg 1-U							18,532,573.33
3500.00 · Transmission Wtr Lines Seg 2A-U							9,837.00
3520.00 · Preliminary Engineering							55,971.00
Total 3520.00 · Preliminary Engineering							55,971.00
3550.00 · Construction							858,980.00
Total 3550.00 · Construction							858,980.00
3555.00 · CP Addl Connection							38,690.00
Total 3555.00 · CP Addl Connection							38,690.00
3557.00 · Leander Addl Valve							22,207.00
Total 3557.00 · Leander Addl Valve							22,207.00
3560.00 · Easements							0.00
Total 3560.00 · Easements							0.00
3580.00 · Inspections & Testing							0.00
Total 3580.00 · Inspections & Testing							0.00
3500.00 · Transmission Wtr Lines Seg 2A-U - Other							-966,011.00
Total 3500.00 · Transmission Wtr Lines Seg 2A-U - Other							-966,011.00
Total 3500.00 · Transmission Wtr Lines Seg 2A-U							9,837.00
3600.00 · Transmission Wtr Lines Seg 2B-U							70,804.00
3620.00 · Engineering							754,029.00
Total 3620.00 · Engineering							754,029.00

**Brushy Creek Regional Utility Authority
General Ledger**

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As of April 11, 2018

Accrual Basis

Type	Date	Num	Name	Memo	Debit	Credit	Balance
3650.00 · Construction							8,678,440.00
Total 3650.00 · Construction							8,678,440.00
3660.00 · Easements							0.00
Total 3660.00 · Easements							0.00
3680.00 · Inspections & Testing							0.00
Total 3680.00 · Inspections & Testing							0.00
3600.00 · Transmission Wtr Lines Seg 2B-U - Other							-9,361,665.00
Total 3600.00 · Transmission Wtr Lines Seg 2B-U - Other							-9,361,665.00
Total 3600.00 · Transmission Wtr Lines Seg 2B-U							70,804.00
3700.00 · Transmission Wtr Lines Seg 2C-U							10,970,300.27
3720.00 · Preliminary Engineering							191,919.00
Total 3720.00 · Preliminary Engineering							191,919.00
3730.00 · Final Engineering							627,561.00
Total 3730.00 · Final Engineering							627,561.00
3750.00 · Construction							9,550,149.00
Total 3750.00 · Construction							9,550,149.00
3755.00 · Contingency							477,507.45
Total 3755.00 · Contingency							477,507.45
3757.00 · Allowance for Materials							955,014.90
Total 3757.00 · Allowance for Materials							955,014.90
3760.00 · Easements							330,000.00
Total 3760.00 · Easements							330,000.00
3770.00 · Construction Phase Services							219,653.42
Total 3770.00 · Construction Phase Services							219,653.42
3780.00 · Inspections & Testing							0.00
Total 3780.00 · Inspections & Testing							0.00
3700.00 · Transmission Wtr Lines Seg 2C-U - Other							-1,381,504.50
Total 3700.00 · Transmission Wtr Lines Seg 2C-U - Other							-1,381,504.50
Total 3700.00 · Transmission Wtr Lines Seg 2C-U							10,970,300.27
3800.00 · Construction Management Svc-U							1,522,341.98
3801.00 · Construction Management Svc							1,695,593.46
Total 3801.00 · Construction Management Svc							1,695,593.46
3800.00 · Construction Management Svc-U - Other							-173,251.48
Total 3800.00 · Construction Management Svc-U - Other							-173,251.48
Total 3800.00 · Construction Management Svc-U							1,522,341.98
3900.00 · Ancillary/O&M Expenses-U							-398,806.29
3901.00 · Ancillary Services							-451,069.32
3910.00 · Environmental Consultant							471,155.00
Total 3910.00 · Environmental Consultant							471,155.00
3920.00 · Real Estate Acq Consultant							470,570.00
Total 3920.00 · Real Estate Acq Consultant							470,570.00
3930.00 · Condemnation Counsel							150,000.00
Total 3930.00 · Condemnation Counsel							150,000.00
3935.00 · Contingency							0.00
Total 3935.00 · Contingency							0.00
3940.00 · Public Relations							520,000.00
Total 3940.00 · Public Relations							520,000.00
3901.00 · Ancillary Services - Other							-2,062,794.32
Total 3901.00 · Ancillary Services - Other							-2,062,794.32
Total 3901.00 · Ancillary Services							-451,069.32
3950.00 · Operational & Maintenance Exp							52,263.03
3960.00 · GM Salary & Supplies							425,917.00
Total 3960.00 · GM Salary & Supplies							425,917.00
3970.00 · Preliminary Engineering Report							152,300.00
Total 3970.00 · Preliminary Engineering Report							152,300.00
3980.00 · Surveying							17,551.00
Total 3980.00 · Surveying							17,551.00
3990.00 · Administration Fees							84,000.00
Total 3990.00 · Administration Fees							84,000.00
3995.00 · Contingency							0.00
Total 3995.00 · Contingency							0.00
3950.00 · Operational & Maintenance Exp - Other							-627,504.97
Total 3950.00 · Operational & Maintenance Exp - Other							-627,504.97
Total 3950.00 · Operational & Maintenance Exp							52,263.03
3900.00 · Ancillary/O&M Expenses-U - Other							0.00
Total 3900.00 · Ancillary/O&M Expenses-U - Other							0.00
Total 3900.00 · Ancillary/O&M Expenses-U							-398,806.29
3999.99 · Unspent							-110,558,563.79
Total 3999.99 · Unspent							-110,558,563.79
TexStar Construction							0.00
Total TexStar Construction							0.00

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
20000 - Accounts Payable							-865,623.76
Bill	10/01/2017	69642	CENTRAL TEXAS REFUSE	Billing Period OCTOBER 2017		95.12	-865,718.88
Bill	10/01/2017	30034...	ThyssenKrupp Elevator	Service Period 10/1/2017 to 12/31/2017		722.37	-866,441.25
Bill Pmt -Check	10/02/2017	ONLI...	A T & T	September 15, 2017 through October 14, 2017	313.99		-866,127.26
Bill Pmt -Check	10/02/2017	ONLI...	ALTAWORX, LLC	September 21, 2017 through October 20, 2017	842.64		-865,284.62
Bill Pmt -Check	10/02/2017	ONLI...	PEC		48,470.69		-816,813.93
Bill	10/04/2017	J GR...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017		219.31	-817,033.24
Bill	10/04/2017	J LIC...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017		111.00	-817,144.24
Bill	10/04/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 4, 2017		83.24	-817,227.48
Bill	10/05/2017	10663...	Hach Company	OCTOBER 05, 2017		1,946.39	-819,173.87
Bill	10/05/2017	J EQ...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017		53.40	-819,227.27
Bill	10/05/2017	J TO...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017		69.99	-819,297.26
Bill	10/06/2017	T OF...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017		89.95	-819,387.21
Bill	10/09/2017	BSW...	BRENNTAG SOUTHWEST INC	OCTOBER 9, 2017		3,611.05	-822,998.26
Bill	10/11/2017	25909	ALTAWORX, LLC	September 21, 2017 through October 20, 2017		842.64	-823,840.90
Bill	10/11/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 11, 2017		71.33	-823,912.23
Bill	10/15/2017	512 2...	A T & T	October 15, 2017 through November 14, 2017		382.10	-824,294.33
Bill Pmt -Check	10/16/2017	ONLI...	Verizon Wireless		221.21		-824,073.12
Bill	10/18/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 18, 2017		71.38	-824,144.50
Bill Pmt -Check	10/19/2017	ONLI...	PEC		32,470.69		-791,673.81
Bill	10/20/2017	BSW...	BRENNTAG SOUTHWEST INC	OCTOBER 20, 2017		4,371.00	-796,044.81
Bill	10/23/2017	97950...	Verizon Wireless	SEPTEMBER 24, 2017 TO OCTOBER 23, 2017		25.13	-796,069.94
Bill	10/25/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 25, 2017		66.05	-796,135.99
Bill	10/26/2017	95967...	Grainger	OCTOBER 26, 2017		247.60	-796,383.59
Bill	10/30/2017	Pay A...	WHITESTONE CIVIL CONSTRUCTI...	OCTOBER 2017		70,089.00	-866,472.59
Bill	10/31/2017	LAB-0...	Lower Colorado River Auth	OCTOBER 31, 2017		151.00	-866,623.59
Bill	10/31/2017	178208	Napco Chemical Company, Inc.	OCTOBER 31, 2017		4,554.00	-871,177.59
Bill	10/31/2017	4070	PATTERSON AND ASSOCIATES	OCTOBER 2017		1,000.00	-872,177.59
Bill	10/31/2017	29934	Sheridan Environmental	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017		1,020.00	-873,197.59
Bill	10/31/2017	TNSI...	Tomecek Eleoctic	OCTOBER 31, 2017		294.93	-873,492.52
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017		138,080.05	-1,011,572.57
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017		108,528.57	-1,120,101.14
Bill	10/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH OCTOBER 31, 2017		480.00	-1,120,581.14
Bill	10/31/2017	096	Dial Development Svcs	OCTOBER 2017		2,520.00	-1,123,101.14
Bill	11/01/2017	76064	CENTRAL TEXAS REFUSE	Billing Period NOVEMBER 2017		95.12	-1,123,196.26
Bill	11/01/2017	67264	Holcomb	PROFESSIONAL SERVICES THROUGH OCTOBER 20, 2017		15,889.10	-1,139,085.36
Bill	11/01/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 01, 2017		66.05	-1,139,151.41
Bill	11/01/2017	97955...	Verizon Wireless	OCTOBER 2, 2017 TO NOVEMBER 1, 2017		196.16	-1,139,347.57
Bill	11/01/2017	3493...	TMT Solutions	JULY 24, 2017		540.00	-1,139,887.57
Bill	11/01/2017	3619...	TMT Solutions	AUGUST 25, 2017		705.00	-1,140,592.57
Bill	11/02/2017	BSW...	BRENNTAG SOUTHWEST INC	NOVEMBER 2, 2017		3,860.03	-1,144,452.60
Bill Pmt -Check	11/03/2017	21227	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	0.00		-1,144,452.60
Bill Pmt -Check	11/03/2017	21228	Leander, City of	JULY 1, 2017 - SEPTEMBER 30, 2017	0.00		-1,144,452.60
Bill Pmt -Check	11/03/2017	21211	CENTRAL TEXAS REFUSE	Billing Period OCTOBER 2017		95.12	-1,144,357.48
Bill Pmt -Check	11/03/2017	21212	Department of State Health Services	September 2017		475.13	-1,143,882.35
Bill Pmt -Check	11/03/2017	21213	DKP LANDSCAPE MANAGEMENT, ...	SEPTEMBER 5, 2017	1,149.96		-1,142,732.39
Bill Pmt -Check	11/03/2017	21214	Elliott Electric Supply	SEPTEMBER 29, 2017		379.05	-1,142,353.34
Bill Pmt -Check	11/03/2017	21215	EUTECHIC SERVICES			9,834.60	-1,132,518.74
Bill Pmt -Check	11/03/2017	21216	Holcomb	PROFESSIONAL SERVICES THROUGH SEPTEMBER 21, 2017	16,554.11		-1,115,964.63
Bill Pmt -Check	11/03/2017	21217	Kent Alan Sick	December 1, 2016 through August 30, 2017	2,074.80		-1,113,889.83
Bill Pmt -Check	11/03/2017	21218	Lower Colorado River Auth	SEPTEMBER 29, 2017	334.00		-1,113,555.83
Bill Pmt -Check	11/03/2017	21219	Napco Chemical Company, Inc.		24,198.05		-1,089,357.78
Bill Pmt -Check	11/03/2017	21220	Office Depot	53794306	395.15		-1,088,962.63
Bill Pmt -Check	11/03/2017	21221	Sheridan Environmental		1,530.00		-1,087,432.63
Bill Pmt -Check	11/03/2017	21222	ThyssenKrupp Elevator	Service Period 10/1/2017 to 12/31/2017		722.37	-1,086,710.26
Bill Pmt -Check	11/03/2017	21223	TMT Solutions	SEPTEMBER 30, 2017	4,650.00		-1,082,060.26
Bill Pmt -Check	11/03/2017	21224	UNIFIRST HOLDINGS INC	1360381	213.99		-1,081,846.27
Bill Pmt -Check	11/03/2017	21225	WALKER PARTNERS, LLC		203,260.77		-878,585.50
Bill Pmt -Check	11/03/2017	ONLI...	Bank of America		3,176.00		-875,409.50
Bill Pmt -Check	11/03/2017	WIRE	BRENNTAG SOUTHWEST INC	OCTOBER 9, 2017	3,611.05		-871,798.45
Bill Pmt -Check	11/03/2017	WIRE	Cedar Park, City of		8,840.84		-862,957.61
Bill Pmt -Check	11/03/2017	WIRE	Hach Company	OCTOBER 05, 2017	1,946.39		-861,011.22
Bill Pmt -Check	11/03/2017	WIRE	Leander, City of		129,430.05		-731,581.17
Bill Pmt -Check	11/03/2017	WIRE	Cedar Park, City of	AUGUST 22, 2017 TO SEPTEMBER 22, 2017	259.90		-731,321.27
Bill Pmt -Check	11/03/2017	WIRE	PATTERSON AND ASSOCIATES	SEPTEMBER 2017	1,000.00		-730,321.27
Bill Pmt -Check	11/03/2017	WIRE	Round Rock, City of		80,743.57		-649,577.70
Bill Pmt -Check	11/03/2017	WIRE	Dial Development Svcs		3,200.00		-646,377.70
Bill Pmt -Check	11/03/2017	WIRE	HDR	Service Period 08/06/2017 - 09/02/2017	9,920.00		-636,457.70
Bill Pmt -Check	11/03/2017	WIRE	Jacobs Engineering	Services through March 31, 2017	415.25		-636,042.45
Bill Pmt -Check	11/03/2017	WIRE	Round Rock, City of	JULY 1, 2017 TO SEPTEMBER 30, 2017	7,359.28		-628,683.17
Bill	11/03/2017	METE...	Cedar Park, City of	SEPTEMBER 22, 2017 TO OCTOBER 22, 2017		232.45	-628,915.62
Bill	11/08/2017	144-1...	Round Rock, City of	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017		90.00	-629,005.62
Bill	11/08/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 08, 2017		66.05	-629,071.67
Bill	11/10/2017	27421	ALTAWORX, LLC	November 21, 2017 through December 20, 2017		843.73	-629,915.40
Bill	11/10/2017	J CO...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		337.94	-630,253.34
Bill	11/10/2017	J EQ...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		986.60	-631,239.94
Bill	11/10/2017	J GR...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		1,066.82	-632,306.76
Bill	11/10/2017	J SAF...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		604.95	-632,911.71
Bill	11/10/2017	J WIN...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		116.02	-633,027.73
Bill	11/10/2017	T MS...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		514.54	-633,542.27
Bill	11/10/2017	T OF...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	89.95		-633,452.32
Bill	11/10/2017	T SC...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		142.65	-633,594.97
Bill	11/10/2017	IN141...	Dahill	NOVEMBER 17, 2017 THROUGH DECEMBER 16, 2017		269.01	-633,863.98
Bill	11/10/2017	4011...	TMT Solutions	OCTOBER 20, 2017		705.00	-634,568.98
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017		5,043.43	-639,612.41
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 08, 2017		18,972.89	-658,585.30
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017		5,162.97	-663,748.27
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017		39.23	-663,787.50
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017		53.73	-663,841.23
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017		697.90	-664,539.13
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017		52.86	-664,591.99
Bill	11/11/2017	METE...	PEC	OCTOBER 04, 2017 TO NOVEMBER 10, 2017		1,988.72	-666,580.71
Bill	11/15/2017	512 2...	A T & T	November 15, 2017 through December 14, 2017		362.67	-666,943.38
Bill	11/15/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 15, 2017		66.05	-667,009.43
Bill Pmt -Check	11/17/2017	21226	WHITESTONE CIVIL CONSTRUCTI...	September 2017	248,936.34		-418,073.09
Bill	11/17/2017	12000...	HDR	Service Period 10/01/2017 - 10/28/2017		10,765.00	-428,838.09
Bill	11/20/2017	40763...	FLUID METER SERVICE CORPOR...	NOVEMBER 20, 2016		1,700.00	-430,538.09
Bill	11/21/2017	28653	ALTAWORX, LLC	October 21, 2017 through November 20, 2017		842.62	-431,380.71
Bill	11/21/2017	ES3557	EUTECHIC SERVICES	NOVEMBER 21, 2017		215.00	-431,595.71
Bill	11/22/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 22, 2017		66.15	-431,661.86
Bill	11/22/2017	96240...	Grainger	NOVEMBER 22, 2017		293.89	-431,955.75
Bill	11/22/2017	96240...	Grainger	NOVEMBER 22, 2017		324.05	-432,279.80
Bill	11/23/2017	97968...	Verizon Wireless	OCTOBER 24, 2017 TO NOVEMBER 23, 2017		25.07	-432,304.87
Bill	11/27/2017	407656	FLUID METER SERVICE CORPOR...	NOVEMBER 27, 2017		775.00	-433,079.87
Bill	11/29/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 29, 2017		68.57	-433,148.44
Bill	11/29/2017	T146515	RORTOK DALLAS, INC.	NOVEMBER 29, 2017		2,093.60	-435,242.04
Bill	11/29/2017	96295...	Grainger	NOVEMBER 29, 2017		594.66	-435,836.70
Bill	11/29/2017	96295...	Grainger	NOVEMBER 29, 2017		603.56	-436,440.26
Bill	11/30/2017	PHS0...	Texas Commission on Environmenta...	November 30, 2017		125.00	-436,565.26
Bill	11/30/2017	4106	PATTERSON AND ASSOCIATES	NOVEMBER 2017		1,000.00	-437,565.26
Bill	11/30/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH NOVEMBER 28, 2017		120,522.55	-558,087.81
Bill	11/30/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH NOVEMBER 28, 2017		147,253.11	-705,340.92

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bill	11/30/2017	17-12...	SHERMCO INDUSTRIES INC	NOVEMBER 30, 2017		17,500.24	-722,841.16
Bill	11/30/2017	097	Dial Development Svcs	NOVEMBER 2017		2,775.00	-725,616.16
Bill	11/30/2017	LAB-0...	Lower Colorado River Auth	NOVEMBER 30, 2017		151.00	-725,767.16
Bill	12/01/2017	BSW...	BRENNTAG SOUTHWEST INC	DECEMBER 1, 2017		4,254.50	-730,021.66
Bill	12/01/2017	82249	CENTRAL TEXAS REFUSE	Billing Period DECEMBER 2017		95.12	-730,116.78
Bill	12/01/2017	67408	Holcomb	PROFESSIONAL SERVICES THROUGH NOVEMBER 20, 2017		38,121.19	-768,237.97
Bill	12/01/2017	Contr...	TML Intergovernmental	LIABILITY 17/18 FY		5,364.52	-773,602.49
Bill	12/01/2017	432643	USA Blue Book	DECEMBER 1, 2017		2,221.33	-775,823.82
Bill	12/01/2017	97973...	Verizon Wireless	NOVEMBER 2, 2017 TO DECEMBER 1, 2017		196.16	-776,019.98
Bill	12/01/2017	10350...	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017		14,000.00	-790,019.98
Bill	12/01/2017	96314...	Grainger	DECEMBER 01, 2017		222.91	-790,242.89
Bill	12/01/2017	96314...	Grainger	DECEMBER 01, 2017		23.16	-790,266.05
Bill	12/01/2017	96314...	Grainger	DECEMBER 01, 2017		247.76	-790,513.81
Bill	12/04/2017	96332...	Grainger	DECEMBER 4, 2017		15.44	-790,529.25
Bill	12/04/2017	433235	USA Blue Book	DECEMBER 4, 2017		1,028.10	-791,557.35
Bill	12/05/2017	10744...	Hach Company	DECEMBER 05, 2017		1,841.49	-793,398.84
Bill	12/06/2017	10746...	Hach Company	DECEMBER 06, 2017		111.59	-793,510.43
Bill	12/06/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 06, 2017		66.05	-793,576.48
Bill	12/07/2017	21229	CENTRAL TEXAS REFUSE	Billing Period NOVEMBER 2017		95.12	-793,671.60
Bill	12/07/2017	21230	CONTRACT LAND STAFF, LLC		10,400.00		-783,071.60
Bill	12/07/2017	21231	EUTECHIC SERVICES	NOVEMBER 21, 2017		215.00	-782,856.60
Bill	12/07/2017	21232	FLUID METER SERVICE CORP...	NOVEMBER 20, 2016		1,700.00	-781,166.36
Bill	12/07/2017	21233	Grainger	OCTOBER 26, 2017		247.60	-780,918.76
Bill	12/07/2017	21234	Holcomb	PROFESSIONAL SERVICES THROUGH OCTOBER 20, 2017		15,889.10	-765,029.66
Bill	12/07/2017	21235	Lower Colorado River Auth	OCTOBER 31, 2017		151.00	-764,878.66
Bill	12/07/2017	21236	Napco Chemical Company, Inc.	OCTOBER 31, 2017		4,554.00	-760,324.66
Bill	12/07/2017	21237	Sheridan Environmental	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017		1,020.00	-759,304.66
Bill	12/07/2017	21238	Texas Commission on Environmenta...	November 30, 2017		125.00	-759,179.66
Bill	12/07/2017	21239	TMT Solutions	OCTOBER 20, 2017		705.00	-758,474.66
Bill	12/07/2017	21240	Tomecek Elecectic	OCTOBER 31, 2017		294.93	-758,179.73
Bill	12/07/2017	21241	UNIFIRST HOLDINGS INC	1360381		556.30	-757,623.43
Bill	12/07/2017	21242	WALKER PARTNERS, LLC		247,088.62		-510,534.81
Bill	12/07/2017	10748...	Hach Company	DECEMBER 07, 2017			-510,784.61
Bill	12/07/2017	90040	ALTERMAN, INC.	December 07, 2017		249.80	-511,468.41
Bill	12/08/2017	ONLI...	A T & T		744.77		-510,723.64
Bill	12/08/2017	ONLI...	ALTAWORX, LLC		1,686.35		-509,037.29
Bill	12/08/2017	ONLI...	Bank of America		3,679.57		-505,357.72
Bill	12/08/2017	ONLI...	PEC		32,011.73		-473,345.99
Bill	12/08/2017	ONLI...	Verizon Wireless		221.29		-473,124.70
Bill	12/08/2017	WIRE	Cedar Park, City of	SEPTEMBER 22, 2017 TO OCTOBER 22, 2017		232.45	-472,892.25
Bill	12/08/2017	WIRE	Dahlill	NOVEMBER 17, 2017 THROUGH DECEMBER 16, 2017		269.01	-472,623.24
Bill	12/08/2017	WIRE	PATTERSON AND ASSOCIATES	OCTOBER 2017		1,000.00	-471,623.24
Bill	12/08/2017	WIRE	Round Rock, City of	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017		90.00	-471,533.24
Bill	12/08/2017	WIRE	BRENNTAG SOUTHWEST INC		8,231.03		-463,302.21
Bill	12/08/2017	WIRE	HDR		23,220.00		-440,082.21
Bill	12/08/2017	WIRE	WHITESTONE CIVIL CONSTRUCTI...	OCTOBER 2017		70,089.00	-369,993.21
Bill	12/08/2017	WIRE	PEC	QuickBooks generated zero amount transaction for bill payment stub		0.00	-369,993.21
Bill	12/08/2017	METE...	Cedar Park, City of	OCTOBER 22, 2017 TO NOVEMBER 22, 2017		263.26	-370,256.47
Bill	12/10/2017	J EQ...	Bank of America	NOVEMBER 11, 2017 - DECEMBER 10, 2017		2,979.15	-373,235.62
Bill	12/10/2017	J TRE...	Bank of America	NOVEMBER 11, 2017 - DECEMBER 10, 2017		1,402.52	-374,638.14
Bill	12/11/2017	IN145...	Dahlill	DECEMBER 17, 2017 THROUGH JANUARY 16, 2018		82.95	-374,721.09
Bill	12/11/2017	96405...	Grainger	DECEMBER 11, 2017		87.48	-374,808.57
Bill	12/11/2017	144-1...	Round Rock, City of	NOVEMBER 1, 2017 THROUGH NOVEMBER 30, 2017		115.00	-374,923.57
Bill	12/13/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 13, 2017		66.05	-374,989.62
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017		2,883.92	-377,873.54
Bill	12/14/2017	METE...	PEC	NOVEMBER 08, 2017 TO DECEMBER 10, 2017		13,914.59	-391,788.13
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017		5,367.78	-397,155.91
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017		39.39	-397,195.30
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017		64.07	-397,259.37
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017		686.04	-397,945.41
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017		54.47	-397,999.88
Bill	12/14/2017	METE...	PEC	NOVEMBER 10, 2017 TO DECEMBER 10, 2017		9,324.25	-407,324.13
Bill	12/15/2017	512 2...	A T & T	December 15, 2017 through January 15, 2018		362.67	-407,686.80
Bill	12/15/2017	02130...	Fort Bend Services	DECEMBER 15, 2017		3,426.20	-411,113.00
Bill	12/15/2017	13476...	COLE-PARMER INSTRUMENT CO...	DECEMBER 15, 2017		2,761.06	-413,874.06
Bill	12/15/2017	96993...	Office Depot	DECEMBER 15, 2017		466.52	-414,340.58
Bill	12/18/2017	ONLI...	Verizon Wireless		221.23		-414,119.35
Bill	12/18/2017	96477...	Grainger	DECEMBER 18, 2017		200.21	-414,319.56
Bill	12/18/2017	96477...	Grainger	DECEMBER 18, 2017		50.00	-414,369.56
Bill	12/19/2017	90038	ALTERMAN, INC.	December 19, 2017		555.00	-414,924.56
Bill	12/19/2017	90250	ALTERMAN, INC.	December 19, 2017		1,150.00	-416,074.56
Bill	12/20/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 20, 2017		66.29	-416,140.85
Bill	12/21/2017	T147346	ROTORK DALLAS, INC.	DECEMBER 21, 2017		4,073.28	-420,214.13
Bill	12/23/2017	97986...	Verizon Wireless	NOVEMBER 24, 2017 TO DECEMBER 23, 2017		25.07	-420,239.20
Bill	12/27/2017	96535...	Grainger	DECEMBER 27, 2017		163.62	-420,402.82
Bill	12/27/2017	96538...	Grainger	DECEMBER 27, 2017		47.34	-420,450.16
Bill	12/27/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 27, 2017		66.05	-420,516.21
Bill	12/28/2017	LAB-0...	Lower Colorado River Auth	DECEMBER 28, 2017		151.00	-420,667.21
Bill	12/29/2017	BSW...	BRENNTAG SOUTHWEST INC	DECEMBER 29, 2017		4,043.59	-424,710.80
Bill	12/29/2017	13586...	COLE-PARMER INSTRUMENT CO...	DECEMBER 29, 2017		306.12	-425,016.92
Bill	12/29/2017	180588	Napco Chemical Company, Inc.	DECEMBER 29, 2017		14,616.97	-439,633.89
Bill	12/29/2017	180589	Napco Chemical Company, Inc.	DECEMBER 29, 2017		4,554.00	-444,187.89
Bill	12/31/2017	4143	PATTERSON AND ASSOCIATES	DECEMBER 2017		1,000.00	-445,187.89
Bill	12/31/2017	159	Cedar Park, City of	FIRST QUARTER - FY18		7,358.84	-452,546.73
Bill	12/31/2017	160 - ...	Cedar Park, City of	FIRST QUARTER - FY18		18.63	-452,565.36
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017		98,547.05	-551,112.41
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017		34,354.97	-585,467.38
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017		293.16	-585,760.54
Bill	12/31/2017	Legal ...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017		7,863.43	-593,623.97
Bill	12/31/2017	Legal ...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017		4,470.00	-598,093.97
Bill	12/31/2017	BCRU...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017		40,661.51	-638,755.48
Bill	12/31/2017	BCRU...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017		607.20	-639,362.68
Bill	12/31/2017	42983	Sheridan Environmental	DECEMBER 1, 2017 THROUGH DECEMBER 31, 2017		1,020.00	-640,382.68
Bill	12/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH DECEMBER 26, 2017		90,165.64	-730,548.32
Bill	12/31/2017	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH DECEMBER 26, 2017		65,562.78	-796,111.10
Bill	12/31/2017	098	Dial Development Svcs	DECEMBER 2017		450.00	-796,561.10
Bill	01/01/2018	67447	Holcomb	PROFESSIONAL SERVICES THROUGH DECEMBER 21, 2017		2,702.83	-799,263.93
Bill	01/01/2018	Contr...	TML Intergovernmental	NOV 2017 DEDUCTIBLE		1,000.00	-800,263.93
Bill	01/03/2018	ONLI...	A T & T	December 15, 2017 through January 15, 2018		362.67	-799,901.26
Bill	01/03/2018	ONLI...	ALTAWORX, LLC	December 21, 2017 through January 20, 2018		843.73	-799,057.53
Bill	01/03/2018	ONLI...	Bank of America		4,381.67		-794,675.86
Bill	01/03/2018	ONLI...	PEC		32,334.51		-762,341.35
Bill	01/03/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 03, 2018		69.30	-762,410.65
Bill	01/05/2018	456742	USA Blue Book	JANUARY 05, 2018		2,806.77	-765,217.42
Bill	01/08/2018	METE...	Cedar Park, City of	NOVEMBER 22, 2017 TO DECEMBER 22, 2017		244.62	-765,462.04
Bill	01/08/2018	12000...	HDR	Service Period 10/29/2017 - 12/30/2017		3,483.00	-768,945.04
Bill	01/10/2018	28174	ALTAWORX, LLC	December 21, 2017 through January 20, 2018		843.73	-769,788.77
Bill	01/10/2018	J EQ...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018		115.66	-769,904.43
Bill	01/10/2018	J GR...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018		340.86	-770,245.29
Bill	01/10/2018	J OFF...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018		159.32	-770,404.61
Bill	01/10/2018	J SC...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018		1,211.85	-771,616.46
Bill	01/10/2018	J TRE...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018		43.70	-771,660.16

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bill	01/10/2018	J VE...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018		1,112.68	-772,772.84
Bill	01/10/2018	J WIN...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018		51.82	-772,824.66
Bill	01/10/2018	T MIS...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018		269.77	-773,094.43
Bill	01/10/2018	IN148...	Dahill	JANUARY 17, 2018 THROUGH FEBRUARY 16, 2018		82.95	-773,177.38
Bill	01/10/2018	144-1...	Round Rock, City of	DECEMBER 1, 2017 THROUGH DECEMBER 31, 2017		100.00	-773,277.38
Bill	01/10/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 10, 2018		66.05	-773,343.43
Bill	01/11/2018	90071...	ALTERMAN, INC.	January 11, 2018		889.00	-774,232.43
Bill	01/11/2018	90071...	ALTERMAN, INC.	January 11, 2018		761.69	-774,994.12
Bill	01/12/2018	96671...	Grainger	JANUARY 12, 2018		38.63	-775,032.75
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018		9,382.25	-784,415.00
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018		11,363.15	-795,778.15
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018		5,162.97	-800,941.12
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018		39.56	-800,980.68
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018		75.19	-801,055.87
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018		622.76	-801,678.63
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018		57.53	-801,736.16
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018		10,180.95	-811,917.11
Bill	01/15/2018	512 2...	A T & T	January 15, 2018 through February 14, 2018		363.07	-812,280.18
Bill	01/17/2018	96711...	Grainger	JANUARY 17, 2018		135.86	-812,416.04
Bill	01/17/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 17, 2018		66.05	-812,482.09
Bill	01/18/2018	51-64...	Elliott Electric Supply	JANUARY 18, 2018		84.92	-812,567.01
Bill Pmt -Check	01/19/2018	WIRE	Cedar Park, City of	OCTOBER 22, 2017 TO NOVEMBER 22, 2017	263.26		-812,303.75
Bill Pmt -Check	01/19/2018	WIRE	Dahill	DECEMBER 17, 2017 THROUGH JANUARY 16, 2018	82.95		-812,220.80
Bill Pmt -Check	01/19/2018	WIRE	PATTERSON AND ASSOCIATES		2,000.00		-810,220.80
Bill Pmt -Check	01/19/2018	WIRE	Round Rock, City of	NOVEMBER 1, 2017 THROUGH NOVEMBER 30, 2017	115.00		-810,105.80
Bill Pmt -Check	01/19/2018	WIRE	TML Intergovernmental	LIABILITY 17/18 FY	5,364.52		-804,741.28
Bill Pmt -Check	01/19/2018	WIRE	BRENTAG SOUTHWEST INC	DECEMBER 1, 2017	4,254.50		-800,486.78
Bill Pmt -Check	01/19/2018	WIRE	Dial Development Svcs	OCTOBER 2017	2,520.00		-797,966.78
Bill Pmt -Check	01/19/2018	WIRE	Hach Company		2,202.88		-795,763.90
Bill Pmt -Check	01/19/2018	21243	FLUID METER SERVICE CORPOR...	NOVEMBER 27, 2017	775.00		-794,988.90
Bill Pmt -Check	01/19/2018	21244	Fort Bend Services	DECEMBER 15, 2017	3,426.20		-791,562.70
Bill Pmt -Check	01/19/2018	21245	Holcomb	PROFESSIONAL SERVICES THROUGH NOVEMBER 20, 2017	38,121.19		-753,441.51
Bill Pmt -Check	01/19/2018	21246	SHERMCO INDUSTRIES INC	NOVEMBER 30, 2017	17,500.24		-735,941.27
Bill Pmt -Check	01/19/2018	21247	TMT Solutions		1,245.00		-734,696.27
Bill Pmt -Check	01/19/2018	21248	USA Blue Book		3,249.43		-731,446.84
Bill Pmt -Check	01/19/2018	21249	WALKER PARTNERS, LLC		267,775.66		-463,671.18
Bill Pmt -Check	01/19/2018	21250	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017	14,000.00		-449,671.18
Bill	01/19/2018	4345	1ST FIRE SAFETY, LLC	JANUARY 19, 2018		942.00	-450,613.18
Bill	01/22/2018	10352...	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017 - FINAL BILL		16,300.00	-466,913.18
Bill	01/23/2018	181431	Napco Chemical Company, Inc.	JANUARY 23, 2018		3,547.75	-470,460.93
Bill	01/23/2018	98004...	Verizon Wireless	DECEMBER 24, 2017 TO JANUARY 23, 2018		30.16	-470,491.09
Bill	01/24/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 24, 2018		66.05	-470,557.14
Bill Pmt -Check	01/25/2018	ONLI...	Verizon Wireless	NOVEMBER 24, 2017 TO DECEMBER 23, 2017	25.07		-470,532.07
Bill	01/26/2018	BSW...	BRENTAG SOUTHWEST INC	JANUARY 26, 2018		4,372.86	-474,904.93
Bill Pmt -Check	01/29/2018	21251	CENTRAL TEXAS REFUSE	Billing Period DECEMBER 2017	95.12		-474,809.81
Bill Pmt -Check	01/29/2018	21252	Grainger		102.92		-474,706.89
Bill Pmt -Check	01/29/2018	21253	UNIFIRST HOLDINGS INC		266.96		-474,439.93
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder payment 2/1/2018		24,260.60	-498,700.53
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder Payment 2/1/2018		61,074.60	-559,775.13
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder payment 2/1/2018		402,575.00	-962,350.13
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder Payment 2/1/2018		1,082,900.00	-2,045,250.13
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder payment 2/1/2018		14,152.41	-2,059,402.54
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder payment 2/1/2018		25,891.26	-2,085,293.80
Bill	01/29/2018	BCRU...	Bank of NY Mellon	Bondholder Payment 2/1/2018		14,158.97	-2,099,452.77
Bill	01/29/2018	BRUS...	BOKF, NA	Bondholder Payment 2/1/2018		1,632,531.25	-3,731,984.02
Bill	01/29/2018	BSW...	BRENTAG SOUTHWEST INC	JANUARY 29, 2018		4,358.23	-3,736,342.25
Bill	01/30/2018	96844...	Grainger	JANUARY 30, 2018		165.88	-3,736,508.13
Bill	01/31/2018	13873...	COLE-PARMER INSTRUMENT CO...	JANUARY 31, 2018		66.14	-3,736,574.27
Bill	01/31/2018	099	Dial Development Svcs	JANUARY 2018		675.00	-3,737,249.27
Bill	01/31/2018	LAB-0...	Lower Colorado River Auth	JANUARY 31, 2018		151.00	-3,737,400.27
Bill	01/31/2018	4189	PATTERSON AND ASSOCIATES	JANUARY 2018		1,000.00	-3,738,400.27
Bill	01/31/2018	43051	Sheridan Environmental	JANUARY 1, 2018 THROUGH JANUARY 31, 2018		510.00	-3,738,910.27
Bill	01/31/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 31, 2018		68.07	-3,738,978.34
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018		56,266.28	-3,795,244.62
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018		96,500.37	-3,891,744.99
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018		100.00	-3,891,844.99
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018		380.00	-3,892,224.99
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018		3,484.00	-3,895,708.99
Bill Pmt -Check	02/01/2018	WIRE	Bank of NY Mellon		1,625,012.84		-2,270,686.15
Bill Pmt -Check	02/01/2018	WIRE	BOKF, NA	Bondholder Payment 2/1/2018	1,632,531.25		-3,903,217.40
Bill	02/01/2018	96864...	Grainger	FEBRUARY 01, 2018		43.44	-3,903,260.84
Bill	02/01/2018	96870...	Grainger	FEBRUARY 01, 2018		184.58	-3,903,445.42
Bill	02/01/2018	Pay A...	WHITESTONE CIVIL CONSTRUCTI...	NOVEMBER 2017		27,472.68	-3,930,918.10
Bill	02/07/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 07, 2018		68.05	-3,931,000.15
Bill	02/08/2018	METE...	Cedar Park, City of	DECEMBER 22, 2017 TO JANUARY 22, 2018		321.77	-3,931,321.92
Bill	02/08/2018	144-0...	Round Rock, City of	JANUARY 1, 2018 THROUGH JANUARY 31, 2018		70.00	-3,931,401.92
Bill	02/09/2018	ES3651	EUTECHIC SERVICES	FEBRUARY 09, 2018		767.00	-3,932,168.92
Bill	02/10/2018	28935	ALTAWORX, LLC	January 21, 2018 through February 20, 2018		850.35	-3,933,019.27
Bill	02/10/2018	J CO...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018		541.00	-3,933,560.27
Bill	02/10/2018	J EQ...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018		191.59	-3,933,751.86
Bill	02/10/2018	J IRRI...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018		180.39	-3,933,932.25
Bill	02/10/2018	J OFF...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018		81.05	-3,934,013.30
Bill	02/10/2018	J SC...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018		635.00	-3,934,648.30
Bill	02/10/2018	J TRE...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018		251.30	-3,934,900.00
Bill	02/10/2018	J VE...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018		9.94	-3,934,909.94
Bill	02/10/2018	T MIS...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018		685.66	-3,935,595.60
Bill	02/12/2018	IN152...	Dahill	FEBRUARY 17, 2018 THROUGH MARCH 16, 2018		153.18	-3,935,748.78
Bill Pmt -Check	02/13/2018	ONLI...	ALTAWORX, LLC	January 15, 2018 through February 14, 2018	363.07		-3,936,111.85
Bill Pmt -Check	02/13/2018	ONLI...	ALTAWORX, LLC	January 21, 2018 through February 20, 2018	850.35		-3,936,962.20
Bill Pmt -Check	02/13/2018	ONLI...	Bank of America		3,305.66		-3,940,267.86
Bill Pmt -Check	02/13/2018	ONLI...	PEC		36,884.36		-3,977,152.22
Bill Pmt -Check	02/13/2018	WIRE	BRENTAG SOUTHWEST INC	DECEMBER 29, 2017	4,043.59		-3,981,195.81
Bill Pmt -Check	02/13/2018	WIRE	Cedar Park, City of		7,377.47		-3,988,573.28
Bill Pmt -Check	02/13/2018	WIRE	Leander, City of		133,195.18		-4,121,768.46
Bill Pmt -Check	02/13/2018	WIRE	Dial Development Svcs	NOVEMBER 2017	3,483.00		-4,125,251.46
Bill Pmt -Check	02/13/2018	WIRE	HDR	Service Period 10/29/2017 - 12/30/2017	3,483.00		-4,128,734.46
Bill Pmt -Check	02/13/2018	WIRE	Cedar Park, City of	NOVEMBER 22, 2017 TO DECEMBER 22, 2017	244.62		-4,129,000.00
Bill Pmt -Check	02/13/2018	WIRE	Dahill	JANUARY 17, 2018 THROUGH FEBRUARY 16, 2018	82.95		-4,129,082.95
Bill Pmt -Check	02/13/2018	WIRE	Round Rock, City of		53,702.14		-4,182,785.09
Bill Pmt -Check	02/13/2018	21254	ALTERMAN, INC.	4,039.49			-4,186,824.58
Bill Pmt -Check	02/13/2018	21255	COLE-PARMER INSTRUMENT CO...	3,067.18			-4,190,891.76
Bill Pmt -Check	02/13/2018	21256	Elliott Electric Supply	JANUARY 18, 2018	84.92		-4,191,000.00
Bill Pmt -Check	02/13/2018	21257	Grainger		635.66		-4,191,635.66
Bill Pmt -Check	02/13/2018	21258	Holcomb	PROFESSIONAL SERVICES THROUGH DECEMBER 21, 2017	2,702.83		-4,194,338.49
Bill Pmt -Check	02/13/2018	21259	Lower Colorado River Auth	DECEMBER 28, 2017	151.00		-4,194,489.49
Bill Pmt -Check	02/13/2018	21260	Napco Chemical Company, Inc.		22,718.72		-4,217,208.21
Bill Pmt -Check	02/13/2018	21261	Office Depot	53794306	466.52		-4,217,674.73
Bill Pmt -Check	02/13/2018	21262	ROTOR DALLAS, INC.		6,166.88		-4,223,841.61
Bill Pmt -Check	02/13/2018	21263	Sheridan Environmental	DECEMBER 1, 2017 THROUGH DECEMBER 31, 2017	1,020.00		-4,224,861.61
Bill Pmt -Check	02/13/2018	21264	UNIFIRST HOLDINGS INC	1360381	267.45		-4,225,129.06
Bill Pmt -Check	02/13/2018	21265	USA Blue Book	JANUARY 05, 2018	2,806.77		-4,227,935.83
Bill Pmt -Check	02/13/2018	21266	WALKER PARTNERS, LLC		155,728.42		-4,383,664.25

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bill	02/13/2018	218460	ALTIVIA CHEMICALS, LLC	FEBRUARY 13, 2018		1,543.50	-226,052.15
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018		9,825.65	-235,877.80
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018		11,060.15	-246,937.95
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018		5,162.97	-252,100.92
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018		40.18	-252,141.10
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018		74.23	-252,215.33
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018		626.72	-252,842.05
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018		53.09	-252,895.14
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018		10,180.95	-263,076.09
Bill	02/14/2018	11953...	Regal Plastics Supply Company, Inc.	FEBRUARY 14, 2018		284.76	-263,360.85
Bill	02/14/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 14, 2018		66.05	-263,426.90
Bill	02/14/2018	INV01...	Walker Process Equipment	FEBRUARY 14, 2018		375.00	-263,801.90
Bill	02/15/2018	512 2...	A T & T	February 15, 2018 through March 14, 2018		364.12	-264,166.02
Bill	02/19/2018	10844...	Hach Company	FEBRUARY 19, 2018		1,840.31	-266,006.33
Bill	02/19/2018	67542...	Holcomb	PROFESSIONAL SERVICES THROUGH JANUARY 18, 2018		1,412.00	-267,418.33
Bill Pmt -Check	02/20/2018	ONLI...	Verizon Wireless	DECEMBER 24, 2017 TO JANUARY 23, 2018	30.16		-267,388.17
Bill	02/21/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 21, 2018		66.05	-267,454.22
Bill	02/23/2018	97088...	Grainger	FEBRUARY 23, 2018		108.72	-267,562.94
Bill	02/23/2018	98022...	Verizon Wireless	JANUARY 24, 2018 TO FEBRUARY 23, 2018		25.14	-267,588.08
Bill	02/23/2018	CP ...	Cedar Park, City of	FY2013 THRU FY2017 TRUE UP		141,664.00	-409,252.08
Bill	02/26/2018	LD - T...	Leander, City of	FY2013 THRU FY2017 TRUE UP		177,838.00	-587,090.08
Bill	02/26/2018	RR - ...	Round Rock, City of	FY2013 THRU FY2017 TRUE UP		18,592.00	-605,682.08
Bill	02/26/2018	11108...	Office Depot	FEBRUARY 26, 2018		199.99	-605,882.07
Bill	02/27/2018	182774	Napco Chemical Company, Inc.	FEBRUARY 27, 2018		4,554.00	-610,436.07
Bill	02/28/2018	4223	PATTERSON AND ASSOCIATES	FEBRUARY 2018		1,000.00	-611,436.07
Bill	02/28/2018	100	Dial Development Svcs	FEBRUARY 2018		225.00	-611,661.07
Credit	02/28/2018	97137...	Grainger	FEBRUARY 28, 2018 - TO CR INV 9708899175	71.18		-611,589.89
Bill	02/28/2018	LAB-0...	Lower Colorado River Auth	FEBRUARY 28, 2018		151.00	-611,740.89
Bill	02/28/2018	11162...	Office Depot	FEBRUARY 28, 2018		338.21	-612,079.10
Bill	02/28/2018	11162...	Office Depot	FEBRUARY 28, 2018		58.32	-612,137.42
Bill	02/28/2018	43123	Sheridan Environmental	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018		2,550.00	-614,687.42
Bill	02/28/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 28, 2018		66.05	-614,753.47
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018		41,218.84	-655,972.31
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018		118,891.00	-774,863.31
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018		775.00	-775,638.31
Bill	02/28/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH FEBRUARY 27, 2018		2,412.00	-778,050.31
Bill	03/01/2018	14178...	COLE-PARMER INSTRUMENT CO...	MARCH 01, 2018		222.68	-778,272.99
Bill	03/01/2018	BSW...	BRENNTAG SOUTHWEST INC	MARCH 01, 2018		4,221.66	-782,494.65
Bill	03/01/2018	R16199	First Southwest Asset Management	MARCH 01, 2018		1,080.00	-783,574.65
Bill	03/01/2018	67675	Holcomb	PROFESSIONAL SERVICES THROUGH FEBRUARY 21, 2018		6,533.00	-790,107.65
Bill	03/05/2018	4800	1ST FIRE SAFETY, LLC	MARCH 05, 2018		575.00	-790,682.65
Bill	03/07/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE MARCH 07, 2018		132.14	-790,814.79
Bill	03/08/2018	29732	ALTAWORX, LLC	February 21, 2018 through March 20, 2018		850.35	-791,665.14
Bill Pmt -Check	03/08/2018	21267	1ST FIRE SAFETY, LLC		1,517.00		-790,148.14
Bill Pmt -Check	03/08/2018	21268	ALTIVIA CHEMICALS, LLC	FEBRUARY 13, 2018	1,543.50		-788,694.64
Bill Pmt -Check	03/08/2018	21269	COLE-PARMER INSTRUMENT CO...	FEBRUARY 09, 2018	288.82		-788,315.82
Bill Pmt -Check	03/08/2018	21270	EUTECHIC SERVICES	FEBRUARY 09, 2018	767.00		-787,548.82
Bill Pmt -Check	03/08/2018	21271	Grainger	2,703.89			-784,844.93
Bill Pmt -Check	03/08/2018	21272	Holcomb	PROFESSIONAL SERVICES THROUGH JANUARY 18, 2018	1,412.00		-783,432.93
Bill Pmt -Check	03/08/2018	21273	Lower Colorado River Auth	302.00			-783,130.93
Bill Pmt -Check	03/08/2018	21274	Regal Plastics Supply Company, Inc.	FEBRUARY 14, 2018	284.76		-782,846.17
Bill Pmt -Check	03/08/2018	21275	Sheridan Environmental	JANUARY 1, 2018 THROUGH JANUARY 31, 2018	510.00		-782,336.17
Bill Pmt -Check	03/08/2018	21276	UNIFIRST HOLDINGS INC	1360381	334.27		-782,001.90
Bill Pmt -Check	03/08/2018	21277	WALKER PARTNERS, LLC	156,730.65			-625,271.25
Bill Pmt -Check	03/08/2018	21278	Walker Process Equipment	FEBRUARY 14, 2018	375.00		-624,896.25
Bill Pmt -Check	03/08/2018	21279	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017 - FINAL BILL	16,300.00		-608,596.25
Bill Pmt -Check	03/08/2018	ONLI...	A T & T	February 15, 2018 through March 14, 2018		364.12	-608,232.13
Bill Pmt -Check	03/08/2018	ONLI...	ALTAWORX, LLC	February 21, 2018 through March 20, 2018		850.35	-607,381.78
Bill Pmt -Check	03/08/2018	ONLI...	Bank of America	2,575.93			-604,805.85
Bill Pmt -Check	03/08/2018	ONLI...	PEC	37,023.94			-567,781.91
Bill Pmt -Check	03/08/2018	WIRE	BRENNTAG SOUTHWEST INC	8,731.09			-559,050.82
Bill Pmt -Check	03/08/2018	WIRE	Cedar Park, City of	FY2013 THRU FY2017 TRUE UP	141,664.00		-417,386.82
Bill Pmt -Check	03/08/2018	WIRE	Dial Development Svcs	1,125.00			-416,261.82
Bill Pmt -Check	03/08/2018	WIRE	Hach Company	FEBRUARY 19, 2018	1,840.31		-414,421.51
Bill Pmt -Check	03/08/2018	WIRE	Leander, City of	FY2013 THRU FY2017 TRUE UP	177,838.00		-236,583.51
Bill Pmt -Check	03/08/2018	WIRE	WHITESTONE CIVIL CONSTRUCTI...	NOVEMBER 2017	27,472.68		-209,110.83
Bill Pmt -Check	03/08/2018	WIRE	Cedar Park, City of	DECEMBER 22, 2017 TO JANUARY 22, 2018		321.77	-208,789.06
Bill Pmt -Check	03/08/2018	WIRE	Dahill	FEBRUARY 17, 2018 THROUGH MARCH 16, 2018		153.18	-208,635.88
Bill Pmt -Check	03/08/2018	WIRE	PATTERSON AND ASSOCIATES	2,000.00			-206,635.88
Bill Pmt -Check	03/08/2018	WIRE	Round Rock, City of	18,662.00			-187,973.88
Bill Pmt -Check	03/08/2018	WIRE	TML Intergovernmental	NOV 2017 DEDUCTIBLE	1,000.00		-186,973.88
Bill	03/08/2018	METE...	Cedar Park, City of	JANUARY 22, 2018 TO FEBRUARY 22, 2018		314.93	-187,288.81
Bill	03/08/2018	144-0...	Round Rock, City of	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018		115.00	-187,403.81
Bill	03/10/2018	J CO...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018		309.55	-187,713.36
Bill	03/10/2018	J EQ...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018		327.17	-188,040.53
Bill	03/10/2018	J OFF...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018		20.41	-188,060.94
Bill	03/10/2018	J TRE...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018		378.40	-188,439.34
Bill	03/10/2018	T AD...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018		301.00	-188,740.34
Bill	03/10/2018	T MIS...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018		248.19	-188,988.53
Bill	03/12/2018	91705	ALTERMAN, INC.	March 12, 2018		601.25	-189,589.78
Bill	03/12/2018	IN155...	Dahill	MARCH 17, 2018 THROUGH APRIL 16, 2018		82.95	-189,672.73
Bill	03/12/2018	2018...	RON HOLIFIELD	MARCH 12, 2018		8,020.67	-197,693.40
Bill	03/13/2018	ENGI...	PEC	BCRUA ENGINEERING ASSESSMENT LETTER AGREEMENT	17,500.00		-215,193.40
Bill Pmt -Check	03/13/2018	21280	PEC	BCRUA ENGINEERING ASSESSMENT LETTER AGREEMENT	17,500.00		-197,693.40
Bill	03/14/2018	97266...	Grainger	MARCH 14, 2018		228.59	-197,921.99
Bill	03/14/2018	97266...	Grainger	MARCH 14, 2018		120.74	-198,042.73
Bill	03/14/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE MARCH 14, 2018		75.89	-198,118.62
Bill	03/15/2018	512 2...	A T & T	March 15, 2018 through April 14, 2018		364.12	-198,482.74
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018		8,216.26	-206,699.00
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018		10,790.11	-217,489.11
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018		4,718.82	-222,207.93
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018		40.06	-222,247.99
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018		68.22	-222,316.21
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018		678.06	-222,994.27
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018		51.72	-223,045.99
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018		9,160.02	-232,206.01
Bill	03/19/2018	91722	ALTERMAN, INC.	March 19, 2018		905.00	-233,111.01
Bill	03/19/2018	10883...	Hach Company	MARCH 19, 2018		1,134.03	-234,245.04
Bill	03/21/2018	219223	ALTIVIA CHEMICALS, LLC	MARCH 21, 2018		1,543.50	-235,788.54
Bill	03/21/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE MARCH 21, 2018		88.39	-235,876.93
Bill	03/31/2018	4265	PATTERSON AND ASSOCIATES	MARCH 2018		1,000.00	-236,876.93
Bill	04/05/2018	30513	ALTAWORX, LLC	March 21, 2018 through April 20, 2018		850.35	-237,727.28
Bill Pmt -Check	04/09/2018	ONLI...	A T & T	March 15, 2018 through April 14, 2018		364.12	-237,363.16
Bill Pmt -Check	04/09/2018	ONLI...	ALTAWORX, LLC	March 21, 2018 through April 20, 2018		850.35	-236,512.81
Bill Pmt -Check	04/09/2018	ONLI...	Bank of America	1,584.72			-234,928.09
Bill Pmt -Check	04/09/2018	ONLI...	PEC	33,723.27			-201,204.82
Bill Pmt -Check	04/09/2018	ONLI...	Verizon Wireless	JANUARY 24, 2018 TO FEBRUARY 23, 2018		25.14	-201,179.68
Bill Pmt -Check	04/09/2018	WIRE	BRENNTAG SOUTHWEST INC	MARCH 01, 2018	4,221.66		-196,958.02
Bill Pmt -Check	04/09/2018	WIRE	Dial Development Svcs	FEBRUARY 2018	225.00		-196,733.02
Bill Pmt -Check	04/09/2018	WIRE	Hach Company	MARCH 19, 2018	1,134.03		-195,598.99
Bill Pmt -Check	04/09/2018	WIRE	Cedar Park, City of	JANUARY 22, 2018 TO FEBRUARY 22, 2018		314.93	-195,284.06
Bill Pmt -Check	04/09/2018	WIRE	Dahill	MARCH 17, 2018 THROUGH APRIL 16, 2018		82.95	-195,201.11

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bill Pmt -Check	04/09/2018	WIRE	PATTERSON AND ASSOCIATES	MARCH 2018	1,000.00		-194,201.11
Bill Pmt -Check	04/09/2018	WIRE	Round Rock, City of	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018	115.00		-194,086.11
Bill Pmt -Check	04/09/2018	21281	ALTERMAN, INC.		1,506.25		-192,579.86
Bill Pmt -Check	04/09/2018	21282	ALTIVIA CHEMICALS, LLC	MARCH 21, 2018	1,543.50		-191,036.36
Bill Pmt -Check	04/09/2018	21283	First Southwest Asset Management	MARCH 01, 2018	1,080.00		-189,956.36
Bill Pmt -Check	04/09/2018	21284	Grainger		386.87		-189,569.49
Bill Pmt -Check	04/09/2018	21285	Holcomb	PROFESSIONAL SERVICES THROUGH FEBRUARY 21, 2018	6,533.00		-183,036.49
Bill Pmt -Check	04/09/2018	21286	Lower Colorado River Auth	FEBRUARY 28, 2018	151.00		-182,885.49
Bill Pmt -Check	04/09/2018	21287	Napco Chemical Company, Inc.	FEBRUARY 27, 2018	4,554.00		-178,331.49
Bill Pmt -Check	04/09/2018	21300	Office Depot	53794306	596.52		-177,734.97
Bill Pmt -Check	04/09/2018	21301	RON HOLIFIELD	MARCH 12, 2018	8,020.67		-169,714.30
Bill Pmt -Check	04/09/2018	21302	Sheridan Environmental	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018	2,550.00		-167,164.30
Bill Pmt -Check	04/09/2018	21303	UNIFIRST HOLDINGS INC	1360381	362.47		-166,801.83
Bill Pmt -Check	04/09/2018	21304	WALKER PARTNERS, LLC		163,296.84		-3,504.99
Total 20000 - Accounts Payable					6,233,383.73	5,371,264.96	-3,504.99
TexStar Master Construction							0.00
Total TexStar Master Construction							0.00
4000.00 - Accrued Bond Interest Payable							-1,044,503.00
Total 4000.00 - Accrued Bond Interest Payable							-1,044,503.00
4500.00 - Payroll Liabilities							0.00
Total 4500.00 - Payroll Liabilities							0.00
4600.00 - Retainage Liability							-1,595,370.07
Bill	10/30/2017	Pay A...	WHITESTONE CIVIL CONSTRUCTI...	OCTOBER 2017		3,688.90	-1,599,058.97
Bill	02/01/2018	Pay A...	WHITESTONE CIVIL CONSTRUCTI...	NOVEMBER 2017		1,445.93	-1,600,504.90
Total 4600.00 - Retainage Liability					0.00	5,134.83	-1,600,504.90
4810.00 - Due to Cedar Park							0.00
Total 4810.00 - Due to Cedar Park							0.00
4820.00 - Due to Leander							0.00
Total 4820.00 - Due to Leander							0.00
4830.00 - Due to Round Rock							0.00
Total 4830.00 - Due to Round Rock							0.00
4850.00 - Current Revenue Bonds Payable							-4,470,000.00
Total 4850.00 - Current Revenue Bonds Payable							-4,470,000.00
4899.00 - Reallocation of Expenses Paid							0.00
Total 4899.00 - Reallocation of Expenses Paid							0.00
4900.00 - Capacity Reserve (25%)							0.00
Total 4900.00 - Capacity Reserve (25%)							0.00
5100.00 - Bonds BCRUA							-153,445,000.00
General Journal	11/16/2017	11.05		RECORD BOND ISSUE - CEDAR PARK TWDB SWIFT 1C BONDS		4,430,000.00	-157,875,000.00
General Journal	11/16/2017	11.05		RECORD BOND ISSUE - LEANDER TWDB SWIFT 1C BONDS		8,130,000.00	-166,005,000.00
General Journal	11/16/2017	11.05		RECORD BOND ISSUE - ROUND ROCK TWDB SWIFT 1C BONDS		4,435,000.00	-170,440,000.00
Total 5100.00 - Bonds BCRUA					0.00	16,995,000.00	-170,440,000.00
5000.00 - Opening Balance Equity							0.00
Total 5000.00 - Opening Balance Equity							0.00
5130.00 - Perm. Restricted Net Assets							0.00
Total 5130.00 - Perm. Restricted Net Assets							0.00
5150.00 - Temp. Restricted Net Assets							0.00
Total 5150.00 - Temp. Restricted Net Assets							0.00
5200.00 - Unrestricted Net Assets							53,459,295.00
Total 5200.00 - Unrestricted Net Assets							53,459,295.00
5510.00 - Cedar Park Contributions							-11,399,226.55
Invoice	01/12/2018	1292	Cedar Park	1st quarter portion of FY18 debt service payments		433,519.00	-11,832,745.55
Invoice	01/12/2018	1292	Cedar Park	2nd quarter portion of FY18 debt service payments		1,498,087.50	-12,266,264.55
Invoice	04/03/2018	1304	Cedar Park	3rd quarter portion of FY18 debt service payments		433,519.00	-12,699,783.55
Invoice	04/03/2018	1304	Cedar Park	3rd quarter TRUE UP FY18 debt service payments		7,713.15	-12,707,496.70
Total 5510.00 - Cedar Park Contributions					0.00	1,308,270.15	-12,707,496.70
5520.00 - Leander Contributions							-31,785,003.81
Invoice	01/12/2018	1297	Leander	1st quarter portion of FY18 debt service payments		1,498,087.50	-33,283,091.31
Invoice	01/12/2018	1297	Leander	2nd quarter portion of FY18 debt service payments		1,498,087.50	-34,781,178.81
Invoice	04/03/2018	1301	Leander	3rd Quarter Portion of FY18 Debt Service Payments		1,498,087.50	-36,279,266.31
Invoice	04/03/2018	1301	Leander	3rd Quarter TRUE UP of FY18 Debt Service Payments		30,342.71	-36,309,609.02
Total 5520.00 - Leander Contributions					0.00	4,524,605.21	-36,309,609.02
5530.00 - Round Rock Contributions							-31,591,361.29
Invoice	01/12/2018	1294	Round Rock	1st quarter portion of FY18 debt service payments		1,029,594.50	-32,620,955.79
Invoice	01/12/2018	1294	Round Rock	2nd quarter portion of FY18 debt service payments		1,029,594.50	-33,650,550.29
Invoice	04/03/2018	1306	Round Rock	3rd quarter portion of FY18 debt service payments		1,029,594.50	-34,680,144.79
Invoice	04/03/2018	1306	Round Rock	3rd quarter TRUE UP of FY18 debt service payments		7,711.73	-34,687,856.52
Total 5530.00 - Round Rock Contributions					0.00	3,096,495.23	-34,687,856.52
5700.00 - Debt Service Contributions							0.00
Total 5700.00 - Debt Service Contributions							0.00
6000.00 - Interest Income - Securities							0.00
Total 6000.00 - Interest Income - Securities							0.00
6100.00 - Service Income							0.00
Invoice	01/12/2018	1293	Cedar Park	1st quarter portion of FY18 operating expenses budget for payment of ...		176,474.00	-176,474.00
Invoice	01/12/2018	1293	Cedar Park	2nd quarter portion of FY18 operating expenses budget for payment of ...		176,474.00	-352,948.00
Invoice	01/12/2018	1295	Round Rock	1st quarter portion of FY18 operating expenses budget for payment of ...		80,730.75	-433,678.75
Invoice	01/12/2018	1295	Round Rock	2nd quarter portion of FY18 operating expenses budget for payment of ...		80,730.75	-514,409.50
Invoice	01/12/2018	1296	Leander	1st quarter portion of FY18 operating expenses budget for payment of ...		292,069.75	-806,479.25
Invoice	01/12/2018	1296	Leander	2nd quarter portion of FY18 operating expenses budget for payment of ...		292,069.75	-1,098,549.00
Bill	02/26/2018	CP - ...	Cedar Park, City of	FY2013 THRU FY2017 TRUE UP	141,664.00		-956,885.00
Bill	02/26/2018	LD - T...	Leander, City of	FY2013 THRU FY2017 TRUE UP	177,838.00		-779,047.00
Bill	02/26/2018	RR - ...	Round Rock, City of	FY2013 THRU FY2017 TRUE UP	18,592.00		-760,455.00
Invoice	04/03/2018	1302	Leander	3rd quarter portion of FY18 operating expenses budget for payment of ...		292,069.75	-1,052,524.75
Invoice	04/03/2018	1303	Cedar Park	3rd quarter portion of FY18 operating expenses budget for payment of ...		176,474.00	-1,228,998.75
Invoice	04/03/2018	1305	Round Rock	3rd quarter portion of FY18 operating expenses budget for payment of ...		80,730.75	-1,309,729.50
Total 6100.00 - Service Income					338,094.00	1,647,823.50	-1,309,729.50

Brushy Creek Regional Utility Authority General Ledger

04/11/18

Accrual Basis

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
6200.00 - Sponsorship Income							0.00
Total 6200.00 - Sponsorship Income							0.00
50000 - Cost of Goods Sold							0.00
Total 50000 - Cost of Goods Sold							0.00
7000.00 - Plant Operators							0.00
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017	44,789.63		44,789.63
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017	53,757.42		98,547.05
Total 7000.00 - Plant Operators							98,547.05
7005.00 - Maintenance Technician							0.00
Total 7005.00 - Maintenance Technician							0.00
7010.00 - Treatment Materials & Supplies							0.00
Bill	10/26/2017	95967...	Grainger	OCTOBER 26, 2017	112.53		112.53
Bill	10/26/2017	95967...	Grainger	OCTOBER 26, 2017	135.07		247.60
Bill	11/22/2017	96240...	Grainger	NOVEMBER 22, 2017	133.57		381.17
Bill	11/22/2017	96240...	Grainger	NOVEMBER 22, 2017	160.32		541.49
Bill	11/22/2017	96240...	Grainger	NOVEMBER 22, 2017	147.28		688.77
Bill	11/22/2017	96240...	Grainger	NOVEMBER 22, 2017	176.77		865.54
Bill	11/29/2017	96295...	Grainger	NOVEMBER 29, 2017	270.27		1,135.81
Bill	11/29/2017	96295...	Grainger	NOVEMBER 29, 2017	324.39		1,460.20
Bill	11/29/2017	96295...	Grainger	NOVEMBER 29, 2017	274.32		1,734.52
Bill	11/29/2017	96295...	Grainger	NOVEMBER 29, 2017	329.24		2,063.76
Bill	12/01/2017	96314...	Grainger	DECEMBER 01, 2017	101.31		2,165.07
Bill	12/01/2017	96314...	Grainger	DECEMBER 01, 2017	121.60		2,286.67
Bill	12/01/2017	96314...	Grainger	DECEMBER 01, 2017	10.53		2,297.20
Bill	12/01/2017	96314...	Grainger	DECEMBER 01, 2017	12.63		2,309.83
Bill	12/01/2017	96314...	Grainger	DECEMBER 01, 2017	112.61		2,422.44
Bill	12/01/2017	96314...	Grainger	DECEMBER 01, 2017	135.15		2,557.59
Bill	12/04/2017	96332...	Grainger	DECEMBER 4, 2017	7.02		2,564.61
Bill	12/04/2017	96332...	Grainger	DECEMBER 4, 2017	8.42		2,573.03
Bill	12/10/2017	J TRE...	Bank of America	NOVEMBER 11, 2017 - DECEMBER 10, 2017	637.45		3,210.48
Bill	12/10/2017	J TRE...	Bank of America	NOVEMBER 11, 2017 - DECEMBER 10, 2017	765.07		3,975.55
Bill	01/10/2018	J TRE...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	19.86		3,995.41
Bill	01/10/2018	J TRE...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	23.84		4,019.25
Bill	01/30/2018	96844...	Grainger	JANUARY 30, 2018	75.39		4,094.64
Bill	01/30/2018	96844...	Grainger	JANUARY 30, 2018	90.49		4,185.13
Bill	02/01/2018	96864...	Grainger	FEBRUARY 01, 2018	19.74		4,204.87
Bill	02/01/2018	96864...	Grainger	FEBRUARY 01, 2018	23.70		4,228.57
Bill	02/01/2018	96870...	Grainger	FEBRUARY 01, 2018	83.89		4,312.46
Bill	02/01/2018	96870...	Grainger	FEBRUARY 01, 2018	100.69		4,413.15
Bill	02/10/2018	J TRE...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	114.22		4,527.37
Bill	02/10/2018	J TRE...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	137.08		4,664.45
Bill	02/14/2018	11953...	Regal Plastics Supply Company, Inc.	FEBRUARY 14, 2018	129.42		4,793.87
Bill	02/14/2018	11953...	Regal Plastics Supply Company, Inc.	FEBRUARY 14, 2018	155.34		4,949.21
Bill	03/10/2018	J TRE...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	171.98		5,121.19
Bill	03/10/2018	J TRE...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	206.42		5,327.61
Total 7010.00 - Treatment Materials & Supplies							5,327.61
7015.00 - Vehicles Repairs & Maintenance							0.00
Bill	01/10/2018	J VE...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	505.71		505.71
Bill	01/10/2018	J VE...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	606.97		1,112.68
Bill	02/10/2018	J VE...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	4.52		1,117.20
Bill	02/10/2018	J VE...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	5.42		1,122.62
Total 7015.00 - Vehicles Repairs & Maintenance							1,122.62
7020.00 - Contract Services(Lab Services)							0.00
Bill	10/31/2017	LAB-0...	Lower Colorado River Auth	OCTOBER 31, 2017	68.63		68.63
Bill	10/31/2017	LAB-0...	Lower Colorado River Auth	OCTOBER 31, 2017	82.37		151.00
Bill	11/08/2017	144-1...	Round Rock, City of	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017	40.91		191.91
Bill	11/08/2017	144-1...	Round Rock, City of	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017	49.09		241.00
Bill	11/30/2017	LAB-0...	Lower Colorado River Auth	NOVEMBER 30, 2017	68.63		309.63
Bill	11/30/2017	LAB-0...	Lower Colorado River Auth	NOVEMBER 30, 2017	82.37		392.00
Bill	12/11/2017	144-1...	Round Rock, City of	NOVEMBER 1, 2017 THROUGH NOVEMBER 30, 2017	52.27		444.27
Bill	12/11/2017	144-1...	Round Rock, City of	NOVEMBER 1, 2017 THROUGH NOVEMBER 30, 2017	62.73		507.00
Bill	12/28/2017	LAB-0...	Lower Colorado River Auth	DECEMBER 28, 2017	68.63		575.63
Bill	12/28/2017	LAB-0...	Lower Colorado River Auth	DECEMBER 28, 2017	82.37		658.00
Bill	01/10/2018	144-1...	Round Rock, City of	DECEMBER 1, 2017 THROUGH DECEMBER 31, 2017	45.45		703.45
Bill	01/10/2018	144-1...	Round Rock, City of	DECEMBER 1, 2017 THROUGH DECEMBER 31, 2017	54.55		758.00
Bill	01/31/2018	LAB-0...	Lower Colorado River Auth	JANUARY 31, 2018	68.63		826.63
Bill	01/31/2018	LAB-0...	Lower Colorado River Auth	JANUARY 31, 2018	82.37		909.00
Bill	02/08/2018	144-0...	Round Rock, City of	JANUARY 1, 2018 THROUGH JANUARY 31, 2018	31.82		940.82
Bill	02/08/2018	144-0...	Round Rock, City of	JANUARY 1, 2018 THROUGH JANUARY 31, 2018	38.18		979.00
Bill	02/28/2018	LAB-0...	Lower Colorado River Auth	FEBRUARY 28, 2018	68.63		1,047.63
Bill	02/28/2018	LAB-0...	Lower Colorado River Auth	FEBRUARY 28, 2018	82.37		1,130.00
Bill	03/08/2018	144-0...	Round Rock, City of	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018	52.27		1,182.27
Bill	03/08/2018	144-0...	Round Rock, City of	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018	62.73		1,245.00
Total 7020.00 - Contract Services(Lab Services)							1,245.00
7020.50 - Laboratory Supplies							0.00
Bill	10/05/2017	10663...	Hach Company	OCTOBER 05, 2017	884.63		884.63
Bill	10/05/2017	10663...	Hach Company	OCTOBER 05, 2017	1,061.76		1,946.39
Bill	12/01/2017	432643	USA Blue Book	DECEMBER 1, 2017	1,009.59		2,955.98
Bill	12/01/2017	432643	USA Blue Book	DECEMBER 1, 2017	1,211.74		4,167.72
Bill	12/04/2017	433235	USA Blue Book	DECEMBER 4, 2017	467.27		4,634.99
Bill	12/04/2017	433235	USA Blue Book	DECEMBER 4, 2017	560.83		5,195.82
Bill	12/05/2017	10744...	Hach Company	DECEMBER 05, 2017	836.96		6,032.78
Bill	12/05/2017	10744...	Hach Company	DECEMBER 05, 2017	1,004.53		7,037.31
Bill	12/06/2017	10746...	Hach Company	DECEMBER 06, 2017	50.72		7,088.03
Bill	12/06/2017	10746...	Hach Company	DECEMBER 06, 2017	60.87		7,148.90
Bill	12/07/2017	10748...	Hach Company	DECEMBER 07, 2017	113.53		7,262.43
Bill	12/07/2017	10748...	Hach Company	DECEMBER 07, 2017	136.27		7,398.70
Bill	12/15/2017	13476...	COLE-PARMER INSTRUMENT CO...	DECEMBER 15, 2017	1,254.90		8,653.60
Bill	12/15/2017	13476...	COLE-PARMER INSTRUMENT CO...	DECEMBER 15, 2017	1,506.16		10,159.76
Bill	12/29/2017	13586...	COLE-PARMER INSTRUMENT CO...	DECEMBER 29, 2017	139.13		10,298.89
Bill	12/29/2017	13586...	COLE-PARMER INSTRUMENT CO...	DECEMBER 29, 2017	166.99		10,465.88
Bill	01/05/2018	456742	USA Blue Book	JANUARY 05, 2018	1,275.68		11,741.56
Bill	01/05/2018	456742	USA Blue Book	JANUARY 05, 2018	1,531.09		13,272.65
Bill	01/31/2018	13873...	COLE-PARMER INSTRUMENT CO...	JANUARY 31, 2018	30.06		13,302.71
Bill	01/31/2018	13873...	COLE-PARMER INSTRUMENT CO...	JANUARY 31, 2018	36.08		13,338.79
Bill	02/19/2018	10844...	Hach Company	FEBRUARY 19, 2018	836.42		14,175.21
Bill	02/19/2018	10844...	Hach Company	FEBRUARY 19, 2018	1,003.89		15,179.10
Bill	03/01/2018	14178...	COLE-PARMER INSTRUMENT CO...	MARCH 01, 2018	101.21		15,280.31
Bill	03/01/2018	14178...	COLE-PARMER INSTRUMENT CO...	MARCH 01, 2018	121.47		15,401.78

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bill	03/19/2018	10883...	Hach Company	MARCH 19, 2018	515.42		15,917.20
Bill	03/19/2018	10883...	Hach Company	MARCH 19, 2018	618.61		16,535.81
Total 7020.50 · Laboratory Supplies					16,535.81	0.00	16,535.81
7025.00 · Fuel and Oil							0.00
Total 7025.00 · Fuel and Oil							0.00
7030.00 · Janitorial Facility Maintenance							0.00
Total 7030.00 · Janitorial Facility Maintenance							0.00
7035.00 · Equipment Facility Maintenance							0.00
Bill	10/05/2017	J EQ...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	24.27		24.27
Bill	10/05/2017	J EQ...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	29.13		53.40
Bill	10/31/2017	TNSI...	Tomecek Elecectic	OCTOBER 31, 2017	134.05		187.45
Bill	10/31/2017	TNSI...	Tomecek Elecectic	OCTOBER 31, 2017	160.88		348.33
Bill	11/10/2017	J EQ...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	448.41		796.74
Bill	11/10/2017	J EQ...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	538.19		1,334.93
Bill	11/20/2017	407634	FLUID METER SERVICE CORPOR...	NOVEMBER 20, 2016	772.65		2,107.58
Bill	11/20/2017	407634	FLUID METER SERVICE CORPOR...	NOVEMBER 20, 2016	927.35		3,034.93
Bill	11/27/2017	407656	FLUID METER SERVICE CORPOR...	NOVEMBER 27, 2017	352.24		3,387.17
Bill	11/27/2017	407656	FLUID METER SERVICE CORPOR...	NOVEMBER 27, 2017	422.76		3,809.93
Bill	12/10/2017	J EQ...	Bank of America	NOVEMBER 11, 2017 - DECEMBER 10, 2017	1,354.02		5,163.95
Bill	12/10/2017	J EQ...	Bank of America	NOVEMBER 11, 2017 - DECEMBER 10, 2017	1,625.13		6,789.08
Bill	12/11/2017	96405...	Grainger	DECEMBER 11, 2017	39.76		6,828.84
Bill	12/11/2017	96405...	Grainger	DECEMBER 11, 2017	47.72		6,876.56
Bill	12/18/2017	96477...	Grainger	DECEMBER 18, 2017	91.00		6,967.56
Bill	12/18/2017	96477...	Grainger	DECEMBER 18, 2017	109.21		7,076.77
Bill	12/18/2017	96477...	Grainger	DECEMBER 18, 2017	22.72		7,099.49
Bill	12/18/2017	96477...	Grainger	DECEMBER 18, 2017	27.28		7,126.77
Bill	12/27/2017	96535...	Grainger	DECEMBER 27, 2017	74.37		7,201.14
Bill	12/27/2017	96535...	Grainger	DECEMBER 27, 2017	89.25		7,290.39
Bill	12/27/2017	96538...	Grainger	DECEMBER 27, 2017	21.52		7,311.91
Bill	12/27/2017	96538...	Grainger	DECEMBER 27, 2017	25.82		7,337.73
Bill	01/10/2018	J EQ...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	52.57		7,390.30
Bill	01/10/2018	J EQ...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	63.09		7,453.39
Bill	01/12/2018	96671...	Grainger	JANUARY 12, 2018	17.56		7,470.95
Bill	01/12/2018	96671...	Grainger	JANUARY 12, 2018	21.07		7,492.02
Bill	01/18/2018	51-64...	Elliott Electric Supply	JANUARY 18, 2018	38.60		7,530.62
Bill	01/18/2018	51-64...	Elliott Electric Supply	JANUARY 18, 2018	46.32		7,576.94
Bill	02/10/2018	J EQ...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	87.08		7,664.02
Bill	02/10/2018	J EQ...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	104.51		7,768.53
Bill	02/14/2018	INV01...	Walker Process Equipment	FEBRUARY 14, 2018	170.44		7,938.97
Bill	02/14/2018	INV01...	Walker Process Equipment	FEBRUARY 14, 2018	204.56		8,143.53
Bill	02/23/2018	97088...	Grainger	FEBRUARY 23, 2018	49.41		8,192.94
Bill	02/23/2018	97088...	Grainger	FEBRUARY 23, 2018	59.31		8,252.25
Credit	02/28/2018	97137...	Grainger	FEBRUARY 28, 2018 - TO CR INV 9708899175		32.35	8,219.90
Credit	02/28/2018	97137...	Grainger	FEBRUARY 28, 2018 - TO CR INV 9708899175		38.83	8,181.07
Bill	03/05/2018	4800	1ST FIRE SAFETY, LLC	MARCH 05, 2018	261.34		8,442.41
Bill	03/05/2018	4800	1ST FIRE SAFETY, LLC	MARCH 05, 2018	313.66		8,756.07
Bill	03/10/2018	J EQ...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	148.70		8,904.77
Bill	03/10/2018	J EQ...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	176.47		9,081.24
Bill	03/14/2018	97266...	Grainger	MARCH 14, 2018	103.89		9,185.13
Bill	03/14/2018	97266...	Grainger	MARCH 14, 2018	124.70		9,311.83
Bill	03/14/2018	97266...	Grainger	MARCH 14, 2018	54.88		9,366.71
Bill	03/14/2018	97266...	Grainger	MARCH 14, 2018	65.86		9,432.57
Total 7035.00 · Equipment Facility Maintenance					9,503.75	71.18	9,432.57
7040.00 · Schools and Training							0.00
Bill	11/10/2017	T SC...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	64.83		64.83
Bill	11/10/2017	T SC...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	77.82		142.65
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017	133.24		275.89
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017	159.92		435.81
Total 7040.00 · Schools and Training					435.81	0.00	435.81
7045.00 · License & Membership Dues							0.00
Bill	10/04/2017	J LIC...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	50.45		50.45
Bill	10/04/2017	J LIC...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	60.55		111.00
Total 7045.00 · License & Membership Dues					111.00	0.00	111.00
7050.00 · Uniforms							0.00
Bill	10/04/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 4, 2017	37.83		37.83
Bill	10/04/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 4, 2017	45.41		83.24
Bill	10/11/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 11, 2017	32.42		115.66
Bill	10/11/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 11, 2017	38.91		154.57
Bill	10/18/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 18, 2017	32.44		187.01
Bill	10/18/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 18, 2017	38.94		225.95
Bill	10/25/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 25, 2017	30.02		255.97
Bill	10/25/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE OCTOBER 25, 2017	36.03		292.00
Bill	11/01/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 01, 2017	30.02		322.02
Bill	11/01/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 01, 2017	36.03		358.05
Bill	11/08/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 08, 2017	30.02		388.07
Bill	11/08/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 08, 2017	36.03		424.10
Bill	11/15/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 15, 2017	30.02		454.12
Bill	11/15/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 15, 2017	36.03		490.15
Bill	11/22/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 22, 2017	30.07		520.22
Bill	11/22/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 22, 2017	36.08		556.30
Bill	11/29/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 29, 2017	31.17		587.47
Bill	11/29/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE NOVEMBER 29, 2017	37.40		624.87
Bill	12/06/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 06, 2017	30.02		654.89
Bill	12/06/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 06, 2017	36.03		690.92
Bill	12/13/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 13, 2017	30.02		720.94
Bill	12/13/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 13, 2017	36.03		756.97
Bill	12/20/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 20, 2017	30.13		787.10
Bill	12/20/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 20, 2017	36.16		823.26
Bill	12/27/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 27, 2017	30.02		853.28
Bill	12/27/2017	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE DECEMBER 27, 2017	36.03		889.31
Bill	01/03/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 03, 2018	31.50		920.81
Bill	01/03/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 03, 2018	37.80		958.61
Bill	01/10/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 10, 2018	30.02		988.63
Bill	01/10/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 10, 2018	36.03		1,024.66
Bill	01/17/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 17, 2018	30.02		1,054.68
Bill	01/17/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 17, 2018	36.03		1,090.71
Bill	01/24/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 24, 2018	30.02		1,120.73
Bill	01/24/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 24, 2018	36.03		1,156.76
Bill	01/31/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 31, 2018	30.94		1,187.70
Bill	01/31/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE JANUARY 31, 2018	37.13		1,224.83
Bill	02/07/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 07, 2018	30.93		1,255.76
Bill	02/07/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 07, 2018	37.12		1,292.88
Bill	02/14/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 14, 2018	30.02		1,322.90

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bill	02/14/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 14, 2018	36.03		1,358.93
Bill	02/21/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 21, 2018	30.02		1,388.95
Bill	02/21/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 21, 2018	36.03		1,424.98
Bill	02/28/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 28, 2018	30.02		1,455.00
Bill	02/28/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE FEBRUARY 28, 2018	36.03		1,491.03
Bill	03/07/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE MARCH 07, 2018	60.06		1,551.09
Bill	03/07/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE MARCH 07, 2018	72.08		1,623.17
Bill	03/14/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE MARCH 14, 2018	34.49		1,657.66
Bill	03/14/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE MARCH 14, 2018	41.40		1,699.06
Bill	03/21/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE MARCH 21, 2018	40.17		1,739.23
Bill	03/21/2018	822 2...	UNIFIRST HOLDINGS INC	UNIFORM SERVICE MARCH 21, 2018	48.22		1,787.45
Total 7050.00 - Uniforms					1,787.45	0.00	1,787.45
7100.00 - General Manager/Admin Services							0.00
Bill	12/31/2017	BCRU...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	6,087.03		6,087.03
Bill	12/31/2017	BCRU...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	15,382.25		21,469.28
Bill	12/31/2017	BCRU...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	19,192.23		40,661.51
Bill	12/31/2017	BCRU...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	90.90		40,752.41
Bill	12/31/2017	BCRU...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	229.70		40,982.11
Bill	12/31/2017	BCRU...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	286.60		41,268.71
Bill	03/10/2018	T AD...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	45.06		41,313.77
Bill	03/10/2018	T AD...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	113.87		41,427.64
Bill	03/10/2018	T AD...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	142.07		41,569.71
Bill	03/12/2018	2018-...	RON HOLIFIELD	MARCH 12, 2018	1,200.69		42,770.40
Bill	03/12/2018	2018-...	RON HOLIFIELD	MARCH 12, 2018	3,034.22		45,804.62
Bill	03/12/2018	2018-...	RON HOLIFIELD	MARCH 12, 2018	3,785.76		49,590.38
Total 7100.00 - General Manager/Admin Services					49,590.38	0.00	49,590.38
7101.00 - Plant Superintendent							0.00
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017	12,158.77		12,158.77
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017	4,288.84		16,447.61
Bill	12/31/2017	1ST ...	Leander, City of	OCTOBER 1, 2017 - DECEMBER 31, 2017	17,907.36		34,354.97
Total 7101.00 - Plant Superintendent					34,354.97	0.00	34,354.97
7105.00 - Admin Assistant (Operations)							0.00
Total 7105.00 - Admin Assistant (Operations)							0.00
7110.00 - Small Tools & Equipment							0.00
Bill	10/05/2017	J TO...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	24.77		24.77
Bill	10/05/2017	J TO...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	8.74		33.51
Bill	10/05/2017	J TO...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	36.48		69.99
Total 7110.00 - Small Tools & Equipment					69.99	0.00	69.99
7115.00 - Office/Bldg & General Supplies							0.00
Bill	10/06/2017	T OF...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	31.83		31.83
Bill	10/06/2017	T OF...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	11.23		43.06
Bill	10/06/2017	T OF...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	46.89		89.95
Credit	11/10/2017	T OF...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		31.83	58.12
Credit	11/10/2017	T OF...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		11.23	46.89
Credit	11/10/2017	T OF...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017		46.89	0.00
Bill	12/15/2017	98993...	Office Depot	JANUARY 23, 2018	165.11		165.11
Bill	12/15/2017	98993...	Office Depot	JANUARY 23, 2018	58.24		223.35
Bill	12/15/2017	98993...	Office Depot	JANUARY 23, 2018	243.17		466.52
Bill	01/10/2018	J OFF...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	56.38		522.90
Bill	01/10/2018	J OFF...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	19.89		542.79
Bill	01/10/2018	J OFF...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	83.05		625.84
Check	01/30/2018			Check Reorder	56.24		682.08
Check	01/30/2018			Check Reorder	19.84		701.92
Check	01/30/2018			Check Reorder	82.82		784.74
Bill	02/10/2018	J OFF...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	28.68		813.42
Bill	02/10/2018	J OFF...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	10.12		823.54
Bill	02/10/2018	J OFF...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	42.25		865.79
Bill	02/28/2018	11162...	Office Depot	FEBRUARY 28, 2018	119.70		985.49
Bill	02/28/2018	11162...	Office Depot	FEBRUARY 28, 2018	42.22		1,027.71
Bill	02/28/2018	11162...	Office Depot	FEBRUARY 28, 2018	176.29		1,204.00
Bill	02/28/2018	11162...	Office Depot	FEBRUARY 28, 2018	20.64		1,224.64
Bill	02/28/2018	11162...	Office Depot	FEBRUARY 28, 2018	7.28		1,231.92
Bill	02/28/2018	11162...	Office Depot	FEBRUARY 28, 2018	30.40		1,262.32
Bill	03/10/2018	J OFF...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	7.22		1,269.54
Bill	03/10/2018	J OFF...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	2.55		1,272.09
Bill	03/10/2018	J OFF...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	10.64		1,282.73
Total 7115.00 - Office/Bldg & General Supplies					1,372.68	89.95	1,282.73
7120.00 - Plant Winterization							0.00
Bill	01/10/2018	J WIN...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	18.34		18.34
Bill	01/10/2018	J WIN...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	6.47		24.81
Bill	01/10/2018	J WIN...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	27.01		51.82
Bill	01/17/2018	96711...	Grainger	JANUARY 17, 2018	48.08		99.90
Bill	01/17/2018	96711...	Grainger	JANUARY 17, 2018	16.96		116.86
Bill	01/17/2018	96711...	Grainger	JANUARY 17, 2018	70.82		187.68
Total 7120.00 - Plant Winterization					187.68	0.00	187.68
7200.00 - Power-Pumping RT/Lift Stations							0.00
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	2,292.24		2,292.24
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	2,751.19		5,043.43
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 08, 2017	8,623.18		13,666.61
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 08, 2017	10,349.71		24,016.32
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	2,346.57		26,362.89
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	2,816.40		29,179.29
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	17.83		29,197.12
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	21.40		29,218.52
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	53.73		29,272.25
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	317.20		29,589.45
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	380.70		29,970.15
Bill	11/11/2017	METE...	PEC	OCTOBER 11, 2017 TO NOVEMBER 09, 2017	52.86		30,023.01
Bill	11/11/2017	METE...	PEC	OCTOBER 04, 2017 TO NOVEMBER 10, 2017	903.87		30,926.88
Bill	11/11/2017	METE...	PEC	OCTOBER 04, 2017 TO NOVEMBER 10, 2017	1,084.85		32,011.73
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	1,310.74		33,322.47
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	1,573.18		34,895.65
Bill	12/14/2017	METE...	PEC	NOVEMBER 08, 2017 TO DECEMBER 10, 2017	6,324.18		41,219.83
Bill	12/14/2017	METE...	PEC	NOVEMBER 08, 2017 TO DECEMBER 10, 2017	7,590.41		48,810.24
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	2,439.66		51,249.90
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	2,928.12		54,178.02
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	17.90		54,195.92
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	21.49		54,217.41
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	64.07		54,281.48
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	311.81		54,593.29
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	374.23		54,967.52

Brushy Creek Regional Utility Authority
General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bill	12/14/2017	METE...	PEC	NOVEMBER 09, 2017 TO DECEMBER 10, 2017	54.47		55,021.99
Bill	12/14/2017	METE...	PEC	NOVEMBER 10, 2017 TO DECEMBER 10, 2017	4,237.87		59,259.86
Bill	12/14/2017	METE...	PEC	NOVEMBER 10, 2017 TO DECEMBER 10, 2017	5,086.38		64,346.24
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	4,264.23		68,610.47
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	5,118.02		73,728.49
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	5,164.55		78,893.04
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	6,198.60		85,091.64
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	2,346.57		87,438.21
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	2,816.40		90,254.61
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	17.98		90,272.59
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	21.58		90,294.17
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	75.19		90,369.36
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	283.04		90,652.40
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	339.72		90,992.12
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	57.53		91,049.65
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	4,627.24		95,676.89
Bill	01/13/2018	METE...	PEC	DECEMBER 10, 2017 TO JANUARY 10, 2018	5,553.71		101,230.60
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	4,465.76		105,696.36
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	5,359.89		111,056.25
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	5,026.84		116,083.09
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	6,033.31		122,116.40
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	2,346.57		124,462.97
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	2,816.40		127,279.37
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	18.26		127,297.63
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	21.92		127,319.55
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	74.23		127,393.78
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	284.84		127,678.62
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	341.88		128,020.50
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	53.09		128,073.59
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	4,627.24		132,700.83
Bill	02/13/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	5,553.71		138,254.54
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	3,734.29		141,988.83
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	4,481.97		146,470.80
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	4,904.10		151,374.90
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	5,886.01		157,260.91
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	2,144.70		159,405.61
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	2,574.12		161,979.73
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	18.21		161,997.94
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	21.85		162,019.79
Bill	03/15/2018	METE...	PEC	JANUARY 10, 2018 TO FEBRUARY 10, 2018	68.22		162,088.01
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	308.18		162,396.19
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	369.88		162,766.07
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	51.72		162,817.79
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	4,163.23		166,981.02
Bill	03/15/2018	METE...	PEC	FEBRUARY 10, 2018 TO MARCH 13, 2018	4,996.79		171,977.81
Total 7200.00 - Power-Pumping RT/Lift Stations					171,977.81	0.00	171,977.81
7205.00 - Chemicals							0.00
Bill	10/09/2017	BSW...	BRENNTAG SOUTHWEST INC	OCTOBER 9, 2017	1,641.22		1,641.22
Bill	10/09/2017	BSW...	BRENNTAG SOUTHWEST INC	OCTOBER 9, 2017	1,969.83		3,611.05
Bill	10/20/2017	BSW...	BRENNTAG SOUTHWEST INC	OCTOBER 20, 2017	1,986.62		5,597.67
Bill	10/20/2017	BSW...	BRENNTAG SOUTHWEST INC	OCTOBER 20, 2017	2,384.38		7,982.05
Bill	10/31/2017	178208	Napco Chemical Company, Inc.	OCTOBER 31, 2017	2,069.79		10,051.84
Bill	10/31/2017	178208	Napco Chemical Company, Inc.	OCTOBER 31, 2017	2,484.21		12,536.05
Bill	11/02/2017	BSW...	BRENNTAG SOUTHWEST INC	NOVEMBER 2, 2017	1,754.38		14,290.43
Bill	11/02/2017	BSW...	BRENNTAG SOUTHWEST INC	NOVEMBER 2, 2017	2,105.65		16,396.08
Bill	12/01/2017	BSW...	BRENNTAG SOUTHWEST INC	DECEMBER 1, 2017	1,933.67		18,329.75
Bill	12/01/2017	BSW...	BRENNTAG SOUTHWEST INC	DECEMBER 1, 2017	2,320.83		20,650.58
Bill	12/15/2017	02130...	Fort Bend Services	DECEMBER 15, 2017	1,557.21		22,207.79
Bill	12/15/2017	02130...	Fort Bend Services	DECEMBER 15, 2017	1,968.99		24,076.78
Bill	12/29/2017	BSW...	BRENNTAG SOUTHWEST INC	DECEMBER 29, 2017	1,837.81		25,914.59
Bill	12/29/2017	BSW...	BRENNTAG SOUTHWEST INC	DECEMBER 29, 2017	2,205.78		28,120.37
Bill	12/29/2017	180588	Napco Chemical Company, Inc.	DECEMBER 29, 2017	0.00		28,120.37
Bill	12/29/2017	180588	Napco Chemical Company, Inc.	DECEMBER 29, 2017	0.00		28,120.37
Bill	12/29/2017	180588	Napco Chemical Company, Inc.	GPAC-2899 Aluminum Coagulant Solution Mw/ 1% Copper Sulfate Ap...	6,643.41		34,763.78
Bill	12/29/2017	180588	Napco Chemical Company, Inc.	GPAC-2899 Aluminum Coagulant Solution Mw/ 1% Copper Sulfate Ap...	4,737.56		42,763.34
Bill	12/29/2017	180589	Napco Chemical Company, Inc.	DECEMBER 29, 2017	2,069.79		44,807.13
Bill	12/29/2017	180589	Napco Chemical Company, Inc.	DECEMBER 29, 2017	2,484.21		47,291.34
Bill	01/23/2018	181431	Napco Chemical Company, Inc.	JANUARY 23, 2018	1,612.45		48,903.79
Bill	01/23/2018	181431	Napco Chemical Company, Inc.	JANUARY 23, 2018	1,935.30		50,839.09
Bill	01/26/2018	BSW...	BRENNTAG SOUTHWEST INC	JANUARY 26, 2018	1,987.46		52,826.55
Bill	01/26/2018	BSW...	BRENNTAG SOUTHWEST INC	JANUARY 26, 2018	2,385.40		55,211.95
Bill	01/29/2018	BSW...	BRENNTAG SOUTHWEST INC	JANUARY 29, 2018	1,980.82		57,192.77
Bill	01/29/2018	BSW...	BRENNTAG SOUTHWEST INC	JANUARY 29, 2018	2,377.41		59,570.18
Bill	02/13/2018	218460	ALTIVIA CHEMICALS, LLC	FEBRUARY 13, 2018	701.52		60,271.70
Bill	02/13/2018	218460	ALTIVIA CHEMICALS, LLC	FEBRUARY 13, 2018	841.98		61,113.68
Bill	02/27/2018	182774	Napco Chemical Company, Inc.	FEBRUARY 27, 2018	2,069.79		63,183.47
Bill	02/27/2018	182774	Napco Chemical Company, Inc.	FEBRUARY 27, 2018	2,484.21		65,667.68
Bill	03/01/2018	BSW...	BRENNTAG SOUTHWEST INC	MARCH 01, 2018	1,918.74		67,586.42
Bill	03/01/2018	BSW...	BRENNTAG SOUTHWEST INC	MARCH 01, 2018	2,302.92		69,889.34
Bill	03/21/2018	219223	ALTIVIA CHEMICALS, LLC	MARCH 21, 2018	701.52		70,590.86
Bill	03/21/2018	219223	ALTIVIA CHEMICALS, LLC	MARCH 21, 2018	841.98		71,432.84
Total 7205.00 - Chemicals					71,432.84	0.00	71,432.84
7210.00 - Sludge Disposal							0.00
Bill	10/31/2017	29934	Sheridan Environmental	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017	463.59		463.59
Bill	10/31/2017	29934	Sheridan Environmental	OCTOBER 1, 2017 THROUGH OCTOBER 31, 2017	556.41		1,020.00
Bill	12/31/2017	42983	Sheridan Environmental	DECEMBER 1, 2017 THROUGH DECEMBER 31, 2017	463.59		1,483.59
Bill	12/31/2017	42983	Sheridan Environmental	DECEMBER 1, 2017 THROUGH DECEMBER 31, 2017	556.41		2,040.00
Bill	01/31/2018	43051	Sheridan Environmental	JANUARY 1, 2018 THROUGH JANUARY 31, 2018	231.80		2,271.80
Bill	01/31/2018	43051	Sheridan Environmental	JANUARY 1, 2018 THROUGH JANUARY 31, 2018	278.20		2,550.00
Bill	02/28/2018	43123	Sheridan Environmental	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018	1,158.98		3,708.98
Bill	02/28/2018	43123	Sheridan Environmental	FEBRUARY 1, 2018 THROUGH FEBRUARY 28, 2018	1,391.02		5,100.00
Total 7210.00 - Sludge Disposal					5,100.00	0.00	5,100.00

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
7215.00 - Grounds/Bldg Maint (landscape)							0.00
Bill	10/04/2017	J GR...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	32.84		32.84
Bill	10/04/2017	J GR...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	82.96		115.80
Bill	10/04/2017	J GR...	Bank of America	SEPTEMBER 11, 2017 - OCTOBER 10, 2017	103.51		219.31
Bill	11/10/2017	J GR...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	159.70		379.01
Bill	11/10/2017	J GR...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	403.58		782.59
Bill	11/10/2017	J GR...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	503.54		1,286.13
Bill	11/21/2017	ES3557	EUTECHIC SERVICES	NOVEMBER 21, 2017	32.19		1,318.32
Bill	11/21/2017	ES3557	EUTECHIC SERVICES	NOVEMBER 21, 2017	81.33		1,399.65
Bill	11/21/2017	ES3557	EUTECHIC SERVICES	NOVEMBER 21, 2017	101.48		1,501.13
Bill	01/10/2018	J GR...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	51.02		1,552.15
Bill	01/10/2018	J GR...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	128.95		1,681.10
Bill	01/10/2018	J GR...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	160.89		1,841.99
Bill	02/09/2018	ES3651	EUTECHIC SERVICES	FEBRUARY 09, 2018	114.82		1,956.81
Bill	02/09/2018	ES3651	EUTECHIC SERVICES	FEBRUARY 09, 2018	290.16		2,246.97
Bill	02/09/2018	ES3651	EUTECHIC SERVICES	FEBRUARY 09, 2018	362.02		2,608.99
Total 7215.00 - Grounds/Bldg Maint (landscape)					2,608.99	0.00	2,608.99
7220.00 - Irrigation at Plant/Solid Waste							0.00
Bill	10/01/2017	69642	CENTRAL TEXAS REFUSE	Billing Period OCTOBER 2017	14.24		14.24
Bill	10/01/2017	69642	CENTRAL TEXAS REFUSE	Billing Period OCTOBER 2017	35.98		50.22
Bill	10/01/2017	69642	CENTRAL TEXAS REFUSE	Billing Period OCTOBER 2017	44.90		95.12
Bill	11/01/2017	76064	CENTRAL TEXAS REFUSE	Billing Period NOVEMBER 2017	14.24		109.36
Bill	11/01/2017	76064	CENTRAL TEXAS REFUSE	Billing Period NOVEMBER 2017	35.98		145.34
Bill	11/01/2017	76064	CENTRAL TEXAS REFUSE	Billing Period NOVEMBER 2017	44.90		190.24
Bill	11/08/2017	METE...	Cedar Park, City of	SEPTEMBER 22, 2017 TO OCTOBER 22, 2017	34.80		225.04
Bill	11/08/2017	METE...	Cedar Park, City of	SEPTEMBER 22, 2017 TO OCTOBER 22, 2017	87.94		312.98
Bill	11/08/2017	METE...	Cedar Park, City of	SEPTEMBER 22, 2017 TO OCTOBER 22, 2017	109.71		422.69
Bill	12/01/2017	82249	CENTRAL TEXAS REFUSE	Billing Period DECEMBER 2017	14.24		436.93
Bill	12/01/2017	82249	CENTRAL TEXAS REFUSE	Billing Period DECEMBER 2017	35.98		472.91
Bill	12/01/2017	82249	CENTRAL TEXAS REFUSE	Billing Period DECEMBER 2017	44.90		517.81
Bill	12/08/2017	METE...	Cedar Park, City of	OCTOBER 22, 2017 TO NOVEMBER 22, 2017	39.41		557.22
Bill	12/08/2017	METE...	Cedar Park, City of	OCTOBER 22, 2017 TO NOVEMBER 22, 2017	99.59		656.81
Bill	12/08/2017	METE...	Cedar Park, City of	OCTOBER 22, 2017 TO NOVEMBER 22, 2017	124.26		781.07
Bill	01/08/2018	METE...	Cedar Park, City of	NOVEMBER 22, 2017 TO DECEMBER 22, 2017	36.62		817.69
Bill	01/08/2018	METE...	Cedar Park, City of	NOVEMBER 22, 2017 TO DECEMBER 22, 2017	92.54		910.23
Bill	01/08/2018	METE...	Cedar Park, City of	NOVEMBER 22, 2017 TO DECEMBER 22, 2017	115.46		1,025.69
Bill	02/08/2018	METE...	Cedar Park, City of	DECEMBER 22, 2017 TO JANUARY 22, 2018	48.17		1,073.86
Bill	02/08/2018	METE...	Cedar Park, City of	DECEMBER 22, 2017 TO JANUARY 22, 2018	121.73		1,195.59
Bill	02/08/2018	METE...	Cedar Park, City of	DECEMBER 22, 2017 TO JANUARY 22, 2018	151.87		1,347.46
Bill	02/10/2018	J IRRI...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	27.01		1,374.47
Bill	02/10/2018	J IRRI...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	68.24		1,442.71
Bill	02/10/2018	J IRRI...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	85.14		1,527.85
Bill	03/08/2018	METE...	Cedar Park, City of	JANUARY 22, 2018 TO FEBRUARY 22, 2018	47.15		1,575.00
Bill	03/08/2018	METE...	Cedar Park, City of	JANUARY 22, 2018 TO FEBRUARY 22, 2018	119.14		1,694.14
Bill	03/08/2018	METE...	Cedar Park, City of	JANUARY 22, 2018 TO FEBRUARY 22, 2018	148.64		1,842.78
Total 7220.00 - Irrigation at Plant/Solid Waste					1,842.78	0.00	1,842.78
7225.00 - TCEQ Administration Fee							0.00
Bill	11/30/2017	PHS0...	Texas Commission on Environmenta...	November 30, 2017	18.71		18.71
Bill	11/30/2017	PHS0...	Texas Commission on Environmenta...	November 30, 2017	47.29		66.00
Bill	11/30/2017	PHS0...	Texas Commission on Environmenta...	November 30, 2017	59.00		125.00
Total 7225.00 - TCEQ Administration Fee					125.00	0.00	125.00
7230.00 - Safety Equipment							0.00
Bill	11/10/2017	J SAF...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	90.56		90.56
Bill	11/10/2017	J SAF...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	228.85		319.41
Bill	11/10/2017	J SAF...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	285.54		604.95
Total 7230.00 - Safety Equipment					604.95	0.00	604.95
7235.00 - Treated/Raw Lines Repair&Maint.							0.00
Bill	11/30/2017	17-12...	SHERMCO INDUSTRIES INC	Perform Testing, Repair, Maint Outlined in Proposal SIQ-09544-17	6,193.62		6,193.62
Bill	11/30/2017	17-12...	SHERMCO INDUSTRIES INC	Perform Testing, Repair, Maint Outlined in Proposal SIQ-09544-17	2,184.71		8,378.33
Bill	11/30/2017	17-12...	SHERMCO INDUSTRIES INC	Perform Testing, Repair, Maint Outlined in Proposal SIQ-09544-17	9,121.91		17,500.24
Total 7235.00 - Treated/Raw Lines Repair&Maint.					17,500.24	0.00	17,500.24
7240.00 - SCADA Maintenance							0.00
Bill	11/01/2017	3493-...	TMT Solutions	JULY 24, 2017	191.12		191.12
Bill	11/01/2017	3493-...	TMT Solutions	JULY 24, 2017	67.41		258.53
Bill	11/01/2017	3493-...	TMT Solutions	JULY 24, 2017	281.47		540.00
Bill	11/01/2017	3619-...	TMT Solutions	AUGUST 25, 2017	249.51		789.51
Bill	11/01/2017	3619-...	TMT Solutions	AUGUST 25, 2017	89.01		877.52
Bill	11/01/2017	3619-...	TMT Solutions	AUGUST 25, 2017	367.48		1,245.00
Bill	11/10/2017	4011-...	TMT Solutions	OCTOBER 20, 2017	249.51		1,494.51
Bill	11/10/2017	4011-...	TMT Solutions	OCTOBER 20, 2017	88.01		1,582.52
Bill	11/10/2017	4011-...	TMT Solutions	OCTOBER 20, 2017	367.48		1,950.00
Bill	12/07/2017	90040	ALTERMAN, INC.	December 07, 2017	242.01		2,192.01
Bill	12/07/2017	90040	ALTERMAN, INC.	December 07, 2017	85.36		2,277.37
Bill	12/07/2017	90040	ALTERMAN, INC.	December 07, 2017	356.43		2,633.80
Bill	12/19/2017	90038	ALTERMAN, INC.	December 19, 2017	196.42		2,830.22
Bill	12/19/2017	90038	ALTERMAN, INC.	December 19, 2017	69.29		2,899.51
Bill	12/19/2017	90038	ALTERMAN, INC.	December 19, 2017	289.29		3,188.80
Bill	12/19/2017	90250	ALTERMAN, INC.	December 19, 2017	407.01		3,595.81
Bill	12/19/2017	90250	ALTERMAN, INC.	December 19, 2017	143.56		3,739.37
Bill	12/19/2017	90250	ALTERMAN, INC.	December 19, 2017	599.43		4,338.80
Bill	01/10/2018	J SC...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	428.90		4,767.70
Bill	01/10/2018	J SC...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	151.29		4,918.99
Bill	01/10/2018	J SC...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	631.66		5,550.65
Bill	01/11/2018	90071...	ALTERMAN, INC.	January 11, 2018	314.63		5,865.28
Bill	01/11/2018	90071...	ALTERMAN, INC.	January 11, 2018	110.98		5,976.26
Bill	01/11/2018	90071...	ALTERMAN, INC.	January 11, 2018	463.39		6,439.65
Bill	01/11/2018	90071...	ALTERMAN, INC.	January 11, 2018	269.57		6,709.22
Bill	01/11/2018	90071...	ALTERMAN, INC.	January 11, 2018	95.09		6,804.31
Bill	01/11/2018	90071...	ALTERMAN, INC.	January 11, 2018	397.03		7,201.34
Bill	02/10/2018	J SC...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	224.74		7,426.08
Bill	02/10/2018	J SC...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	79.27		7,505.35
Bill	02/10/2018	J SC...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	330.99		7,836.34
Bill	02/26/2018	11108...	Office Depot	FEBRUARY 26, 2018	70.78		7,907.12
Bill	02/26/2018	11108...	Office Depot	FEBRUARY 26, 2018	24.97		7,932.09
Bill	02/26/2018	11108...	Office Depot	FEBRUARY 26, 2018	104.24		8,036.33
Bill	03/12/2018	91705	ALTERMAN, INC.	March 12, 2018	212.79		8,249.12
Bill	03/12/2018	91705	ALTERMAN, INC.	March 12, 2018	75.06		8,324.18
Bill	03/12/2018	91705	ALTERMAN, INC.	March 12, 2018	313.40		8,637.58
Bill	03/19/2018	91722	ALTERMAN, INC.	March 19, 2018	320.30		8,957.88
Bill	03/19/2018	91722	ALTERMAN, INC.	March 19, 2018	112.98		9,070.86
Bill	03/19/2018	91722	ALTERMAN, INC.	March 19, 2018	471.72		9,542.58
Total 7240.00 - SCADA Maintenance					9,542.58	0.00	9,542.58

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
7245.00 · Intake Barge Repair & Maint.							0.00
Total 7245.00 · Intake Barge Repair & Maint.							0.00
7300.00 · Power-Security/Lighting							0.00
Bill	10/01/2017	30034...	ThyssenKrupp Elevator	Service Period 10/1/2017 to 12/31/2017	108.14		108.14
Bill	10/01/2017	30034...	ThyssenKrupp Elevator	Service Period 10/1/2017 to 12/31/2017	273.27		381.41
Bill	10/01/2017	30034...	ThyssenKrupp Elevator	Service Period 10/1/2017 to 12/31/2017	340.96		722.37
Bill	01/19/2018	4345	1ST FIRE SAFETY, LLC	JANUARY 19, 2018	141.02		863.39
Bill	01/19/2018	4345	1ST FIRE SAFETY, LLC	JANUARY 19, 2018	356.36		1,219.75
Bill	01/19/2018	4345	1ST FIRE SAFETY, LLC	JANUARY 19, 2018	444.62		1,664.37
Total 7300.00 · Power-Security/Lighting					1,664.37	0.00	1,664.37
7430.00 · Accounting Services							0.00
Bill	12/31/2017	159	Cedar Park, City of	FIRST QUARTER - FY18	2,604.42		2,604.42
Bill	12/31/2017	159	Cedar Park, City of	FIRST QUARTER - FY18	918.67		3,523.09
Bill	12/31/2017	159	Cedar Park, City of	FOURTH QUARTER - FY17	3,835.75		7,358.84
Total 7430.00 · Accounting Services					7,358.84	0.00	7,358.84
7470.00 · Audit/Investment/Bank Fees							0.00
General Journal	10/05/2017	10.02		Service Charge	30.00		30.00
Check	10/11/2017			Service Charge	45.70		75.70
Check	10/11/2017			Service Charge	144.08		219.78
Check	10/11/2017			Service Charge	115.48		335.26
Deposit	10/19/2017			Service Charge Refund		30.00	305.26
Deposit	10/19/2017			Service Charge Refund		30.00	275.26
General Journal	10/31/2017	10.03		Service Charge	25.00		300.26
General Journal	10/31/2017	10.04		Service Charge	25.00		325.26
Deposit	10/31/2017			Service Charge Refund		60.00	265.26
General Journal	10/31/2017	10.05		Service Charge	60.00		325.26
General Journal	10/31/2017	10.06		Service Charge	30.00		355.26
Bill	10/31/2017	4070	PATTERSON AND ASSOCIATES	OCTOBER 2017	149.70		504.96
Bill	10/31/2017	4070	PATTERSON AND ASSOCIATES	OCTOBER 2017	378.30		883.26
Bill	10/31/2017	4070	PATTERSON AND ASSOCIATES	OCTOBER 2017	472.00		1,355.26
Check	11/13/2017			Service Charge	49.88		1,405.14
Check	11/13/2017			Service Charge	126.06		1,531.20
Check	11/13/2017			Service Charge	157.29		1,688.49
General Journal	11/30/2017	11.02		Service Charge	25.00		1,713.49
General Journal	11/30/2017	11.03		Service Charge	25.00		1,738.49
Bill	11/30/2017	4106	PATTERSON AND ASSOCIATES	NOVEMBER 2017	149.70		1,888.19
Bill	11/30/2017	4106	PATTERSON AND ASSOCIATES	NOVEMBER 2017	378.30		2,266.49
Bill	11/30/2017	4106	PATTERSON AND ASSOCIATES	NOVEMBER 2017	472.00		2,738.49
Bill	12/01/2017	10350...	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017	2,095.80		4,834.29
Bill	12/01/2017	10350...	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017	5,296.20		10,130.49
Bill	12/01/2017	10350...	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017	6,608.00		16,738.49
Bill	12/31/2017	4143	PATTERSON AND ASSOCIATES	DECEMBER 2017	149.70		16,888.19
Bill	12/31/2017	4143	PATTERSON AND ASSOCIATES	DECEMBER 2017	378.30		17,266.49
Bill	12/31/2017	4143	PATTERSON AND ASSOCIATES	DECEMBER 2017	472.00		17,738.49
General Journal	12/31/2017	12.01		Service Charge	25.00		17,763.49
General Journal	12/31/2017	12.02		Service Charge	25.00		17,788.49
General Journal	12/31/2017	12.04		Service Charge	30.00		17,818.49
Bill	01/22/2018	10352...	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017 - FINAL BILL	2,440.11		20,258.60
Bill	01/22/2018	10352...	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017 - FINAL BILL	6,166.29		26,424.89
Bill	01/22/2018	10352...	WEAVER AND TIDWELL, LLP	For Year Ended September 30, 2017 - FINAL BILL	7,693.60		34,118.49
Bill	01/31/2018	4189	PATTERSON AND ASSOCIATES	JANUARY 2018	149.70		34,268.19
Bill	01/31/2018	4189	PATTERSON AND ASSOCIATES	JANUARY 2018	378.30		34,646.49
Bill	01/31/2018	4189	PATTERSON AND ASSOCIATES	JANUARY 2018	472.00		35,118.49
General Journal	01/31/2018	12.05		Service Charge	25.00		35,143.49
General Journal	01/31/2018	12.06		Service Charge	25.00		35,168.49
Bill	02/28/2018	4223	PATTERSON AND ASSOCIATES	FEBRUARY 2018	149.70		35,318.19
Bill	02/28/2018	4223	PATTERSON AND ASSOCIATES	FEBRUARY 2018	378.30		35,696.49
Bill	02/28/2018	4223	PATTERSON AND ASSOCIATES	FEBRUARY 2018	472.00		36,168.49
General Journal	02/28/2018	1.04		Service Charge	25.00		36,193.49
General Journal	02/28/2018	1.05		Service Charge	25.00		36,218.49
Bill	03/01/2018	R16199	First Southwest Asset Management	MARCH 01, 2018	161.68		36,380.17
Bill	03/01/2018	R16199	First Southwest Asset Management	MARCH 01, 2018	408.56		36,788.73
Bill	03/01/2018	R16199	First Southwest Asset Management	MARCH 01, 2018	509.76		37,298.49
Bill	03/31/2018	4265	PATTERSON AND ASSOCIATES	MARCH 2018	149.70		37,448.19
Bill	03/31/2018	4265	PATTERSON AND ASSOCIATES	MARCH 2018	378.30		37,826.49
Bill	03/31/2018	4265	PATTERSON AND ASSOCIATES	MARCH 2018	472.00		38,298.49
Total 7470.00 · Audit/Investment/Bank Fees					38,418.49	120.00	38,298.49
7500.00 · Bank Service Charges							0.00
Total 7500.00 · Bank Service Charges							0.00
7510.00 · Insurance							0.00
Bill	12/01/2017	Contr...	TML Intergovernmental	LIABILITY 17/18 FY	803.07		803.07
Bill	12/01/2017	Contr...	TML Intergovernmental	LIABILITY 17/18 FY	2,029.40		2,832.47
Bill	12/01/2017	Contr...	TML Intergovernmental	LIABILITY 17/18 FY	2,532.05		5,364.52
Bill	01/01/2018	Contr...	TML Intergovernmental	NOV 2017 DEDUCTIBLE	149.70		5,514.22
Bill	01/01/2018	Contr...	TML Intergovernmental	NOV 2017 DEDUCTIBLE	378.30		5,892.52
Bill	01/01/2018	Contr...	TML Intergovernmental	NOV 2017 DEDUCTIBLE	472.00		6,364.52
Total 7510.00 · Insurance					6,364.52	0.00	6,364.52
7550.00 · Contract Services							0.00
Total 7550.00 · Contract Services							0.00
7650.00 · Investment Consultant							0.00
Total 7650.00 · Investment Consultant							0.00
7680.00 · Legal Fees							0.00
Bill	12/31/2017	160 - ...	Cedar Park, City of	FIRST QUARTER - FY18	2.79		2.79
Bill	12/31/2017	160 - ...	Cedar Park, City of	FIRST QUARTER - FY18	7.05		9.84
Bill	12/31/2017	160 - ...	Cedar Park, City of	FIRST QUARTER - FY18	8.79		18.63
Bill	12/31/2017	Legal ...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	1,177.15		1,195.78
Bill	12/31/2017	Legal ...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	2,974.74		4,170.52
Bill	12/31/2017	Legal ...	Round Rock, City of	OCTOBER 1, 2017 TO DECEMBER 31, 2017	3,711.54		7,882.06
Total 7680.00 · Legal Fees					7,882.06	0.00	7,882.06

Brushy Creek Regional Utility Authority General Ledger

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
7710.00 - Computers/Radios Maintenance							0.00
Bill	11/10/2017	J CO...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	119.60		119.60
Bill	11/10/2017	J CO...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	42.19		161.79
Bill	11/10/2017	J CO...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	176.15		337.94
Bill	11/10/2017	J WIN...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	41.06		379.00
Bill	11/10/2017	J WIN...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	14.49		393.49
Bill	11/10/2017	J WIN...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	60.47		453.96
Bill	11/10/2017	IN141...	Dahill	NOVEMBER 17, 2017 THROUGH DECEMBER 16, 2017	95.21		549.17
Bill	11/10/2017	IN141...	Dahill	NOVEMBER 17, 2017 THROUGH DECEMBER 16, 2017	33.58		582.75
Bill	11/10/2017	IN141...	Dahill	NOVEMBER 17, 2017 THROUGH DECEMBER 16, 2017	140.22		722.97
Bill	12/11/2017	IN145...	Dahill	DECEMBER 17, 2017 THROUGH JANUARY 16, 2018	29.36		752.33
Bill	12/11/2017	IN145...	Dahill	DECEMBER 17, 2017 THROUGH JANUARY 16, 2018	10.35		762.68
Bill	12/11/2017	IN145...	Dahill	DECEMBER 17, 2017 THROUGH JANUARY 16, 2018	43.24		805.92
Bill	01/10/2018	IN148...	Dahill	JANUARY 17, 2018 THROUGH FEBRUARY 16, 2018	29.36		835.28
Bill	01/10/2018	IN148...	Dahill	JANUARY 17, 2018 THROUGH FEBRUARY 16, 2018	10.35		845.63
Bill	01/10/2018	IN148...	Dahill	JANUARY 17, 2018 THROUGH FEBRUARY 16, 2018	43.24		888.87
Bill	02/10/2018	J CO...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	191.46		1,080.33
Bill	02/10/2018	J CO...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	67.54		1,147.87
Bill	02/10/2018	J CO...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	282.00		1,429.87
Bill	02/12/2018	IN152...	Dahill	FEBRUARY 17, 2018 THROUGH MARCH 16, 2018	54.22		1,484.09
Bill	02/12/2018	IN152...	Dahill	FEBRUARY 17, 2018 THROUGH MARCH 16, 2018	19.12		1,503.21
Bill	02/12/2018	IN152...	Dahill	FEBRUARY 17, 2018 THROUGH MARCH 16, 2018	79.84		1,583.05
Bill	03/10/2018	J CO...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	109.55		1,692.60
Bill	03/10/2018	J CO...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	38.65		1,731.25
Bill	03/10/2018	J CO...	Bank of America	FEBRUARY 11, 2018 - MARCH 10, 2018	161.35		1,892.60
Bill	03/12/2018	IN155...	Dahill	MARCH 17, 2018 THROUGH APRIL 16, 2018	29.36		1,921.96
Bill	03/12/2018	IN155...	Dahill	MARCH 17, 2018 THROUGH APRIL 16, 2018	10.35		1,932.31
Bill	03/12/2018	IN155...	Dahill	MARCH 17, 2018 THROUGH APRIL 16, 2018	43.24		1,975.55
Total 7710.00 - Computers/Radios Maintenance					1,975.55	0.00	1,975.55
7715.00 - Communication/Phone Line (Land)							0.00
Bill	10/11/2017	25909	ALTAWORX, LLC	September 21, 2017 through October 20, 2017	298.23		298.23
Bill	10/11/2017	25909	ALTAWORX, LLC	September 21, 2017 through October 20, 2017	105.19		403.42
Bill	10/11/2017	25909	ALTAWORX, LLC	September 21, 2017 through October 20, 2017	439.22		842.64
Bill	10/15/2017	512 2...	A T & T	October 15, 2017 through November 14, 2017	135.24		977.88
Bill	10/15/2017	512 2...	A T & T	October 15, 2017 through November 14, 2017	47.70		1,025.58
Bill	10/15/2017	512 2...	A T & T	October 15, 2017 through November 14, 2017	199.16		1,224.74
Bill	10/23/2017	97950...	Verizon Wireless	SEPTEMBER 24, 2017 TO OCTOBER 23, 2017	8.89		1,233.63
Bill	10/23/2017	97950...	Verizon Wireless	SEPTEMBER 24, 2017 TO OCTOBER 23, 2017	3.14		1,236.77
Bill	10/23/2017	97950...	Verizon Wireless	SEPTEMBER 24, 2017 TO OCTOBER 23, 2017	13.10		1,249.87
Bill	11/01/2017	97955...	Verizon Wireless	OCTOBER 2, 2017 TO NOVEMBER 1, 2017	69.42		1,319.29
Bill	11/01/2017	97955...	Verizon Wireless	OCTOBER 2, 2017 TO NOVEMBER 1, 2017	24.49		1,343.78
Bill	11/01/2017	97955...	Verizon Wireless	OCTOBER 2, 2017 TO NOVEMBER 1, 2017	102.25		1,446.03
Bill	11/10/2017	27421	ALTAWORX, LLC	November 21, 2017 through December 20, 2017	298.61		1,744.64
Bill	11/10/2017	27421	ALTAWORX, LLC	November 21, 2017 through December 20, 2017	105.33		1,849.97
Bill	11/10/2017	27421	ALTAWORX, LLC	November 21, 2017 through December 20, 2017	439.79		2,289.76
Bill	11/15/2017	512 2...	A T & T	November 15, 2017 through December 14, 2017	128.36		2,418.12
Bill	11/15/2017	512 2...	A T & T	November 15, 2017 through December 14, 2017	45.27		2,463.39
Bill	11/15/2017	512 2...	A T & T	November 15, 2017 through December 14, 2017	189.04		2,652.43
Bill	11/21/2017	26653	ALTAWORX, LLC	October 21, 2017 through November 20, 2017	298.22		2,950.65
Bill	11/21/2017	26653	ALTAWORX, LLC	October 21, 2017 through November 20, 2017	105.19		3,055.84
Bill	11/21/2017	26653	ALTAWORX, LLC	October 21, 2017 through November 20, 2017	439.21		3,495.05
Bill	11/23/2017	97968...	Verizon Wireless	OCTOBER 24, 2017 TO NOVEMBER 23, 2017	8.88		3,503.93
Bill	11/23/2017	97968...	Verizon Wireless	OCTOBER 24, 2017 TO NOVEMBER 23, 2017	3.13		3,507.06
Bill	11/23/2017	97968...	Verizon Wireless	OCTOBER 24, 2017 TO NOVEMBER 23, 2017	13.06		3,520.12
Bill	12/01/2017	97973...	Verizon Wireless	NOVEMBER 2, 2017 TO DECEMBER 1, 2017	69.42		3,589.54
Bill	12/01/2017	97973...	Verizon Wireless	NOVEMBER 2, 2017 TO DECEMBER 1, 2017	24.49		3,614.03
Bill	12/01/2017	97973...	Verizon Wireless	NOVEMBER 2, 2017 TO DECEMBER 1, 2017	102.25		3,716.28
Bill	12/15/2017	512 2...	A T & T	December 15, 2017 through January 15, 2018	128.36		3,844.64
Bill	12/15/2017	512 2...	A T & T	December 15, 2017 through January 15, 2018	45.27		3,889.91
Bill	12/15/2017	512 2...	A T & T	December 15, 2017 through January 15, 2018	189.04		4,078.95
Bill	12/23/2017	97986...	Verizon Wireless	NOVEMBER 24, 2017 TO DECEMBER 23, 2017	8.88		4,087.83
Bill	12/23/2017	97986...	Verizon Wireless	NOVEMBER 24, 2017 TO DECEMBER 23, 2017	3.13		4,090.96
Bill	12/23/2017	97986...	Verizon Wireless	NOVEMBER 24, 2017 TO DECEMBER 23, 2017	13.06		4,104.02
Bill	01/10/2018	28174	ALTAWORX, LLC	December 21, 2017 through January 20, 2018	298.61		4,402.63
Bill	01/10/2018	28174	ALTAWORX, LLC	December 21, 2017 through January 20, 2018	105.33		4,507.96
Bill	01/10/2018	28174	ALTAWORX, LLC	December 21, 2017 through January 20, 2018	439.79		4,947.75
Bill	01/15/2018	512 2...	A T & T	January 15, 2018 through February 14, 2018	128.50		5,076.25
Bill	01/15/2018	512 2...	A T & T	January 15, 2018 through February 14, 2018	45.32		5,121.57
Bill	01/15/2018	512 2...	A T & T	January 15, 2018 through February 14, 2018	189.25		5,310.82
Bill	01/23/2018	98004...	Verizon Wireless	DECEMBER 24, 2017 TO JANUARY 23, 2018	10.68		5,321.50
Bill	01/23/2018	98004...	Verizon Wireless	DECEMBER 24, 2017 TO JANUARY 23, 2018	3.76		5,325.26
Bill	01/23/2018	98004...	Verizon Wireless	DECEMBER 24, 2017 TO JANUARY 23, 2018	15.72		5,340.98
Bill	02/10/2018	28935	ALTAWORX, LLC	January 21, 2018 through February 20, 2018	300.95		5,641.93
Bill	02/10/2018	28935	ALTAWORX, LLC	January 21, 2018 through February 20, 2018	106.16		5,748.09
Bill	02/10/2018	28935	ALTAWORX, LLC	January 21, 2018 through February 20, 2018	443.24		6,191.33
Bill	02/15/2018	512 2...	A T & T	February 15, 2018 through March 14, 2018	128.86		6,320.19
Bill	02/15/2018	512 2...	A T & T	February 15, 2018 through March 14, 2018	45.46		6,365.65
Bill	02/15/2018	512 2...	A T & T	February 15, 2018 through March 14, 2018	189.80		6,555.45
Bill	02/23/2018	98022...	Verizon Wireless	JANUARY 24, 2018 TO FEBRUARY 23, 2018	8.89		6,564.34
Bill	02/23/2018	98022...	Verizon Wireless	JANUARY 24, 2018 TO FEBRUARY 23, 2018	3.14		6,567.48
Bill	02/23/2018	98022...	Verizon Wireless	JANUARY 24, 2018 TO FEBRUARY 23, 2018	13.11		6,580.59
Bill	03/08/2018	29732	ALTAWORX, LLC	February 21, 2018 through March 20, 2018	300.95		6,881.54
Bill	03/08/2018	29732	ALTAWORX, LLC	February 21, 2018 through March 20, 2018	106.16		6,987.70
Bill	03/08/2018	29732	ALTAWORX, LLC	February 21, 2018 through March 20, 2018	443.24		7,430.94
Bill	03/15/2018	512 2...	A T & T	March 15, 2018 through April 14, 2018	128.86		7,559.80
Bill	03/15/2018	512 2...	A T & T	March 15, 2018 through April 14, 2018	45.46		7,605.26
Bill	03/15/2018	512 2...	A T & T	March 15, 2018 through April 14, 2018	189.80		7,795.06
Bill	04/05/2018	30513	ALTAWORX, LLC	March 21, 2018 through April 20, 2018	300.95		8,096.01
Bill	04/05/2018	30513	ALTAWORX, LLC	March 21, 2018 through April 20, 2018	106.16		8,202.17
Bill	04/05/2018	30513	ALTAWORX, LLC	March 21, 2018 through April 20, 2018	443.24		8,645.41
Total 7715.00 - Communication/Phone Line (Land)					8,645.41	0.00	8,645.41
7720.00 - Miscellaneous Expense							0.00
Bill	11/10/2017	T MIS...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	182.09		182.09
Bill	11/10/2017	T MIS...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	64.24		246.33
Bill	11/10/2017	T MIS...	Bank of America	OCTOBER 11, 2017 - NOVEMBER 10, 2017	268.21		514.54
Bill	01/10/2018	T MIS...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	95.48		610.02
Bill	01/10/2018	T MIS...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	33.68		643.70
Bill	01/10/2018	T MIS...	Bank of America	DECEMBER 11, 2017 - JANUARY 10, 2018	140.61		784.31
Bill	02/10/2018	T MIS...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	242.66		1,026.97
Bill	02/10/2018	T MIS...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	85.60		1,112.57
Bill	02/10/2018	T MIS...	Bank of America	JANUARY 11, 2018 - FEBRUARY 10, 2018	357.40		1,469.97
Bill	03/10/2018	T MIS...	Bank of America				

**Brushy Creek Regional Utility Authority
General Ledger**

04/11/18

Accrual Basis

As of April 11, 2018

Type	Date	Num	Name	Memo	Debit	Credit	Balance
7740.00 · Paying Agent Fees							0.00
Bill	01/29/2018	BRUS...	BOKF, NA	Semi Annual Paying Agent Fee	200.00		200.00
Total 7740.00 · Paying Agent Fees					200.00	0.00	200.00
7760.00 · Payroll Expenses							0.00
Total 7760.00 · Payroll Expenses							0.00
7780.00 · Professional Services							0.00
Total 7780.00 · Professional Services							0.00
9300.00 · Capital Outlay							0.00
Total 9300.00 · Capital Outlay							0.00
9305.00 · Desks, Files, Kitchen Appliance							0.00
Total 9305.00 · Desks, Files, Kitchen Appliance							0.00
9310.00 · Contingency (3%)							0.00
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	53.88		53.88
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	146.53		200.41
Bill	01/31/2018	03006...	WALKER PARTNERS, LLC	SERVICE THROUGH JANUARY 30, 2018	179.59		380.00
Total 9310.00 · Contingency (3%)					380.00	0.00	380.00
9200.00 · Interest Income							0.00
Total 9200.00 · Interest Income							0.00
9250.00 · Other Income							0.00
Total 9250.00 · Other Income							0.00
7450.00 · Amortization							0.00
Total 7450.00 · Amortization							0.00
7455.00 · Amortization - Bond Discount							0.00
Total 7455.00 · Amortization - Bond Discount							0.00
7590.00 · Depreciation							0.00
Total 7590.00 · Depreciation							0.00
7640.00 · Interest Expense							0.00
Total 7640.00 · Interest Expense							0.00
7645.00 · Bond Issuance Costs Expense							0.00
Total 7645.00 · Bond Issuance Costs Expense							0.00
7770.00 · Bad Debt Expense							0.00
Total 7770.00 · Bad Debt Expense							0.00
9600.00 · Plant Dedication,net of revenue							0.00
Total 9600.00 · Plant Dedication,net of revenue							0.00
9999 · SUSPENSE							0.00
Total 9999 · SUSPENSE							0.00
No acct							0.00
Total no acct							0.00
TOTAL					82,254,564.61	82,254,564.61	0.00

Trial Balance

As of April 11, 2018

	Apr 11, 18	
	Debit	Credit
1005.00 · BoA Operating Account		0.00
1005.00 · BoA Operating Account:1005.01 · Dedication Sponsorship		0.00
1007.00 · BoA Investing Account		0.00
1007.00 · BoA Investing Account:1007.01 · BoA Investing - Cedar Park		0.00
1007.00 · BoA Investing Account:1007.02 · BoA Investing - Leander		0.00
1007.00 · BoA Investing Account:1007.03 · BoA Investing - Round Rock		0.00
1008.00 · Wells Fargo Operating Account	409,336.91	
1009.00 · Wells Fargo Investing Account:1009.01 · WF Investing - Cedar Park		459.05
1009.00 · Wells Fargo Investing Account:1009.02 · WF Investing - Leander		31,621.46
1009.00 · Wells Fargo Investing Account:1009.03 · WF Investing - Round Rock	1,619,656.61	
1010.00 · TexSTAR Debt Service Fund:1010.01 · Cedar Park Debt Service Fund		431,341.27
1010.00 · TexSTAR Debt Service Fund:1010.02 · Leander Debt Service Fund	1,340,867.91	
1010.00 · TexSTAR Debt Service Fund:1010.03 · Round Rock Debt Service Fund		913,205.58
1010.00 · TexSTAR Debt Service Fund:1010.04 · Master Debt Service Fund		1,483.17
1020.00 · TexSTAR Construction Fund:1020.01 · Cedar Park Construction Fund		809,580.04
1020.00 · TexSTAR Construction Fund:1020.02 · Leander Construction Fund	1,223,021.44	
1020.00 · TexSTAR Construction Fund:1020.03 · Round Rock Construction Fund		788,846.07
1020.00 · TexSTAR Construction Fund:1020.04 · Master Construction Fund		523.65
1030.00 · TexSTAR Escrow Fund:1030.01 · Cedar Park TexSTAR Escrow Fund		94.95
1030.00 · TexSTAR Escrow Fund:1030.02 · Leander TexSTAR Escrow Fund		184.39
1030.00 · TexSTAR Escrow Fund:1030.03 · Round Rock TexSTAR Escrow Fund		276.81
1040.00 · TexSTAR Operating Fund:1040.04 · Master Operating Fund	1,528,244.37	
1050.00 · TX Capital NOW Acct:1050.01 · TX Capital NOW-Cedar Park 3077		0.00
1050.00 · TX Capital NOW Acct:1050.02 · TX Capital NOW-Leander 2962		0.00
1050.00 · TX Capital NOW Acct:1050.03 · TX Capital NOW-Round Rock 3069		0.00
1051.00 · TX Capital:1051.01 · TX Capital - Cedar Park 3366		0.00
1051.00 · TX Capital:1051.02 · TX Capital - Leander 3382		0.00
1051.00 · TX Capital:1051.03 · TX Capital - Round Rock 3374		0.00
1060.00 · TexSTAR Reserve Fund:1060.02 · Leander Reserve Account		8,423.21
1080.00 · TexSTAR:1080.02 · TexSTAR - Leander #301000		0.00
11000 · Accounts Receivable	3,645,796.20	
11001 · Allowance for Doubtful Accounts		0.00
1100.00 · Due From Cities:1100.01 · Due From Cedar Park		0.00
1100.00 · Due From Cities:1100.02 · Due From Leander		0.00
1100.00 · Due From Cities:1100.03 · Due From Round Rock		0.00
1150.00 · Due To/From BoNY:1150.01 · Due to/from BoNY - Cedar Park		0.00
1150.00 · Due To/From BoNY:1150.02 · Due to/from BoNY - Leander		0.00
1150.00 · Due To/From BoNY:1150.03 · Due to/from BoNY - Round Rock		0.00
12000 · Undeposited Funds		0.00
1400.00 · Viewpoint Bank - CD:1400.02 · Veivpoint Bank - Leander		0.00
1405.00 · Wells Fargo - Securities:1405.02 · WF Reserve Account - Leander	1,400,000.00	
1405.00 · Wells Fargo - Securities:1405.03 · WF Securities - Round Rock		0.00
1410.00 · Bank of America - Securities:1410.01 · BOA Securities - Cedar Park		0.00
1410.00 · Bank of America - Securities:1410.02 · BOA Reserve Account - Leander		0.00
1410.00 · Bank of America - Securities:1410.03 · BOA Securities - Round Rock		0.00
1420.00 · BNY Mellon - Securities:1420.01 · Securities - Cedar Park		0.00
1420.00 · BNY Mellon - Securities:1420.02 · Securities - Leander	2,000,000.00	
1420.00 · BNY Mellon - Securities:1420.03 · Securities - Round Rock		8,000,000.00
1420.00 · BNY Mellon - Securities:1420.10 · Securities (Swift 1C)- Cedar PK		4,373,344.00
1420.00 · BNY Mellon - Securities:1420.20 · Securities (Swift 1C)- Leander		8,072,740.00
1420.00 · BNY Mellon - Securities:1420.30 · Securities (Swift 1C)- Round Rk		4,378,302.75
1430.00 · Treasury Discounts:1430.02 · Treasury Discounts - Leander		0.00
1440.00 · East West Bank - CD:1440.01 · EWB CD - Cedar Park		0.00
1440.00 · East West Bank - CD:1440.02 · EWB CD - Leander		0.00
1440.00 · East West Bank - CD:1440.03 · EWB CD - Round Rock		0.00
1450.00 · East West Bank - MMA		0.00
1450.00 · East West Bank - MMA:1450.01 · EWB MMA - Cedar Park		941,565.55
1450.00 · East West Bank - MMA:1450.02 · EWB MMA - Leander		881,931.15
1450.00 · East West Bank - MMA:1450.03 · EWB MMA - Round Rock	2,142,753.81	
1460.00 · Comerica Bank - MMA:1460.01 · CB MMA - Cedar Park		591.85
1460.00 · Comerica Bank - MMA:1460.02 · CB MMA - Leander		14,137.63
1460.00 · Comerica Bank - MMA:1460.03 · CB MMA - Round Rock		358,083.64
1490.00 · Market Adjustment -Unrestricted		0.00
1490.50 · Market Adjustment - Restricted		1,686.40
1500.00 · Accrued Interest Receivable:1500.01 · Accrued Int Rec - Cedar Park		0.00
1500.00 · Accrued Interest Receivable:1500.02 · Accrued Int Rec - Leander		0.00
1500.00 · Accrued Interest Receivable:1500.03 · Accrued Int Rec - Round Rock		0.00
1899.00 · Capitalization of Interest		25,355,880.01
1899.00 · Capitalization of Interest:1415.00 · BoA Interest/Service Charge:1415.01 · BoA Interest - Cedar Park		8,939.21
1899.00 · Capitalization of Interest:1415.00 · BoA Interest/Service Charge:1415.02 · BoA Interest - Leander		36,080.74
1899.00 · Capitalization of Interest:1415.00 · BoA Interest/Service Charge:1415.03 · BoA Interest - Round Rock		22,881.35
1899.00 · Capitalization of Interest:1425.00 · Wells Fargo Interest/Svc Charge:1425.01 · WF Interest - Cedar Park		0.09
1899.00 · Capitalization of Interest:1425.00 · Wells Fargo Interest/Svc Charge:1425.02 · WF Interest - Leander		189.64
1899.00 · Capitalization of Interest:1425.00 · Wells Fargo Interest/Svc Charge:1425.03 · WF Interest - Round Rock		230.48
1899.00 · Capitalization of Interest:1800.00 · Capitalization of Interest Cost	1,632,331.25	
1899.00 · Capitalization of Interest:1800.00 · Capitalization of Interest Cost:1800.01 · Interest Cost - Cedar Park	4,185,844.63	

Trial Balance

As of April 11, 2018

		Apr 11, 18	
		Debit	Credit
1899.00	Capitalization of Interest:1800.00 · Capitalization of Interest Cost:1800.02 · Interest Cost - Leander	14,302,190.82	
1899.00	Capitalization of Interest:1800.00 · Capitalization of Interest Cost:1800.03 · Interest Cost - Round Rock	10,865,982.78	
1899.00	Capitalization of Interest:1820.00 · Capitalize Investment Interest:1820.01 · Investment Interest-Cedar Park		254,689.53
1899.00	Capitalization of Interest:1820.00 · Capitalize Investment Interest:1820.02 · Investment Interest-Leander		821,887.47
1899.00	Capitalization of Interest:1820.00 · Capitalize Investment Interest:1820.03 · Investment Interest-Round Rock		695,131.96
1899.00	Capitalization of Interest:1825.00 · Capitalize TexSTAR Interest		71.85
1899.00	Capitalization of Interest:1825.00 · Capitalize TexSTAR Interest:1825.01 · TexSTAR Interest - Cedar Park		48,948.64
1899.00	Capitalization of Interest:1825.00 · Capitalize TexSTAR Interest:1825.02 · TexSTAR Interest - Leander		146,100.55
1899.00	Capitalization of Interest:1825.00 · Capitalize TexSTAR Interest:1825.03 · TexSTAR Interest - Round Rock		91,512.99
1899.00	Capitalization of Interest:1830.00 · Capitalize TX Capital NOW Int:1830.01 · TX Capital NOW Int - Cedar Park		1,227.81
1899.00	Capitalization of Interest:1830.00 · Capitalize TX Capital NOW Int:1830.02 · TX Capital NOW Int - Leander		4,226.43
1899.00	Capitalization of Interest:1830.00 · Capitalize TX Capital NOW Int:1830.03 · TX Capital NOW Int - Round Rock		4,237.39
1899.00	Capitalization of Interest:1840.00 · East West Bank Interest CD:1840.01 · EWB Interest CD - Cedar Park	0.00	
1899.00	Capitalization of Interest:1840.00 · East West Bank Interest CD:1840.02 · EWB Interest CD - Leander	0.00	
1899.00	Capitalization of Interest:1840.00 · East West Bank Interest CD:1840.03 · EWB Interest CD - Round Rock	0.00	
1899.00	Capitalization of Interest:1850.00 · East West Bank Interest MMA:1850.01 · EWB Interest MMA - Cedar Park		4,851.88
1899.00	Capitalization of Interest:1850.00 · East West Bank Interest MMA:1850.02 · EWB Interest MMA - Leander		6,535.04
1899.00	Capitalization of Interest:1850.00 · East West Bank Interest MMA:1850.03 · EWB Interest MMA - Round Rock		14,946.99
1899.00	Capitalization of Interest:1860.00 · Comerica Bank Interest MMA:1860.01 · CB Interest MMA - Cedar Park		0.27
1899.00	Capitalization of Interest:1860.00 · Comerica Bank Interest MMA:1860.02 · CB Interest MMA - Leander		5.88
1899.00	Capitalization of Interest:1860.00 · Comerica Bank Interest MMA:1860.03 · CB Interest MMA - Round Rock		222.12
1899.00	Capitalization of Interest:9400.00 · Unrealized Gain/Loss on Invest	1,686.40	
1899.00	Capitalization of Interest:9450.00 · Realized Gain/Loss on Invest	106,295.50	
1900.00	Amort Bond Disc/Prem - Capital	203,568.14	
2100.00	Raw Water Line		30,573,280.39
2100.00	Raw Water Line:2120.10 · Preliminary Engineering - C1	569,117.85	
2100.00	Raw Water Line:2120.20 · Preliminary Engineering - C2	1,159.67	
2100.00	Raw Water Line:2130.10 · Final Engineering - C1	2,549,408.00	
2100.00	Raw Water Line:2140.10 · Environmental - C1	120,000.00	
2100.00	Raw Water Line:2150.10 · Construction (Alt No 1 Rt) - C1	19,630,529.57	
2100.00	Raw Water Line:2150.20 · Construction - C2	5,326,553.39	
2100.00	Raw Water Line:2155.10 · Contingency - C1	110,039.13	
2100.00	Raw Water Line:2160.10 · Easements - C1	748,351.84	
2100.00	Raw Water Line:2170.10 · Construction Phase Svcs - C1	779,171.14	
2100.00	Raw Water Line:2170.20 · Construction Phase Svcs - C2	81,121.08	
2100.00	Raw Water Line:2180.10 · Inspections & Testing - C1	562,699.72	
2100.00	Raw Water Line:2180.20 · Inspections & Testing - C2	95,129.00	
2100.00	Raw Water Line:2199.00 · Release to Actual	0.00	
2200.00	Floating Intake Barge		6,405,516.33
2200.00	Floating Intake Barge:2220.00 · Preliminary Engineering	287,709.00	
2200.00	Floating Intake Barge:2230.00 · Final Engineering	488,725.68	
2200.00	Floating Intake Barge:2250.00 · Construction	4,412,320.84	
2200.00	Floating Intake Barge:2255.00 · Contingency	676,766.45	
2200.00	Floating Intake Barge:2270.00 · Construction Phase Services	460,317.45	
2200.00	Floating Intake Barge:2280.00 · Inspections & Testing	79,676.91	
2300.00	Regional Water Treatment Plant		61,915,178.34
2300.00	Regional Water Treatment Plant:2300.01 · WTP Land Acquisition	3,314,051.00	
2300.00	Regional Water Treatment Plant:2304.00 · Disinfection Facility	12,768.50	
2300.00	Regional Water Treatment Plant:2320.00 · Preliminary Engineering	703,112.00	
2300.00	Regional Water Treatment Plant:2330.00 · Final Engineering	3,617,348.98	
2300.00	Regional Water Treatment Plant:2335.00 · Supplemental Engineering	963,804.00	
2300.00	Regional Water Treatment Plant:2350.00 · Construction	47,068,110.26	
2300.00	Regional Water Treatment Plant:2355.00 · Contingency	496,682.36	
2300.00	Regional Water Treatment Plant:2370.00 · Construction Phase Services	4,000,699.32	
2300.00	Regional Water Treatment Plant:2380.00 · Inspections & Testing	1,803,350.04	
2400.00	Transmission Water Lines Seg 1		10,497,888.68
2400.00	Transmission Water Lines Seg 1:2420.00 · Preliminary Engineering	219,908.44	
2400.00	Transmission Water Lines Seg 1:2430.00 · Final Engineering	1,222,490.00	
2400.00	Transmission Water Lines Seg 1:2450.00 · Construction	8,196,239.41	
2400.00	Transmission Water Lines Seg 1:2455.00 · Contingency	69,794.59	
2400.00	Transmission Water Lines Seg 1:2460.00 · Easements	67,855.00	
2400.00	Transmission Water Lines Seg 1:2470.00 · Construction Phase Services	542,379.99	
2400.00	Transmission Water Lines Seg 1:2480.00 · Inspections & Testing	179,221.25	
2500.00	Transmission Water Lines Seg 2A		1,073,950.73
2500.00	Transmission Water Lines Seg 2A:2520.00 · Engineering	57,222.33	
2500.00	Transmission Water Lines Seg 2A:2550.00 · Construction	860,980.00	
2500.00	Transmission Water Lines Seg 2A:2555.00 · CP Addl Connection	33,598.00	
2500.00	Transmission Water Lines Seg 2A:2557.00 · L Addl Valve	22,207.00	
2500.00	Transmission Water Lines Seg 2A:2560.00 · Easements	99,943.40	
2600.00	Transmission Water Lines Seg 2B		10,377,446.74
2600.00	Transmission Water Lines Seg 2B:2620.00 · Engineering	750,047.14	
2600.00	Transmission Water Lines Seg 2B:2650.00 · Construction	8,620,550.00	
2600.00	Transmission Water Lines Seg 2B:2660.00 · Easements	1,006,849.60	
2600.00	Transmission Water Lines Seg 2B:2699.00 · Release To Actual	0.00	
2700.00	Transmission Water Lines Seg 2C		7,876,754.13
2700.00	Transmission Water Lines Seg 2C:2720.00 · Preliminary Engineering	193,978.08	

Trial Balance

As of April 11, 2018

	Apr 11, 18	
	Debit	Credit
2700.00 · Transmission Water Lines Seg 2C:2730.00 · Final Engineering	613,858.84	
2700.00 · Transmission Water Lines Seg 2C:2750.00 · Construction	5,745,647.60	
2700.00 · Transmission Water Lines Seg 2C:2755.00 · Contingency	37,218.91	
2700.00 · Transmission Water Lines Seg 2C:2760.00 · Easements	883,452.88	
2700.00 · Transmission Water Lines Seg 2C:2770.00 · Construction Phase Services	226,367.82	
2700.00 · Transmission Water Lines Seg 2C:2780.00 · Inspections & Testing	176,230.00	
2700.00 · Transmission Water Lines Seg 2C:2799.00 · Release To Actual	0.00	
2800.00 · Construction Management Service		271,944.24
2800.00 · Construction Management Service:2801.00 · Construction Management Svc	271,944.24	
2900.00 · Ancillary/O&M Expenses:2901.00 · Ancillary Services		2,118,474.80
2900.00 · Ancillary/O&M Expenses:2901.00 · Ancillary Services:2910.00 · Environmental Consultant	402,245.06	
2900.00 · Ancillary/O&M Expenses:2901.00 · Ancillary Services:2920.00 · Real Estate Acq Consultant	572,476.74	
2900.00 · Ancillary/O&M Expenses:2901.00 · Ancillary Services:2930.00 · Condemnation Counsel	553,055.08	
2900.00 · Ancillary/O&M Expenses:2901.00 · Ancillary Services:2935.00 · Contingency	12,197.75	
2900.00 · Ancillary/O&M Expenses:2901.00 · Ancillary Services:2940.00 · Public Relations	578,500.17	
2900.00 · Ancillary/O&M Expenses:2901.00 · Ancillary Services:2949.00 · Release To Actual	0.00	
2900.00 · Ancillary/O&M Expenses:2950.00 · Operational & Maintenance Exp		1,273,226.77
2900.00 · Ancillary/O&M Expenses:2950.00 · Operational & Maintenance Exp:2960.00 · GM Salary & Supplies	902,877.35	
2900.00 · Ancillary/O&M Expenses:2950.00 · Operational & Maintenance Exp:2970.00 · Preliminary Engineering Report	152,296.00	
2900.00 · Ancillary/O&M Expenses:2950.00 · Operational & Maintenance Exp:2980.00 · Surveying	17,551.00	
2900.00 · Ancillary/O&M Expenses:2950.00 · Operational & Maintenance Exp:2990.00 · Administration Fees	126,001.00	
2900.00 · Ancillary/O&M Expenses:2950.00 · Operational & Maintenance Exp:2995.00 · Contingency	74,501.42	
2900.00 · Ancillary/O&M Expenses:2950.00 · Operational & Maintenance Exp:2999.00 · Release To Actual	0.00	
2990.10 · P1B-WTP ReRating	107,973.00	
2992.10 · P1C-WTP Expansion:2992.20 · TWDB Funding Consultant	27,720.00	
2992.10 · P1C-WTP Expansion:2992.30 · Design Engineering	1,055,235.60	
2993.10 · Segment 2A & 2B Transmiss Lines:2993.30 · Take Points (Leander)	424,631.76	
2999.20 · P2-Preliminary Engineering	7,658,928.90	
2999.30 · P2-DeepWater Due DiligenceStudy	468,507.10	
2999.50 · P2-Land & Easement Acquisition	4,321,443.87	
2999.60 · P2-Contingency	3,037.96	
3010.00 · Computer & Office Equipment	63,100.82	
3015.00 · Transportation Equipment	53,749.44	
3020.00 · Lab Equipment	47,973.57	
3025.00 · Plant Equipment	101,149.40	
3030.00 · Infrastructure	78,334,378.00	
3035.00 · Buildings & Structures	71,185,354.03	
3040.00 · Land & Easements	8,893,324.55	
3099.00 · Accumulated Depreciation		12,766,658.62
3000.00 · Bond Issuance Costs	166,758.07	
3001.00 · Accum Amort Bond Issuance Costs	0.00	
3002.00 · Bond Discounts - Unrestricted		115,396.91
3002.10 · Bond Premiums - Unrestricted		14,827.17
3002.50 · Bond Discounts - Restricted		36,845.83
3002.60 · Bond Premiums - Restricted		16,257,704.70
3003.00 · Accum Amort Bond - Unrestr	79,335.53	
3003.50 · Accum Amort Bond - Restr	20,910.51	
3004.00 · Deferred Refunding on Bonds	15,558,001.10	
3100.00 · Raw Water Line-U		14,965,041.77
3100.00 · Raw Water Line-U:3120.00 · Preliminary Engineering	570,089.00	
3100.00 · Raw Water Line-U:3130.00 · Final Engineering	2,784,016.00	
3100.00 · Raw Water Line-U:3140.00 · Environmental	413,000.00	
3100.00 · Raw Water Line-U:3150.00 · Construction (Alt No. 1 Route)	36,493,000.00	
3100.00 · Raw Water Line-U:3155.00 · Contingency	3,649,300.00	
3100.00 · Raw Water Line-U:3160.00 · Easements	1,481,798.00	
3100.00 · Raw Water Line-U:3170.00 · Construction Phase Services	802,846.00	
3100.00 · Raw Water Line-U:3180.00 · Inspections & Testing	923,000.00	
3200.00 · Floating Intake Barge-U		707,541.00
3200.00 · Floating Intake Barge-U:3220.00 · Preliminary Engineering	287,709.00	
3200.00 · Floating Intake Barge-U:3230.00 · Final Engineering	458,610.01	
3200.00 · Floating Intake Barge-U:3250.00 · Construction	5,583,201.00	
3200.00 · Floating Intake Barge-U:3255.00 · Contingency	928,910.64	
3200.00 · Floating Intake Barge-U:3270.00 · Construction Phase Services	36,983.12	
3300.00 · Regional Wtr Treatment Plant-U		28,603,888.50
3300.00 · Regional Wtr Treatment Plant-U:3300.01 · WTP Land Acquisition	3,324,022.00	
3300.00 · Regional Wtr Treatment Plant-U:3301.00 · Construction	59,275,000.00	
3300.00 · Regional Wtr Treatment Plant-U:3320.00 · Preliminary Engineering	703,112.00	
3300.00 · Regional Wtr Treatment Plant-U:3330.00 · Final Engineering	3,457,493.00	
3300.00 · Regional Wtr Treatment Plant-U:3335.00 · Supplemental Engineering	581,395.00	
3300.00 · Regional Wtr Treatment Plant-U:3370.00 · Construction Phase Services	1,185,500.00	
3300.00 · Regional Wtr Treatment Plant-U:3380.00 · Inspections & Testing	1,189,000.00	
3400.00 · Transmission Wtr Lines Seg 1-U		1,663,684.79
3400.00 · Transmission Wtr Lines Seg 1-U:3420.00 · Preliminary Engineering	211,214.99	
3400.00 · Transmission Wtr Lines Seg 1-U:3430.00 · Final Engineering	1,173,931.00	
3400.00 · Transmission Wtr Lines Seg 1-U:3450.00 · Construction	16,332,542.00	
3400.00 · Transmission Wtr Lines Seg 1-U:3455.00 · Contingency	1,633,254.20	

Trial Balance

As of April 11, 2018

	Apr 11, 18	
	Debit	Credit
3400.00 · Transmission Wtr Lines Seg 1-U:3460.00 · Easements	250,000.00	
3400.00 · Transmission Wtr Lines Seg 1-U:3470.00 · Construction Phase Services	359,315.93	
3400.00 · Transmission Wtr Lines Seg 1-U:3480.00 · Inspections & Testing	236,000.00	
3500.00 · Transmission Wtr Lines Seg 2A-U		966,011.00
3500.00 · Transmission Wtr Lines Seg 2A-U:3520.00 · Preliminary Engineering	55,971.00	
3500.00 · Transmission Wtr Lines Seg 2A-U:3550.00 · Construction	858,980.00	
3500.00 · Transmission Wtr Lines Seg 2A-U:3555.00 · CP Addl Connection	38,690.00	
3500.00 · Transmission Wtr Lines Seg 2A-U:3557.00 · Leander Addl Valve	22,207.00	
3600.00 · Transmission Wtr Lines Seg 2B-U		9,361,665.00
3600.00 · Transmission Wtr Lines Seg 2B-U:3620.00 · Engineering	754,029.00	
3600.00 · Transmission Wtr Lines Seg 2B-U:3650.00 · Construction	8,678,440.00	
3700.00 · Transmission Wtr Lines Seg 2C-U		1,381,504.50
3700.00 · Transmission Wtr Lines Seg 2C-U:3720.00 · Preliminary Engineering	191,919.00	
3700.00 · Transmission Wtr Lines Seg 2C-U:3730.00 · Final Engineering	627,561.00	
3700.00 · Transmission Wtr Lines Seg 2C-U:3750.00 · Construction	9,550,149.00	
3700.00 · Transmission Wtr Lines Seg 2C-U:3755.00 · Contingency	477,507.45	
3700.00 · Transmission Wtr Lines Seg 2C-U:3757.00 · Allowance for Materials	955,014.90	
3700.00 · Transmission Wtr Lines Seg 2C-U:3760.00 · Easements	330,000.00	
3700.00 · Transmission Wtr Lines Seg 2C-U:3770.00 · Construction Phase Services	219,653.42	
3800.00 · Construction Management Svc-U		173,251.48
3800.00 · Construction Management Svc-U:3801.00 · Construction Management Svc	1,695,593.46	
3900.00 · Ancillary/O&M Expenses-U:3901.00 · Ancillary Services		2,062,794.32
3900.00 · Ancillary/O&M Expenses-U:3901.00 · Ancillary Services:3910.00 · Environmental Consultant	471,155.00	
3900.00 · Ancillary/O&M Expenses-U:3901.00 · Ancillary Services:3920.00 · Real Estate Acq Consultant	470,570.00	
3900.00 · Ancillary/O&M Expenses-U:3901.00 · Ancillary Services:3930.00 · Condemnation Counsel	150,000.00	
3900.00 · Ancillary/O&M Expenses-U:3901.00 · Ancillary Services:3940.00 · Public Relations	520,000.00	
3900.00 · Ancillary/O&M Expenses-U:3950.00 · Operational & Maintenance Exp		627,504.97
3900.00 · Ancillary/O&M Expenses-U:3950.00 · Operational & Maintenance Exp:3960.00 · GM Salary & Supplies	425,917.00	
3900.00 · Ancillary/O&M Expenses-U:3950.00 · Operational & Maintenance Exp:3970.00 · Preliminary Engineering Report	152,300.00	
3900.00 · Ancillary/O&M Expenses-U:3950.00 · Operational & Maintenance Exp:3980.00 · Surveying	17,551.00	
3900.00 · Ancillary/O&M Expenses-U:3950.00 · Operational & Maintenance Exp:3990.00 · Administration Fees	84,000.00	
3999.99 · Unspent		110,558,563.79
20000 · Accounts Payable		3,504.99
4000.00 · Accrued Bond Interest Payable		1,044,503.00
4600.00 · Retainage Liability		1,600,504.90
4810.00 · Due to Cedar Park	0.00	
4820.00 · Due to Leander	0.00	
4830.00 · Due to Round Rock	0.00	
4850.00 · Current Revenue Bonds Payable		4,470,000.00
4899.00 · Reallocation of Expenses Paid	0.00	
5100.00 · Bonds BCRUA		170,440,000.00
5200.00 · Unrestricted Net Assets	53,459,295.00	
5510.00 · Cedar Park Contributions		12,707,496.70
5520.00 · Leander Contributions		36,309,609.02
5530.00 · Round Rock Contributions		34,687,856.52
6100.00 · Service Income		1,309,729.50
7000.00 · Plant Operators	98,547.05	
7010.00 · Treatment Materials & Supplies	5,327.61	
7015.00 · Vehicles Repairs & Maintenance	1,122.62	
7020.00 · Contract Services(Lab Services)	1,245.00	
7020.50 · Laboratory Supplies	16,535.81	
7035.00 · Equipment Facility Maintenance	9,432.57	
7040.00 · Schools and Training	435.81	
7045.00 · License & Membership Dues	111.00	
7050.00 · Uniforms	1,787.45	
7100.00 · General Manager/Admin Services	49,590.38	
7101.00 · Plant Superintendent	34,354.97	
7110.00 · Small Tools & Equipment	69.99	
7115.00 · Office/Bldg & General Supplies	1,282.73	
7120.00 · Plant Winterization	187.68	
7200.00 · Power-Pumping R/T/Lift Stations	171,977.81	
7205.00 · Chemicals	71,432.84	
7210.00 · Sludge Disposal	5,100.00	
7215.00 · Grounds/Bldg Maint (landscape)	2,608.99	
7220.00 · Irrigation at Plant/Solid Waste	1,842.78	
7225.00 · TCEQ Administration Fee	125.00	
7230.00 · Safety Equipment	604.95	
7235.00 · Treated/Raw Lines Repair&Maint.	17,500.24	
7240.00 · SCADA Maintenance	9,542.58	
7300.00 · Power-Security/Lighting	1,664.37	
7430.00 · Accounting Services	7,358.84	
7470.00 · Audit/Investment/Bank Fees	38,298.49	
7510.00 · Insurance	6,364.52	
7680.00 · Legal Fees	7,882.06	
7710.00 · Computers/Radios Maintenance	1,975.55	
7715.00 · Communication/Phone Line (Land)	8,645.41	

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04/11/18

Accrual Basis

Brushy Creek Regional Utility Authority

Trial Balance

As of April 11, 2018

	Apr 11, 18	
	Debit	Credit
7720.00 · Miscellaneous Expense	1,718.16	
7740.00 · Paying Agent Fees	200.00	
9310.00 · Contingency (3%)	380.00	
TOTAL	622,740,234.85	622,740,234.85

Part C-46 Statement of Operations

Brushy Creek Regional Utility Authority, Inc.
Statement of Historical Operations

	Unaudited YTD Through 4/19/2018	Audited				
		2017	2016	2015	2014	2013
Operating Revenues	\$ 1,309,730	\$ 2,302,665	\$ 688,566	\$ 821,883	\$ 1,062,130	\$ 985,682
Capital Contributions from Partner Cities (Net)	8,929,371	11,796,506	11,797,599	11,271,265	9,941,605	10,697,987
Other Revenue	-	269,404	138,696	-	-	-
Gross System Revenue	\$ 10,239,101	\$ 14,368,575	\$ 12,624,861	\$ 12,093,148	\$ 11,003,735	\$ 11,683,669
Personnel	\$ 182,492	\$ 609,926	\$ 473,578	\$ 424,699	\$ 435,005	\$ 393,893
Power Costs	172,103	445,389	367,200	51,930	66,860	366,010
Chemicals	76,760	258,657	205,537	14,348	4,769	100,642
Other Expenses	143,948	426,291	460,953	315,597	1,048,271	198,730
Total Operating Costs (1)	\$ 575,303	\$ 1,740,263	\$ 1,507,268	\$ 806,574	\$ 1,554,905	\$ 1,059,275
Net Operating Profit (1)	\$ 9,663,797	\$ 12,628,312	\$ 11,117,593	\$ 11,286,574	\$ 9,448,830	\$ 10,624,394

(1) Excludes depreciation and amortization, bond principal, interest and issuance expenses.

Note: Net position draws are being used to fund any deficits between net operating profit and annual debt service annually, as needed.

Part D-49 Debt Service

Brushy Creek Regional Utility Authority, Inc.

\$6,970,000 City of Cedar Park (Brushy Creek Regional Water Treatment & Distribution Project) Contract Revenue Bonds, Series 2018
 TWDB SWIFT Program - Assumes 11/15/18 Closing & Preliminary Rates

Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
11/15/2018	-	-	-	-	-
02/01/2019	-	-	36,786.11	36,786.11	-
08/01/2019	320,000.00	2.500%	87,125.00	407,125.00	-
09/30/2019	-	-	-	-	443,911.11
02/01/2020	-	-	83,125.00	83,125.00	-
08/01/2020	280,000.00	2.500%	83,125.00	363,125.00	-
09/30/2020	-	-	-	-	446,250.00
02/01/2021	-	-	79,625.00	79,625.00	-
08/01/2021	285,000.00	2.500%	79,625.00	364,625.00	-
09/30/2021	-	-	-	-	444,250.00
02/01/2022	-	-	76,062.50	76,062.50	-
08/01/2022	290,000.00	2.500%	76,062.50	366,062.50	-
09/30/2022	-	-	-	-	442,125.00
02/01/2023	-	-	72,437.50	72,437.50	-
08/01/2023	300,000.00	2.500%	72,437.50	372,437.50	-
09/30/2023	-	-	-	-	444,875.00
02/01/2024	-	-	68,687.50	68,687.50	-
08/01/2024	305,000.00	2.500%	68,687.50	373,687.50	-
09/30/2024	-	-	-	-	442,375.00
02/01/2025	-	-	64,875.00	64,875.00	-
08/01/2025	315,000.00	2.500%	64,875.00	379,875.00	-
09/30/2025	-	-	-	-	444,750.00
02/01/2026	-	-	60,937.50	60,937.50	-
08/01/2026	320,000.00	2.500%	60,937.50	380,937.50	-
09/30/2026	-	-	-	-	441,875.00
02/01/2027	-	-	56,937.50	56,937.50	-
08/01/2027	330,000.00	2.500%	56,937.50	386,937.50	-
09/30/2027	-	-	-	-	443,875.00
02/01/2028	-	-	52,812.50	52,812.50	-
08/01/2028	340,000.00	2.500%	52,812.50	392,812.50	-
09/30/2028	-	-	-	-	445,625.00
02/01/2029	-	-	48,562.50	48,562.50	-
08/01/2029	345,000.00	2.500%	48,562.50	393,562.50	-
09/30/2029	-	-	-	-	442,125.00
02/01/2030	-	-	44,250.00	44,250.00	-
08/01/2030	355,000.00	2.500%	44,250.00	399,250.00	-
09/30/2030	-	-	-	-	443,500.00
02/01/2031	-	-	39,812.50	39,812.50	-
08/01/2031	365,000.00	2.500%	39,812.50	404,812.50	-
09/30/2031	-	-	-	-	444,625.00

Brushy Creek Regional Utility Authority, Inc.

\$6,970,000 City of Cedar Park (Brushy Creek Regional Water Treatment & Distribution Project) Contract Revenue Bonds, Series 2018
TWDB SWIFT Program - Assumes 11/15/18 Closing & Preliminary Rates

Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/01/2032	-	-	35,250.00	35,250.00	-
08/01/2032	375,000.00	2.500%	35,250.00	410,250.00	-
09/30/2032	-	-	-	-	445,500.00
02/01/2033	-	-	30,562.50	30,562.50	-
08/01/2033	385,000.00	2.500%	30,562.50	415,562.50	-
09/30/2033	-	-	-	-	446,125.00
02/01/2034	-	-	25,750.00	25,750.00	-
08/01/2034	390,000.00	2.500%	25,750.00	415,750.00	-
09/30/2034	-	-	-	-	441,500.00
02/01/2035	-	-	20,875.00	20,875.00	-
08/01/2035	400,000.00	2.500%	20,875.00	420,875.00	-
09/30/2035	-	-	-	-	441,750.00
02/01/2036	-	-	15,875.00	15,875.00	-
08/01/2036	410,000.00	2.500%	15,875.00	425,875.00	-
09/30/2036	-	-	-	-	441,750.00
02/01/2037	-	-	10,750.00	10,750.00	-
08/01/2037	425,000.00	2.500%	10,750.00	435,750.00	-
09/30/2037	-	-	-	-	446,500.00
02/01/2038	-	-	5,437.50	5,437.50	-
08/01/2038	435,000.00	2.500%	5,437.50	440,437.50	-
09/30/2038	-	-	-	-	445,875.00
Total	\$6,970,000.00	-	\$1,909,161.11	\$8,879,161.11	-

Yield Statistics

Bond Year Dollars	\$76,366.44
Average Life	10.956 Years
Average Coupon	2.5000000%
Net Interest Cost (NIC)	2.5000000%
True Interest Cost (TIC)	2.5002044%
Bond Yield for Arbitrage Purposes	2.5002044%
All Inclusive Cost (AIC)	2.5002044%

IRS Form 8038

Net Interest Cost	2.5000000%
Weighted Average Maturity	10.956 Years

ATTACHMENT B

Description of Borrower Bonds

Brushy Creek Regional Utility Authority, Inc.

Title of Borrower Bonds

Brushy Creek Regional Utility Authority, Inc., City of Cedar Park (Brushy Creek Regional Water Treatment & Distribution Project), Contract Revenue Bonds, Series 2018

Project Name

Brushy Creek Regional Water Treatment & Distribution Project

Aggregate Principal Amount of Borrower Bonds

\$ 6,970,000

Anticipated Closing Date

11/15/18 (tentative)

Dated Date

11/15/18 (tentative)

First Principal Payment Date

8/1/2019

First Interest Payment Date

2/1/2019

Maturity Schedule:

Maturity (8/1)	Principal Amount
2019	\$ 320,000
2020	280,000
2021	285,000
2022	290,000
2023	300,000
2024	305,000
2025	315,000
2026	320,000
2027	330,000
2028	340,000
2029	345,000
2030	355,000
2031	365,000
2032	375,000
2033	385,000
2034	390,000
2035	400,000
2036	410,000
2037	425,000
2038	435,000
	<hr/>
	\$ 6,970,000

Preliminary, for Purposes of Illustration Only.

Brushy Creek Regional Utility Authority, Inc.

\$8,770,000 City of Leander, Texas Contract Revenue Bonds

(Brushy Creek Regional Water Treatment & Distribution Project), Series 2018

TWDB SWIFT Program (Deferred Option)

Net Debt Service Schedule

Part 1 of 2

Date	Principal	Coupon	Interest	Total P+I	SWIFT Deferral	Net New D/S	Fiscal Total
11/15/2018	-	-	-	-	-	-	-
02/01/2019	-	-	67,126.37	67,126.37	(67,126.37)	-	-
08/01/2019	-	-	158,983.50	158,983.50	(158,983.50)	-	-
09/30/2019	-	-	-	-	-	-	-
02/01/2020	-	-	158,983.50	158,983.50	(158,983.50)	-	-
08/01/2020	-	-	158,983.50	158,983.50	(158,983.50)	-	-
02/01/2021	-	-	158,983.50	158,983.50	(158,983.50)	-	-
08/01/2021	-	-	158,983.50	158,983.50	(158,983.50)	-	-
02/01/2022	-	-	158,983.50	158,983.50	(158,983.50)	-	-
08/01/2022	-	-	158,983.50	158,983.50	(158,983.50)	-	-
09/30/2022	-	-	-	-	-	-	-
02/01/2023	-	-	158,983.50	158,983.50	(158,983.50)	-	-
08/01/2023	-	-	158,983.50	158,983.50	(158,983.50)	-	-
02/01/2024	-	-	158,983.50	158,983.50	(158,983.50)	-	-
08/01/2024	-	-	158,983.50	158,983.50	(158,983.50)	-	-
02/01/2025	-	-	158,983.50	158,983.50	(158,983.50)	-	-
08/01/2025	-	-	158,983.50	158,983.50	(158,983.50)	-	-
02/01/2026	-	-	158,983.50	158,983.50	(158,983.50)	-	-
08/01/2026	695,000.00	2.730%	158,983.50	853,983.50	-	853,983.50	-
09/30/2026	-	-	-	-	-	-	853,983.50
02/01/2027	-	-	149,496.75	149,496.75	-	149,496.75	-
08/01/2027	555,000.00	2.840%	149,496.75	704,496.75	-	704,496.75	-
09/30/2027	-	-	-	-	-	-	853,993.50
02/01/2028	-	-	141,615.75	141,615.75	-	141,615.75	-
08/01/2028	570,000.00	2.930%	141,615.75	711,615.75	-	711,615.75	-
09/30/2028	-	-	-	-	-	-	853,231.50
02/01/2029	-	-	133,265.25	133,265.25	-	133,265.25	-
08/01/2029	590,000.00	3.120%	133,265.25	723,265.25	-	723,265.25	-
09/30/2029	-	-	-	-	-	-	856,530.50
02/01/2030	-	-	124,061.25	124,061.25	-	124,061.25	-
08/01/2030	605,000.00	3.360%	124,061.25	729,061.25	-	729,061.25	-
09/30/2030	-	-	-	-	-	-	853,122.50
02/01/2031	-	-	113,897.25	113,897.25	-	113,897.25	-
08/01/2031	630,000.00	3.570%	113,897.25	743,897.25	-	743,897.25	-
09/30/2031	-	-	-	-	-	-	857,794.50
02/01/2032	-	-	102,651.75	102,651.75	-	102,651.75	-
08/01/2032	650,000.00	3.780%	102,651.75	752,651.75	-	752,651.75	-
09/30/2032	-	-	-	-	-	-	855,303.50
02/01/2033	-	-	90,366.75	90,366.75	-	90,366.75	-
08/01/2033	675,000.00	3.890%	90,366.75	765,366.75	-	765,366.75	-

2018 \$8.77M SWIFT-deferre | SINGLE PURPOSE | 3/ 6/2018 | 4:02 PM

Preliminary, for Purposes of Illustration Only.

Brushy Creek Regional Utility Authority, Inc.

\$8,770,000 City of Leander, Texas Contract Revenue Bonds

(Brushy Creek Regional Water Treatment & Distribution Project), Series 2018

TWDB SWIFT Program (Deferred Option)

Net Debt Service Schedule

Part 2 of 2

Date	Principal	Coupon	Interest	Total P+I	SWIFT Deferral	Net New D/S	Fiscal Total
09/30/2033	-	-	-	-	-	-	855,733.50
02/01/2034	-	-	77,238.00	77,238.00	-	77,238.00	-
08/01/2034	700,000.00	3.970%	77,238.00	777,238.00	-	777,238.00	-
09/30/2034	-	-	-	-	-	-	854,476.00
02/01/2035	-	-	63,343.00	63,343.00	-	63,343.00	-
08/01/2035	730,000.00	4.030%	63,343.00	793,343.00	-	793,343.00	-
09/30/2035	-	-	-	-	-	-	856,686.00
02/01/2036	-	-	48,633.50	48,633.50	-	48,633.50	-
08/01/2036	760,000.00	4.070%	48,633.50	808,633.50	-	808,633.50	-
09/30/2036	-	-	-	-	-	-	857,267.00
02/01/2037	-	-	33,167.50	33,167.50	-	33,167.50	-
08/01/2037	790,000.00	4.110%	33,167.50	823,167.50	-	823,167.50	-
09/30/2037	-	-	-	-	-	-	856,335.00
02/01/2038	-	-	16,933.00	16,933.00	-	16,933.00	-
08/01/2038	820,000.00	4.130%	16,933.00	836,933.00	-	836,933.00	-
09/30/2038	-	-	-	-	-	-	853,866.00
Total	\$8,770,000.00	-	\$4,641,218.37	\$13,411,218.37	(2,292,895.37)	\$11,118,323.00	-

ATTACHMENT B

Description of Borrower Bonds	Brushy Creek Regional Utility Authority, Inc.
Title of Borrower Bonds	Brushy Creek Regional Utility Authority, Inc., City of Leander (Brushy Creek Regional Water Treatment & Distribution Project), Contract Revenue Bonds, Series 2018
Project Name	Brushy Creek Regional Water Treatment & Distribution Project
Aggregate Principal Amount of Borrower Bonds	\$ 8,130,000
Anticipated Closing Date	11/15/2018 (tentative)
Dated Date	11/15/2018 (tentative)
First Principal Payment Date	8/1/2026
First Interest Payment Date	8/1/2026 (SWIFT Deferred Loan - assumes 6/1/26 project completion)

Maturity Schedule:

Maturity (8/1)	Principal Amount
2026	\$ 695,000
2027	555,000
2028	570,000
2029	590,000
2030	605,000
2031	630,000
2032	650,000
2033	675,000
2034	700,000
2035	730,000
2036	760,000
2037	790,000
2038	820,000
	<hr/>
	\$ 8,770,000



FINANCIAL STATEMENT

FOR OTHER BONDS ISSUED BY BCRUA PLEASE SEE SEPERATE TEXAS MUNICIPAL REPORTS #9303 and #9304.

FINANCIAL STATEMENT (As of September 30, 2016)(a)

Special Obligation Debt	
Senior Lien	\$26,365,000
Subordinate Lien	\$1,880,000

	\$28,245,000
Special Fund Balances	
I&S	\$1,952

(a) Includes \$4,430,000 Contract Rev Bds Series 2017 dated November 16, 2017.

PAYMENT RECORD

Never defaulted.

DETAILS OF OUTSTANDING DEBT

Details of Subordinate Lien Debt (Outstanding 9/30/2016)

Contract Rev Ref Bds (Brushy Creek Regional Water Treatment & Distribution Project) Ser 2016

Lien: Senior
 Tax Treatment: Tax Exempt
 Original Issue Amount \$21,935,000.00
 Dated Date: 08/15/2016
 Sale Date: 08/24/2016
 Delivery Date: 09/22/2016
 Sale Type: Negotiated
 NIC: 2.8299%
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 08/01, 02/01
 1st Coupon Date: 02/01/2017

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
 Bond Counsel: McCall, Parkhurst & Horton L.L.P., Austin, TX
 Financial Advisor: Specialized Public Finance Inc., Austin, TX
 Lead Manager: George K. Baum & Company
 Co-Manager: Raymond James
 Co-Manager: William Blair & Company, L.L.C.
 Underwriter's Counsel: Andrews Kurth L.L.P., Austin, TX

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:
 City of Cedar Park Contract Rev Bds (Brushy Creek Regional Water Treatment & Distribution Project) Ser 2009

Refunded Amount	Mat Date	Coupon	Price	Sched	Call
690,000.00	08/01/2020	4.054	Par	08/01/2019	
730,000.00	08/01/2021	4.206	Par	08/01/2019	
765,000.00	08/01/2022	4.335	Par	08/01/2019	
805,000.00	08/01/2023	4.465	Par	08/01/2019	
850,000.00	08/01/2024	4.568	Par	08/01/2019	
895,000.00	08/01/2025	4.662	Par	08/01/2019	
940,000.00	08/01/2026	4.736	Par	08/01/2019	
990,000.00	08/01/2027	4.791	Par	08/01/2019	
1,045,000.00	08/01/2028	4.855	Par	08/01/2019	
1,095,000.00	08/01/2029	5.054	Par	08/01/2019	
1,155,000.00	08/01/2030	5.054	Par	08/01/2019	
1,215,000.00	08/01/2031	5.054	Par	08/01/2019	
1,280,000.00	08/01/2032	5.054	Par	08/01/2019	
1,345,000.00	08/01/2033	5.054	Par	08/01/2019	
1,415,000.00	08/01/2034	5.084	Par	08/01/2019	

1,490,000.00	08/01/2035	5.084	Par	08/01/2019
1,570,000.00	08/01/2036	5.084	Par	08/01/2019
1,650,000.00	08/01/2037	5.084	Par	08/01/2019
1,740,000.00	08/01/2038	5.084	Par	08/01/2019

Maturity	Amount	Coupon	Orig Price/Yield	Reoffering Price/Yield
08/01/2017	180,000.00	2.0000%	0.670%	
08/01/2020	760,000.00	2.0000%	0.950%	
08/01/2021	790,000.00	3.0000%	1.100%	
08/01/2022	815,000.00	2.0000%	1.300%	
08/01/2023	840,000.00	4.0000%	1.430%	
08/01/2024	885,000.00	5.0000%	1.540%	
08/01/2025	935,000.00	5.0000%	1.650%	
08/01/2026	985,000.00	5.0000%	1.750%	
08/01/2027	1,040,000.00	5.0000%	1.840%	
08/01/2028	1,095,000.00	4.0000%	2.070%	
08/01/2029	1,140,000.00	4.0000%	2.190%	
08/01/2030	1,190,000.00	3.0000%	2.620%	
08/01/2031	1,230,000.00	4.0000%	2.400%	
08/01/2032	1,280,000.00	4.0000%	2.450%	
08/01/2033	1,330,000.00	4.0000%	2.500%	
08/01/2034	1,385,000.00	3.0000%	2.820%	
08/01/2035	1,430,000.00	3.0000%	2.900%	
08/01/2036	1,480,000.00	4.5000%	2.470%	
08/01/2037	1,545,000.00	3.0000%	3.010%	
08/01/2038	1,600,000.00	3.0000%	3.030%	
				-----\$21,935,000.00

Call Option: Bonds maturing on 08/01/2027 to 08/01/2038 callable in whole or in part on any date beginning 08/01/2026 @ par.

Contract Rev Bds (Brushy Creek Regional Water Treatment & Distribution Proj) Ser 2017

Lien: Senior
 Tax Treatment: Tax Exempt
 Original Issue Amount \$4,430,000.00
 Dated Date: 11/16/2017
 Sale Date: 10/18/2017
 Delivery Date: 11/16/2017
 Sale Type: Private Placement
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 08/01, 02/01
 1st Coupon Date: 02/01/2018

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
 Bond Counsel: McCall, Parkhurst & Horton L.L.P., Austin, TX
 Financial Advisor: Specialized Public Finance Inc., Austin, TX
 Purchaser: Texas Water Development Board

Use of Proceeds: Water.

Maturity	Amount	Coupon	Orig Price/Yield	Reoffering Price/Yield
08/01/2018	215,000.00	0.5800%	100.00%	
08/01/2019	195,000.00	0.6300%	100.00%	
08/01/2020	200,000.00	0.7000%	100.00%	
08/01/2021	200,000.00	0.7800%	100.00%	
08/01/2022	200,000.00	0.9000%	100.00%	
08/01/2023	205,000.00	1.0100%	100.00%	
08/01/2024	205,000.00	1.1000%	100.00%	
08/01/2025	210,000.00	1.2100%	100.00%	
08/01/2026	210,000.00	1.2900%	100.00%	
08/01/2027	215,000.00	1.3700%	100.00%	
08/01/2028	215,000.00	1.5100%	100.00%	
08/01/2029	220,000.00	1.6800%	100.00%	

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Brushy Creek Regional Utility Authority, Inc., City of Cedar Park
(Brushy Creek Regional Water Treatment & Distribution Project)

Williamson, Travis Counties

08/01/2030	225,000.00	1.8300%	100.00%
08/01/2031	230,000.00	1.9800%	100.00%
08/01/2032	235,000.00	2.0600%	100.00%
08/01/2033	240,000.00	2.1300%	100.00%
08/01/2034	245,000.00	2.1800%	100.00%
08/01/2035	250,000.00	2.2200%	100.00%
08/01/2036	255,000.00	2.2600%	100.00%
08/01/2037	260,000.00	2.2900%	100.00%
-----\$4,430,000.00			

Call Option: Bonds maturing on 08/01/2028 to 08/01/2037 callable in whole or in part inversely on any date beginning 02/01/2028 @ par.

Contract Rev Bds (Brushy Creek Regional Water Treatment & Distribution Project) Ser 2009

Lien: Subordinate
 Tax Treatment: Tax Exempt
 Original Issue Amount \$24,970,000.00
 Dated Date: 06/15/2009
 Sale Date: 06/03/2009
 Delivery Date: 06/23/2009
 Sale Type: Private Placement
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 08/01, 02/01
 1st Coupon Date: 02/01/2010

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Dallas, TX
 Bond Counsel: McCall Parkhurst & Horton L.L.P.
 Purchaser: Texas Water Development Board

Use of Proceeds: Water.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
08/01/2017	595,000.00	3.5040%	N/A
08/01/2018	625,000.00	3.6640%	N/A
08/01/2019	660,000.00	3.8820%	N/A
-----\$1,880,000.00			

Call Option: Non-callable

Refunded Notes: Maturities refunded by City of Cedar Park Contract Rev Ref Bds (Brushy Creek Regional Water Treatment & Distribution Project) Ser 2016

Refunded Amount	Mat Date	Coupon	Price	Sched Call
690,000.00	08/01/2020	4.054	Par	08/01/2019
730,000.00	08/01/2021	4.206	Par	08/01/2019
765,000.00	08/01/2022	4.335	Par	08/01/2019
805,000.00	08/01/2023	4.465	Par	08/01/2019
850,000.00	08/01/2024	4.568	Par	08/01/2019
895,000.00	08/01/2025	4.662	Par	08/01/2019
940,000.00	08/01/2026	4.736	Par	08/01/2019
990,000.00	08/01/2027	4.791	Par	08/01/2019
1,045,000.00	08/01/2028	4.855	Par	08/01/2019
1,095,000.00	08/01/2029	5.054	Par	08/01/2019
1,155,000.00	08/01/2030	5.054	Par	08/01/2019
1,215,000.00	08/01/2031	5.054	Par	08/01/2019
1,280,000.00	08/01/2032	5.054	Par	08/01/2019
1,345,000.00	08/01/2033	5.054	Par	08/01/2019
1,415,000.00	08/01/2034	5.084	Par	08/01/2019
1,490,000.00	08/01/2035	5.084	Par	08/01/2019
1,570,000.00	08/01/2036	5.084	Par	08/01/2019
1,650,000.00	08/01/2037	5.084	Par	08/01/2019
1,740,000.00	08/01/2038	5.084	Par	08/01/2019

Grand Total =====> \$28,245,000.00

Bond Debt Service

Period Ending	Principal	Interest	Debt Service
09/30/17	775,000.00	763,547.08	1,538,547.08
09/30/18	840,000.00	901,789.35	1,741,789.35
09/30/19	855,000.00	897,455.70	1,752,455.70
09/30/20	960,000.00	870,606.00	1,830,606.00
09/30/21	990,000.00	854,006.00	1,844,006.00
09/30/22	1,015,000.00	828,746.00	1,843,746.00
09/30/23	1,045,000.00	810,646.00	1,855,646.00
09/30/24	1,090,000.00	774,975.50	1,864,975.50
09/30/25	1,145,000.00	728,470.50	1,873,470.50
09/30/26	1,195,000.00	679,179.50	1,874,179.50
09/30/27	1,255,000.00	627,220.50	1,882,220.50
09/30/28	1,310,000.00	572,275.00	1,882,275.00
09/30/29	1,360,000.00	525,228.50	1,885,228.50
09/30/30	1,415,000.00	475,932.50	1,890,932.50
09/30/31	1,460,000.00	436,115.00	1,896,115.00
09/30/32	1,515,000.00	382,361.00	1,897,361.00
09/30/33	1,570,000.00	326,320.00	1,896,320.00
09/30/34	1,630,000.00	268,008.00	1,898,008.00
09/30/35	1,680,000.00	221,117.00	1,901,117.00
09/30/36	1,735,000.00	172,667.00	1,907,667.00
09/30/37	1,805,000.00	100,304.00	1,905,304.00
09/30/38	1,600,000.00	48,000.00	1,648,000.00
-----			-----
	28,245,000.00	12,264,970.13	40,509,970.13
=====			

Debt Amortization Rates

Period Ending	Principal	% of Principal Retired
09/30/2017	775,000.00	02.74%
09/30/2018	840,000.00	05.72%
09/30/2019	855,000.00	08.74%
09/30/2020	960,000.00	12.14%
09/30/2021	990,000.00	15.65%
09/30/2022	1,015,000.00	19.24%
09/30/2023	1,045,000.00	22.94%
09/30/2024	1,090,000.00	26.80%
09/30/2025	1,145,000.00	30.86%
09/30/2026	1,195,000.00	35.09%
09/30/2027	1,255,000.00	39.53%
09/30/2028	1,310,000.00	44.17%
09/30/2029	1,360,000.00	48.98%
09/30/2030	1,415,000.00	53.99%
09/30/2031	1,460,000.00	59.16%
09/30/2032	1,515,000.00	64.52%
09/30/2033	1,570,000.00	70.08%
09/30/2034	1,630,000.00	75.85%
09/30/2035	1,680,000.00	81.80%
09/30/2036	1,735,000.00	87.94%
09/30/2037	1,805,000.00	94.34%
09/30/2038	1,600,000.00	100.00%

PERTINENT PROVISIONS

NATURE OF PLEDGE: The Bonds similarly secured are limited, special obligation of the Brushy Creek Regional Utility Authority (BCRUA) payable from and equally ratably secured solely by a lien on and pledge of the Bond Payments, and the Registered Owners there of shall never have the right to demand payment of the principal or interest on the Bonds Similarly Secured from any funds raised or to be raised through taxation by Leander, Cedar Park, Round Rock or the BCRUA.

CONTRACT: On September 2, 2008, Brushy Creek Regional Utility Authority entered

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into the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (the Contract) with the Cities of Cedar Park, Leander and Round Rock, Texas. The City Councils of Cedar Park, Leander, and Round Rock respectively, have authorized and approved the creation of the BCRUA as their constituted authority and instrumentality to accomplish the specific public purpose to plan, finance, construct, acquire, own, operate or maintain facilities necessary for the conservation, storage, transportation, treatment or distribution of treated water, including plant sites, rights-of-way, and property, equipment, or rights of any kind useful in connection with the conservation, storage, transportation, treatment, or distribution of treated water, pursuant to the provisions of the Act and other applicable law, including Section 791.026 Texas Government Code, as amended. Each City shall be solely responsible for Bond payments on its series of Bonds. No City shall have any liability or responsibility for any Bond Payment on a series of Bonds issued for another City.

THE PROJECT: The BCRUA Project consists of a regional water system that is designed to supply potable water to the City of Leander, the City of Round Rock and the City of Cedar Park. Phase 1 of the BCRUA Project, which began operation in mid-2012, consisted of (i) construction of a floating intake structure in the Sandy Creek arm of Lake Travis, (ii) a raw water transmission pipeline up Trail's End Road and Highway 1431, (iii) a 17 MGD water treatment plant, and (iv) treated water transmission lines for delivery into the Cedar Park, Leander and Round Rock potable water distribution systems. Phase 2 of the BCRUA Project is expected to consist of the construction of a permanent raw water intake in a deeper location within Lake Travis, which will replace the floating intake and then deliver water by gravity to a new high capacity pumping station located on a portion of the Lower Colorado River Authority's Sandy Creek Park. Raw water will then be pumped out of the new pump station wet well, and be delivered to water treatment facilities owned by the Authority, the City of Cedar Park, and the City of Leander. Phase 2 of the BCRUA Project is expected to consist of multiple key elements that will result in the construction of a Deep Water Intake System with an ultimate capacity of 141.7 MGD. The intake's capacity will be allocated among the BCRUA Regional water treatment plant (105.8 MGD), the City of Cedar Park water treatment plant (23.9 MGD), and the City of Leander water treatment plant (12.0 MGD).

OPERATING STATEMENT

STATEMENT OF REVENUES AND EXPENSES - CEDAR PARK SYSTEM The following condensed statements have been compiled using accounting principles customarily employed in the determination of net revenues available for debt service, and in all instances exclude depreciation, transfers, debt service payments and expenditures identified as capital.

	Fiscal Year Ended			
	09-30-2016	09-30-2015	09-30-2014	09-30-2013
Revenues:				
Capital Contribution	\$1,441,018	\$1,230,949	\$1,450,247	\$1,530,249
Operating Revenue	154,644	207,943	314,428	580,094
Total Revenues	\$1,595,662	\$1,438,892	\$1,764,675	\$2,110,343
Expenses:				
Expenses	\$590,837	\$289,011	\$399,768	\$462,612
Available For Debt Service	\$1,004,825	\$1,149,881	\$1,364,907	\$1,647,731
Revenue Annual Reqmts	\$1,443,112	\$1,437,084	\$1,450,533	\$1,442,880
Coverage On Revenue Bds*	0.70X*	0.80X*	0.94X*	1.14X

* Debt service requirements met from available fund balance.

ECONOMIC BACKGROUND

BRUSHY CREEK REGIONAL UTILITY AUTHORITY The Brushy Creek Regional Utility Authority, Inc. is a non-profit corporation of the State of Texas, created by the Cities of Cedar Park, Leander and Round Rock, Texas and existing under the

laws of the State, including Subchapter D of Chapter 431, as amended, Texas Transportation Code. The BCRUA is empowered to acquire and construct water facilities including water conservation, storage, transportation, treatment and distribution facilities and to deliver this water to the Cities.

The City of Cedar Park, located in southern Williamson County and northern Travis County, is a residential community located on U.S. Highway 183, 20 miles northwest of downtown Austin. Cedar Park is on the leading edge of major growth in the Austin metropolitan region and provides commercial and residential facilities for numerous employees of the industries located in the area. With the rapid growth of Austin in a northwesterly direction, the city limits of Cedar Park and Austin are now joined. The City's 2010 census population was 48,937 increasing 87.87% since 2000. Lakeline Mall, a 1.4 million square foot regional shopping center, is located adjacent to the southern city limits. 1890 Ranch, a 900,000 square foot shopping center, is located at the northeast corner of RM 1431 and US183A.

COUNTY CHARACTERISTICS: Williamson County was created and organized in 1848 from Milam County. Dell Computer Corporation, a personal computer manufacturer, operates a 232,000 sq. ft. telemarketing facility in the county and employs over 20,000 people. Sun City Texas, a 10,500 home, active retirement community, is being developed outside the Georgetown city limits. La Frontera, a 2 million sq. ft., 328 acre development is located at the intersection of IH-35 and future State Highway 45. In August 2006, Round Rock Premium Outlets opened. The outlet center provides over 430,000 square feet of retail space, one hotel, and a movie theater. On November 15, 2006, IKEA opened a 252,000 square foot retail store. The Dell Diamond, a minor league baseball stadium, included in a convention center complex, opened in April 2000. The Round Rock Express, a triple-A minor league team, plays at the Dell Diamond and had a record attendance of 13,475 in 2006.

COUNTY SEAT: Georgetown

2010 census: 422,679 increasing 79.9 % since 2000
 2000 census: 235,000 increasing 68.4 % since 1990
 1990 census: 139,551

ECONOMIC BASE

Mineral: sand, gravel and building stone.

Industry: manufacturing, government, education and agribusiness.

Agricultural: wheat, nursery crops, hay, grain sorghum, cotton, corn and cattle.

OIL AND GAS - 2016

The county ranks 189 out of all the counties in Texas for oil production.

OIL PRODUCTION (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2013	Oil	11,335 BBL	47.94
2014	Oil	17,579 BBL	55.09
2015	Oil	10,142 BBL	-42.31
2016	Oil	7,711 BBL	-23.97

RETAIL SALES & EFFECTIVE BUYING INCOME (The Nielsen Company)

Year	2016	2015	2014
Retail Sales	\$15.6B	\$21.2B	\$7.6B
Effective Buying Income (EBI)	\$14.6B	\$13.0B	\$12.5B
County Median Household Income	\$63,934	\$62,282	\$59,584
State Median Household Income	\$55,352	\$53,037	\$50,464
% of Households with EBI below \$25K	7.0 %	6.8 %	7.4 %
% of Households with EBI above \$25K	71.6 %	73.1 %	73.7 %

EMPLOYMENT DATA (Texas Workforce Commission)

	2017		2016		2015	
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	161,685	\$2.4B	154,692	\$2.0B	146,683	\$2.1B
2nd Q:	N/A	N/A	158,871	\$1.9B	150,639	\$1.8B
3rd Q:	N/A	N/A	158,524	\$2.1B	151,222	\$1.8B
4th Q:	N/A	N/A	162,014	\$2.1B	154,501	\$2.0B

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MAJOR COLLEGES AND UNIVERSITIES: Southwestern University

COLLEGES AND UNIVERSITIES

Year	Total	Fall Enrollment
2016	1	1,477
2015	1	1,514
2014	1	1,533
2013	1	1,535
2012	1	1,394
2011	1	1,347
2010	1	1,372
2009	1	1,301
2008	1	1,262

FINANCE CONNECTED OFFICIALS

General Manager
Tom Gallier
221 East Main Street
Round Rock, TX 78664
Phone: 512-218-7097
Fax: 512-215-9158
tgallier@bcrua.org

Director of Finance
Kent Meredith
450 Cypress Creek Rd
Bldg 1
Cedar Park, TX 78613
Phone: 512-401-5156
Fax: 512-258-6083
kent.meredith@cedarparktexas.gov

DG



FINANCIAL STATEMENT

FOR OTHER BONDS ISSUED BY BCRUA PLEASE SEE SEPERATE TEXAS MUNICIPAL REPORTS #6563 and #9303.

FINANCIAL STATEMENT (As of September 30, 2016)(a)

Special Obligation Debt
 Senior Lien \$88,635,000

Special Fund Balances
 I&S \$5,205
 Reserve \$6,347,089

(a) Includes \$80,505,000 Contract Rev Ref Bds Ser 2017 dated March 1, 2017 and \$8,130,000 Contract Rev Bds Ser 2017 dated November 16, 2017.

PAYMENT RECORD

Never defaulted.

DETAILS OF OUTSTANDING DEBT

Details of Subordinate Lien Debt (Outstanding 9/30/2016)

Contract Rev Ref Bds (Brushy Creek Regional Water Treatment & Distribution Project) Ser 2017

Lien: Senior
 Tax Treatment: Tax Exempt
 Original Issue Amount \$80,505,000.00
 Dated Date: 03/01/2017
 Sale Date: 03/22/2017
 Delivery Date: 04/19/2017
 Sale Type: Negotiated
 NIC: 3.6939%
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 02/01, 08/01
 1st Coupon Date: 08/01/2017

Paying Agent: BOKF, N.A., Austin, TX
 Bond Counsel: Bickerstaff Heath Delgado Acosta LLP, Austin, TX
 Financial Advisor: FirstSouthwest, a Division of Hilltop Securities Inc., Austin, TX
 Lead Manager: Raymond James
 Co-Manager: BOK Financial Securities, Inc.
 Co-Manager: JPMorgan Chase Bank
 Co-Manager: Stifel Nicolaus & Company, Inc.
 Underwriter's Counsel: McCall, Parkhurst & Horton L.L.P., Austin, TX

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:
 Contract Rev Bds (Brushy Creek Regional Water Treatment & Distribution Project) Ser 2009

Refunded Amount	Mat Date	Coupon	Price	Sched	Call
2,175,000.00	08/01/2017	3.504	Par		ETM
2,290,000.00	08/01/2018	3.664	Par		ETM
2,410,000.00	08/01/2019	3.882	Par		ETM
2,540,000.00	08/01/2020	4.054	Par	08/01/2019	
2,670,000.00	08/01/2021	4.206	Par	08/01/2019	
2,810,000.00	08/01/2022	4.335	Par	08/01/2019	
2,960,000.00	08/01/2023	4.465	Par	08/01/2019	
3,115,000.00	08/01/2024	4.568	Par	08/01/2019	
3,280,000.00	08/01/2025	4.662	Par	08/01/2019	
3,450,000.00	08/01/2026	4.736	Par	08/01/2019	
3,630,000.00	08/01/2027	4.791	Par	08/01/2019	
3,820,000.00	08/01/2028	4.855	Par	08/01/2019	
4,020,000.00	08/01/2029	5.054	Par	08/01/2019	

4,235,000.00	08/01/2030	5.054	Par	08/01/2019
4,455,000.00	08/01/2031	5.054	Par	08/01/2019
4,690,000.00	08/01/2032	5.054	Par	08/01/2019
4,935,000.00	08/01/2033	5.054	Par	08/01/2019
5,195,000.00	08/01/2034	5.084	Par	08/01/2019
5,465,000.00	08/01/2035	5.084	Par	08/01/2019
5,755,000.00	08/01/2036	5.084	Par	08/01/2019
6,055,000.00	08/01/2037	5.084	Par	08/01/2019
6,375,000.00	08/01/2038	5.084	Par	08/01/2019

ETM= Escrowed To Maturity

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
08/01/2017	2,490,000.00	2.0000%	0.800%
08/01/2018	2,270,000.00	3.0000%	1.050%
08/01/2019	2,375,000.00	3.0000%	1.290%
08/01/2020	2,485,000.00	3.0000%	1.530%
08/01/2021	2,585,000.00	3.0000%	1.750%
08/01/2022	2,690,000.00	3.0000%	2.010%
08/01/2023	2,800,000.00	5.0000%	2.210%
08/01/2024	2,965,000.00	5.0000%	2.390%
08/01/2025	3,135,000.00	5.0000%	2.540%
08/01/2026	3,305,000.00	5.0000%	2.670%
08/01/2027	3,490,000.00	5.0000%	2.750%
08/01/2028	3,680,000.00	3.0000%	3.110%
08/01/2029	3,805,000.00	3.0000%	3.160%
08/01/2030	3,930,000.00	4.0000%	3.210%
08/01/2031	4,095,000.00	4.0000%	3.340%
08/01/2032	4,265,000.00	4.0000%	3.440%
08/01/2033	4,445,000.00	4.0000%	3.510%
08/01/2034	4,635,000.00	5.0000%	3.300%
08/01/2035	4,870,000.00	5.0000%	3.350%
08/01/2036	5,125,000.00	5.0000%	3.390%
08/01/2037	5,390,000.00	5.0000%	3.410%
08/01/2038	5,675,000.00	3.7500%	3.870%
-----\$80,505,000.00			

Call Option: Bonds maturing on 08/01/2027 to 08/01/2038 callable in whole or in part on any date beginning 08/01/2026 @ par.

Contract Rev Bds (Brushy Creek Regional Water Treatment & Distribution Project) Ser 2017

Lien: Senior
 Tax Treatment: Tax Exempt
 Original Issue Amount \$8,130,000.00
 Dated Date: 11/16/2017
 Sale Date: 10/18/2017
 Delivery Date: 11/16/2017
 Sale Type: Private Placement
 Record Date: MSRB
 Bond Form: BE
 Denomination \$5,000
 Interest pays Semi-Annually: 08/01, 02/01
 1st Coupon Date: 02/01/2018

Paying Agent: The Bank of New York Mellon Trust Company, N.A., Houston, TX
 Bond Counsel: Bickerstaff Heath Delgado Acosta LLP, Austin, TX
 Financial Advisor: FirstSouthwest, a Division of Hilltop Securities Inc., Austin, TX
 Purchaser: Texas Water Development Board

Use of Proceeds: Water & Sewer.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
08/01/2018	400,000.00	0.5800%	N/A
08/01/2019	365,000.00	0.6300%	N/A

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08/01/2020	370,000.00	0.7000%	N/A
08/01/2021	370,000.00	0.7800%	N/A
08/01/2022	375,000.00	0.9000%	N/A
08/01/2023	375,000.00	1.0100%	N/A
08/01/2024	380,000.00	1.1000%	N/A
08/01/2025	385,000.00	1.2100%	N/A
08/01/2026	385,000.00	1.2900%	N/A
08/01/2027	390,000.00	1.3700%	N/A
08/01/2028	400,000.00	1.5100%	N/A
08/01/2029	405,000.00	1.6800%	N/A
08/01/2030	410,000.00	1.8300%	N/A
08/01/2031	420,000.00	1.9800%	N/A
08/01/2032	425,000.00	2.0600%	N/A
08/01/2033	435,000.00	2.1300%	N/A
08/01/2034	445,000.00	2.1800%	N/A
08/01/2035	455,000.00	2.2200%	N/A
08/01/2036	465,000.00	2.2600%	N/A
08/01/2037	475,000.00	2.2900%	N/A

-----\$8,130,000.00

Call Option: Bonds maturing on 08/01/2028 to 08/01/2037 callable in whole or in part inversely on any date beginning 08/01/2027 @ par.

Grand Total =====> \$88,635,000.00

Bond Debt Service

Period Ending	Principal	Interest	Debt Service
09/30/17	2,490,000.00	3,007,191.16	5,497,191.16
09/30/18	2,670,000.00	3,352,692.75	6,022,692.75
09/30/19	2,740,000.00	3,318,520.50	6,058,520.50
09/30/20	2,855,000.00	3,244,971.00	6,099,971.00
09/30/21	2,955,000.00	3,167,831.00	6,122,831.00
09/30/22	3,065,000.00	3,087,395.00	6,152,395.00
09/30/23	3,175,000.00	3,003,320.00	6,178,320.00
09/30/24	3,345,000.00	2,859,532.50	6,204,532.50
09/30/25	3,520,000.00	2,707,102.50	6,227,102.50
09/30/26	3,690,000.00	2,545,694.00	6,235,694.00
09/30/27	3,880,000.00	2,375,477.50	6,255,477.50
09/30/28	4,080,000.00	2,195,634.50	6,275,634.50
09/30/29	4,210,000.00	2,079,194.50	6,289,194.50
09/30/30	4,340,000.00	1,958,240.50	6,298,240.50
09/30/31	4,515,000.00	1,793,537.50	6,308,537.50
09/30/32	4,690,000.00	1,621,421.50	6,311,421.50
09/30/33	4,880,000.00	1,442,066.50	6,322,066.50
09/30/34	5,080,000.00	1,255,001.00	6,335,001.00
09/30/35	5,325,000.00	1,013,550.00	6,338,550.00
09/30/36	5,590,000.00	759,949.00	6,349,949.00
09/30/37	5,865,000.00	493,190.00	6,358,190.00
09/30/38	5,675,000.00	212,812.50	5,887,812.50
-----			-----
	88,635,000.00	47,494,325.41	136,129,325.41

Debt Amortization Rates

Period Ending	Principal	% of Principal Retired
09/30/2017	2,490,000.00	02.81%
09/30/2018	2,670,000.00	05.82%
09/30/2019	2,740,000.00	08.91%
09/30/2020	2,855,000.00	12.13%
09/30/2021	2,955,000.00	15.47%
09/30/2022	3,065,000.00	18.93%
09/30/2023	3,175,000.00	22.51%
09/30/2024	3,345,000.00	26.28%

09/30/2025	3,520,000.00	30.25%
09/30/2026	3,690,000.00	34.42%
09/30/2027	3,880,000.00	38.79%
09/30/2028	4,080,000.00	43.40%
09/30/2029	4,210,000.00	48.15%
09/30/2030	4,340,000.00	53.04%
09/30/2031	4,515,000.00	58.14%
09/30/2032	4,690,000.00	63.43%
09/30/2033	4,880,000.00	68.93%
09/30/2034	5,080,000.00	74.67%
09/30/2035	5,325,000.00	80.67%
09/30/2036	5,590,000.00	86.98%
09/30/2037	5,865,000.00	93.60%
09/30/2038	5,675,000.00	100.00%

PERTINENT PROVISIONS

NATURE OF PLEDGE: The Bonds are special obligations of the Authority and are payable solely from and equally and ratably secured by a first lien on and pledge of the Bond Payments derived from the operation of the Leander System. The City has not covenanted or obligated itself to pay the Bonds from money raised from taxation from the City.

DEBT SERVICE FUND: BCRUA will maintain a separate and special fund to be known as "Brushy Creek Regional Utility Authority, Inc. City of Leander, Texas Contract Revenue Bonds Debt Service Fund. The fund will receive monthly deposits for the payment of the principal and interest of the bonds.

CONTRACT: On September 2, 2008, Brushy Creek Regional Utility Authority entered into the Master Contract for the Financing, Construction and Operation of the BCRUA Regional Water Treatment and Distribution Project (the Contract) with the Cities of Cedar Park, Leander and Round Rock, Texas. The City Councils of Cedar Park, Leander, and Round Rock respectively, have authorized and approved the creation of the BCRUA as their constituted authority and instrumentality to accomplish the specific public purpose to plan, finance, construct, acquire, own, operate or maintain facilities necessary for the conservation, storage, transportation, treatment or distribution of treated water, including plant sites, rights-of-way, and property, equipment, or rights of any kind useful in connection with the conservation, storage, transportation, treatment, or distribution of treated water, pursuant to the provisions of the Act and other applicable law, including Section 791.026 Texas Government Code, as amended. Each City shall be solely responsible for Bond payments on its series of Bonds. No City shall have any liability or responsibility for any Bond Payment on a series of Bonds issued for another City.

The Contract stipulates that the City will fix and collect such rates and charges for services to be supplied by the Leander System as will produce gross revenue at all times during the term of the Contract in an amount equal to pay all of the expenses of operation and maintenance of the Leaver System including Annual Payments and Bond Payments under the Contract. The BCRUA stipulates that it will maintain rates and charges through the Bond Payments to meet the debt service requirements on the Bond Similarly Secured and agrees that it will take all appropriate action to enforce such terms of the Contract.

THE PROJECT: The BCRUA Project consists of a regional water system that is designed to supply potable water to the City of Leander, the City of Round Rock and the City of Cedar Park. Phase 1 of the BCRUA Project, which began operation in mid-2012, consisted of (i) construction of a floating intake structure in the Sandy Creek arm of Lake Travis, (ii) a raw water transmission pipeline up Trail's End Road and Highway 1431, (iii) a 17 MGD water treatment plant, and (iv) treated water transmission lines for delivery into the Cedar Park, Leander and Round Rock potable water distribution systems.

Phase 2 of the BCRUA Project is expected to consist of the construction of a permanent raw water intake in a deeper location within Lake Travis, which will replace the floating intake and then deliver water by gravity to a new high capacity pumping station located on a portion of the Lower Colorado River Authority's Sandy Creek Park. Raw water will then be pumped out of the new pump station wet well, and be delivered to water treatment facilities owned by the Authority, the City of Cedar Park, and the City of Leander. Phase 2 of the BCRUA

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Project is expected to consist of multiple key elements that will result in the construction of a Deep Water Intake System with an ultimate capacity of 141.7 MGD. The intake's capacity will be allocated among the BCRUA Regional water treatment plant (105.8 MGD), the City of Cedar Park water treatment plant (23.9 MGD), and the City of Leander water treatment plant (12.0 MGD).

OPERATING STATEMENT

STATEMENT OF REVENUES AND EXPENSES- LEANDER SYSTEM The following condensed statements have been compiled using accounting principles customarily employed in the determination of net revenues available for debt service, and in all instances exclude depreciation, transfers, debt service payments and expenditures identified as capital.

	Fiscal Year Ended			
	09-30-2016	09-30-2015	09-30-2014	09-30-2013
Revenues:				
Capital Contribution	\$6,041,211	\$5,751,338	\$5,272,896	\$4,942,697
Operating Revenue	404,409	483,655	523,703	493,769
	-----	-----	-----	-----
Total Revenues	\$6,445,620	\$6,234,993	\$5,796,599	\$5,436,466
Expenses:				
Expenses	\$659,142	\$379,791	\$731,132	\$492,401
Available For Debt Service	\$5,786,478	\$5,855,202	\$5,065,467	\$4,944,065
Revenue Annual Reqmts	\$6,047,311	\$5,743,721	\$5,272,361	\$4,785,481
Coverage On Revenue Bds	0.96X*	1.02X	0.96X*	1.03X

* Debt service requirements met from available fund balance.

ECONOMIC BACKGROUND

BRUSHY CREEK REGIONAL UTILITY AUTHORITY The Brushy Creek Regional Utility Authority, Inc. is a non-profit corporation of the State of Texas, created by the Cities of Cedar Park, Leander and Round Rock, Texas and existing under the laws of the State, including Subchapter D of Chapter 431, as amended, Texas Transportation Code. The BCRUA is empowered to acquire and construct water facilities including water conservation, storage, transportation, treatment and distribution facilities and to deliver this water to the Cities.

The City of Leander is a 29.1 square mile residential and retail center located 24 miles northwest of Austin, at the intersection of Highway 183 and FM Road 2243. The City is a short distance to the Highland Lakes. The City also owns and operates an 18 hole golf course constructed in 1989-90. In addition, The American Steam Train Association has a Tourist Train, an old steam engine with old fashioned passenger cars, that travels through Leander from Austin to Burnet, Texas on Saturdays and Sunday of each week. The 2010 population was 26,521, an increase of 249.14% since 2000. Leander ISD is wholly within the City of Leander.

COUNTY CHARACTERISTICS: Williamson County was created and organized in 1848 from Milam County. Dell Computer Corporation, a personal computer manufacturer, operates a 232,000 sq. ft. telemarketing facility in the county and employs over 20,000 people. Sun City Texas, a 10,500 home, active retirement community, is being developed outside the Georgetown city limits. La Frontera, a 2 million sq. ft., 328 acre development is located at the intersection of IH-35 and future State Highway 45. In August 2006, Round Rock Premium Outlets opened. The outlet center provides over 430,000 square feet of retail space, one hotel, and a movie theater. On November 15, 2006, IKEA opened a 252,000 square foot retail store. The Dell Diamond, a minor league baseball stadium, included in a convention center complex, opened in April 2000. The Round Rock Express, a triple-A minor league team, plays at the Dell Diamond and had a record attendance of 13,475 in 2006.

COUNTY SEAT: Georgetown

2010 census: 422,679 increasing 79.9 % since 2000
 2000 census: 235,000 increasing 68.4 % since 1990
 1990 census: 139,551

ECONOMIC BASE

Mineral: sand, gravel and building stone.

Industry: manufacturing, government, education and agribusiness.

Agricultural: wheat, nursery crops, hay, grain sorghum, cotton, corn and cattle.

OIL AND GAS - 2016

The county ranks 189 out of all the counties in Texas for oil production.

OIL PRODUCTION (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2013	Oil	11,335 BBL	47.94
2014	Oil	17,579 BBL	55.09
2015	Oil	10,142 BBL	-42.31
2016	Oil	7,711 BBL	-23.97

RETAIL SALES & EFFECTIVE BUYING INCOME (The Nielsen Company)

Year	2016	2015	2014
Retail Sales	\$15.6B	\$21.2B	\$7.6B
Effective Buying Income (EBI)	\$14.6B	\$13.0B	\$12.5B
County Median Household Income	\$63,934	\$62,282	\$59,584
State Median Household Income	\$55,352	\$53,037	\$50,464
% of Households with EBI below \$25K	7.0 %	6.8 %	7.4 %
% of Households with EBI above \$25K	71.6 %	73.1 %	73.7 %

EMPLOYMENT DATA (Texas Workforce Commission)

	2017		2016		2015	
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	161,685	\$2.4B	154,692	\$2.0B	146,683	\$2.1B
2nd Q:	N/A	N/A	158,871	\$1.9B	150,639	\$1.8B
3rd Q:	N/A	N/A	158,524	\$2.1B	151,222	\$1.8B
4th Q:	N/A	N/A	162,014	\$2.1B	154,501	\$2.0B

MAJOR COLLEGES AND UNIVERSITIES: Southwestern University

COLLEGES AND UNIVERSITIES

Year	Total	Fall Enrollment
2016	1	1,477
2015	1	1,514
2014	1	1,533
2013	1	1,535
2012	1	1,394
2011	1	1,347
2010	1	1,372
2009	1	1,301
2008	1	1,262

FINANCE CONNECTED OFFICIALS

General Manager
 Tom Gallier
 221 East Main Street
 Round Rock, TX 78664
 Phone: 512-215-9151
 Fax: 512-215-9158
 tgallier@bcrua.org

Director of Finance
 Robert Powers
 City of Leander
 200 West Willis Street
 Leander, TX 78641
 Phone: 512-528-2734
 Fax: 512-528-2829
 rpowers@leandertx.gov

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DG

|

Part D-54 TWDB Correspondence

From: [Jean Devlin](#)
To: [Archer, Aaron D.](#)
Cc: [JoAnne Duncan](#); [Caaren Skrobarczyk](#)
Subject: Brushy Creek Regional Utility Authority
Date: Wednesday, July 20, 2016 3:11:49 PM
Attachments: [image001.png](#)

Hi Aaron,

Clay Schultz forwarded your request to have the Brushy Creek Regional Utility Authority Final Preliminary Engineering Report reviewed. I have reviewed the changes and they appear to be generally consistent with the Environmental Determination issued for the project. No additional coordination or supplementary information is needed at this time. Please keep me up-to-date on any further project changes should they occur.

Thank you,

Jean Devlin

Natural Resource Specialist III

Regional Water Planning and Development – East & Brazos

Texas Water Development Board

1700 North Congress Avenue

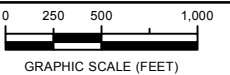
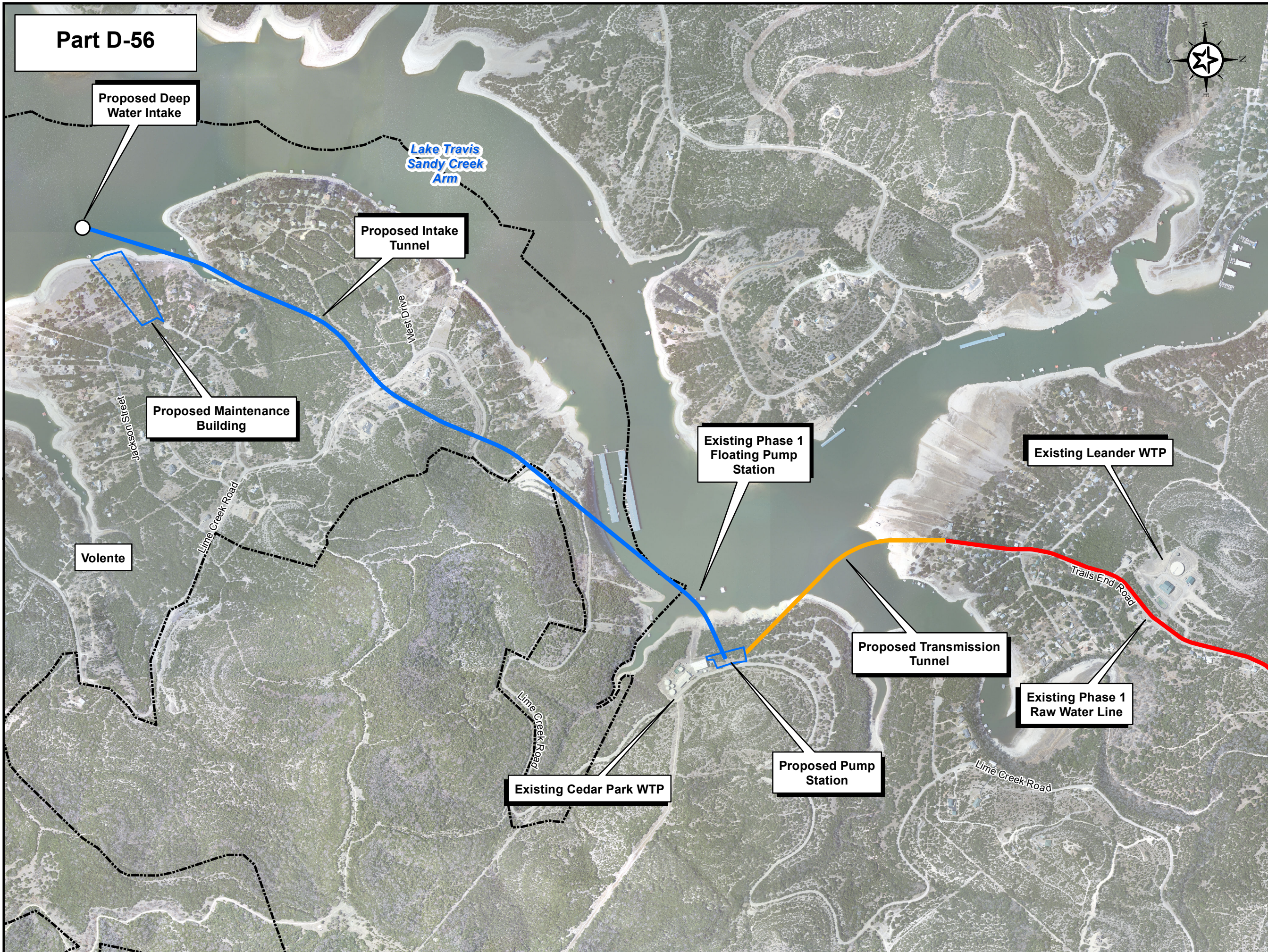
P.O. Box 13231

Austin, Texas 78711-3231

512-936-0884 | Jean.Devlin@twdb.texas.gov



Part D-56



 **Walker Partners**
engineers • surveyors
T.B.P.E. Registration No. 8053

BCRUA

PART D-56

ENLARGED PHASE 2 LAYOUT

FOR REVIEW PURPOSES
ONLY

THIS DOCUMENT IS
RELEASED FOR THE PURPOSE
OF INTERIM REVIEW UNDER
THE AUTHORITY OF
PROFESSIONAL ENGINEER
AARON D. ARCHER
#100367
ON THE DATE SHOWN ON THE
DATE STAMP, IT IS NOT TO BE
USED FOR CONSTRUCTION,
BIDDING, OR PERMIT PURPOSES.

DRAWING NO.
1.03

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Part D-56



Proposed Expansion to BCRUA Regional WTP

WTP

Existing Phase 1 Treated Water Line

Existing Phase 1 Raw Water Line

Cedar Park

Existing Leander WTP

WTP

Proposed Phase 2 Transmission Tunnel

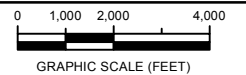
Proposed Phase 2 Pump Station

Proposed Phase 2 Intake Tunnel

WTP

Existing Cedar Park WTP

Proposed Phase 2 Deep Water Intake



BCRUA

PART D-56

OVERALL PROJECT LAYOUT

FOR REVIEW PURPOSES ONLY

THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF INTERIM REVIEW UNDER THE AUTHORITY OF PROFESSIONAL ENGINEER AARON D. ARCHER #100367

ON THE DATE SHOWN ON THE DATE STAMP, IT IS NOT TO BE USED FOR CONSTRUCTION, BIDDING, OR PERMIT PURPOSES.

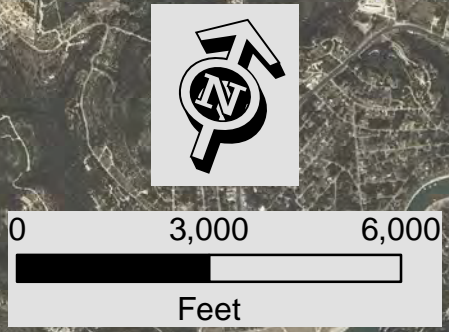
Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

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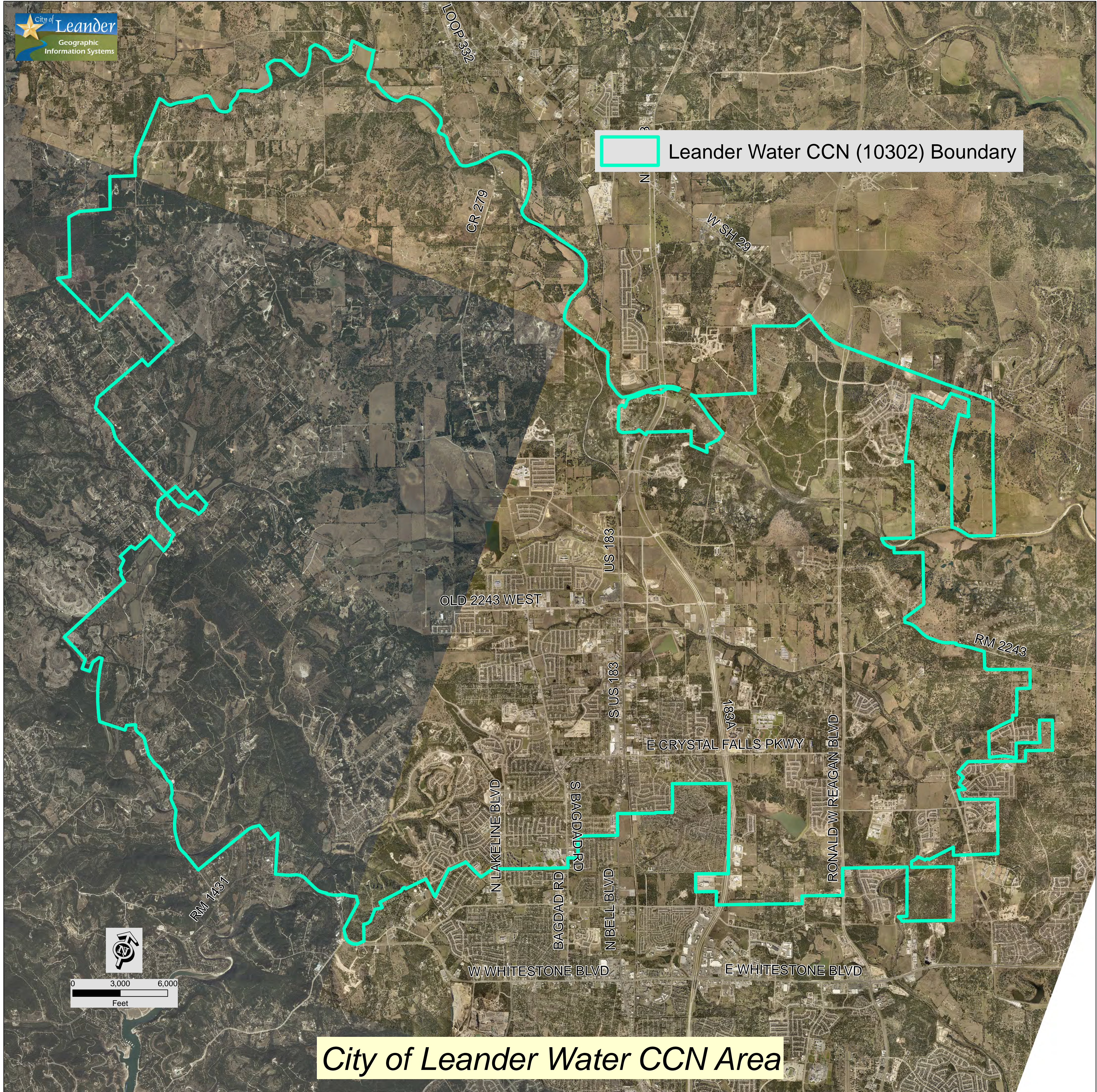
CITY OF CEDAR PARK CEDAR PARK SERVICE AREA

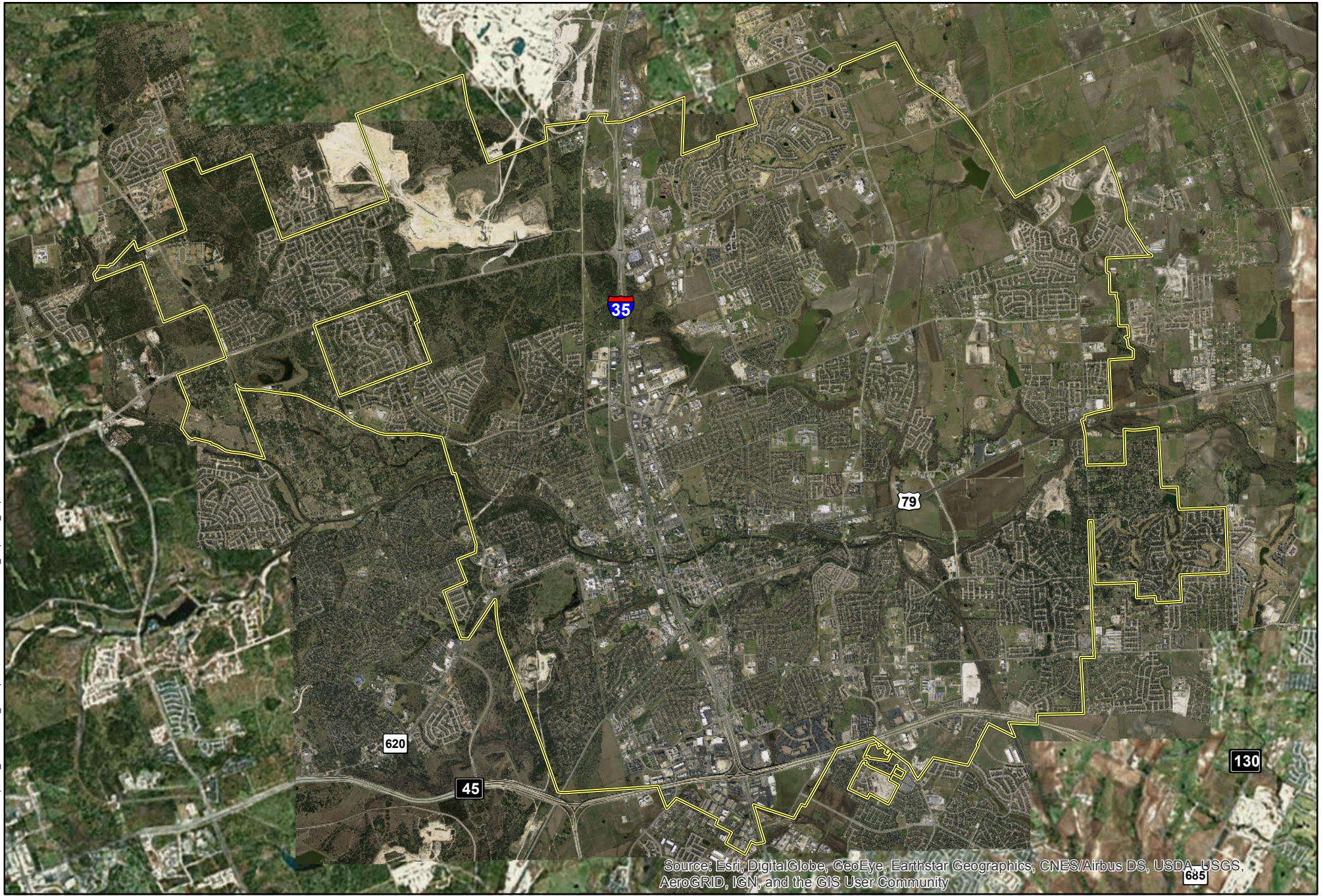


Leander Water CCN (10302) Boundary



City of Leander Water CCN Area





Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA - USGS, AeroGRID, IGN, and the GIS User Community

Date: 4/25/2017



Part D-56

City of Round Rock WATER SERVICE AREA



Part D-59

Year	Population				Projected Peak Day Water Use (MGD)			
	Cedar Park	Round Rock	Leander	Total	Cedar Park	Round Rock	Leander	Total
2018	91,377	120,440	54,774	266,591	27.9	46.6	15.3	90
2019	92,976	123,812	60,144	276,932	28.4	47.6	16.8	93
2020	94,371	127,279	65,514	287,164	28.8	48.6	18.3	96
2021	95,787	130,461	71,242	297,490	29.2	49.6	19.9	99
2022	97,224	133,723	76,254	307,201	29.7	50.8	21.3	102
2023	98,682	137,066	81,624	317,372	30.1	52.0	22.8	105
2024	100,162	140,492	86,636	327,290	30.5	53.4	24.2	108
2025	101,414	143,302	92,006	336,722	30.9	54.8	25.7	111
2026	102,682	146,168	97,018	345,868	31.3	56.2	27.1	115
2027	103,966	149,092	102,030	355,088	31.7	57.6	28.5	118
2028	105,265	152,073	106,684	364,022	32.1	59.0	29.8	121
2029	106,581	155,155	111,696	373,432	32.5	60.4	31.2	124
2030	107,647	158,217	116,350	382,214	32.8	62.0	32.5	127
2031	108,723	160,590	121,004	390,318	33.2	63.2	33.8	130
2032	109,811	162,999	125,658	398,468	33.5	64.4	35.1	133
2033	110,909	165,444	129,954	406,307	33.8	65.6	36.3	136
2034	112,018	167,926	134,608	414,552	34.2	66.8	37.6	139
2035	113,138	170,445	138,904	422,487	34.5	68.0	38.8	141
2036	114,269	173,001	143,200	430,471	34.9	69.2	40.0	144
2037	115,412	175,596	147,496	438,504	35.2	70.4	41.2	147
2038	116,566	178,230	151,792	446,588	35.6	71.6	42.4	150
2039	117,732	180,904	155,730	454,366	35.9	72.8	43.5	152
2040	118,909	183,617	159,668	462,194	36.3	74.0	44.6	155
2041	118,909	186,372	163,606	468,887	36.3	75.2	45.7	157
2042	118,909	189,167	167,544	475,620	36.3	76.4	46.8	159
2043	118,909	192,005	171,482	482,396	36.3	77.6	47.9	162
2044	118,909	194,885	175,062	488,856	36.3	78.8	48.9	164
2045	118,909	197,808	178,642	495,359	36.3	80.0	49.9	166
2046	118,909	200,775	182,222	501,906	36.3	81.2	50.9	168
2047	118,909	203,787	185,802	508,498	36.3	82.4	51.9	171
2048	118,909	206,844	189,382	515,135	36.3	83.6	52.9	173
2049	118,909	209,946	192,604	521,459	36.3	84.8	53.8	175
2050	118,909	213,095	196,184	528,188	36.3	86.0	54.8	177

PROJECT BUDGET - Brushy Creek Regional Utility Authority						
Uses	TWDB Funds Series 1	TWDB Funds Series 2	TWDB Funds Series 3	Total TWDB Cost	Other Funds	Total Cost
Construction						
Construction	\$1,070,000	\$0	\$0	\$1,070,000	\$0	\$1,070,000
Subtotal Construction	\$1,070,000	\$0	\$0	\$1,070,000	\$0	\$1,070,000
Basic Engineering Fees						
Planning +	\$1,795,000	\$0	\$0	\$1,795,000	\$0	\$1,795,000
Design	\$12,477,945	\$0	\$0	\$12,477,945	\$0	\$12,477,945
Construction Engineering	\$60,000	\$0	\$0	\$60,000	\$0	\$60,000
Basic Engineering Other **	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Basic Engineering Fees	\$14,332,945	\$0	\$0	\$14,332,945	\$0	\$14,332,945
Special Services						
Application	\$0	\$0	\$0	\$0	\$0	\$0
Environmental	\$0	\$0	\$0	\$0	\$0	\$0
Water Conservation Plan	\$0	\$0	\$0	\$0	\$0	\$0
I/I Studies/Sewer Evaluation	\$0	\$0	\$0	\$0	\$0	\$0
Surveying	\$0	\$0	\$0	\$0	\$0	\$0
Geotechnical	\$0	\$0	\$0	\$0	\$0	\$0
Testing	\$0	\$0	\$0	\$0	\$0	\$0
Permits	\$0	\$0	\$0	\$0	\$0	\$0
Inspection	\$0	\$0	\$0	\$0	\$0	\$0
O&M Manual	\$0	\$0	\$0	\$0	\$0	\$0
Project Management (by engineer)	\$0	\$0	\$0	\$0	\$0	\$0
Pilot Testing	\$0	\$0	\$0	\$0	\$0	\$0
Water Distribution Modeling	\$0	\$0	\$0	\$0	\$0	\$0
Special Services Other **	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Special Services	\$0	\$0	\$0	\$0	\$0	\$0
Other						
Administration	\$0	\$0	\$0	\$0	\$0	\$0
Land/Easements Acquisition	\$0	\$0	\$0	\$0	\$0	\$0
Water Rights Purchase (If Applicable)	\$0	\$0	\$0	\$0	\$0	\$0
Capacity Buy-In (If Applicable)	\$0	\$0	\$0	\$0	\$0	\$0
Project Legal Expenses	\$0	\$0	\$0	\$0	\$0	\$0
Other **	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Other Services	\$0	\$0	\$0	\$0	\$0	\$0
Fiscal Services						
Financial Advisor	\$27,555	\$0	\$0	\$27,555	\$0	\$27,555
Bond Counsel	\$60,000	\$0	\$0	\$60,000	\$0	\$60,000
Issuance Cost	\$25,000	\$0	\$0	\$25,000	\$0	\$25,000
Bond Insurance/Surety	\$0	\$0	\$0	\$0	\$0	\$0
Fiscal/Legal	\$15,000	\$0	\$0	\$15,000	\$0	\$15,000
Capitalized Interest	\$0	\$0	\$0	\$0	\$0	\$0
Bond Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0
Loan Origination Fee	\$0	\$0	\$0	\$0	\$0	\$0
Other **	\$9,500	\$0	\$0	\$9,500	\$0	\$9,500
Subtotal Fiscal Services	\$137,055	\$0	\$0	\$137,055	\$0	\$137,055
Contingency						
Contingency	\$200,000	\$0	\$0	\$200,000	\$0	\$200,000
Subtotal Contingency	\$200,000	\$0	\$0	\$200,000	\$0	\$200,000
TOTAL COSTS	\$15,740,000	\$0	\$0	\$15,740,000	\$0	\$15,740,000
Other ** description must be entered						
+ For Planning applications under the EDAP Program, please break down Planning costs as follows:						
Category A						0
Category B						0
Category C						0
Category D						0
Total Planning Costs				0	0	0

Texas Water Development Board Water Project Information							
A. Project Name Brushy Creek Regional Utility Authority - Phase 2		B. Project No. SWIFT PIF No. 12589		C. County Williamson			
D. Program(s) SWIFT		E. Date April 12, 2018		F. Regional Planning Group (A-P) G			
G. Water Project Description: (Multiphase project, new or expansion; plant, well, storage, pump station, distribution system, etc) The project is part of a multiphase regional water system and includes design and acquisition of land rights for a proposed deep water intake in Lake Travis, 12,000 feet of tunnels, high capacity raw water pump station, expansion to the associated water treatment plant, and delivery point improvements to the customer cities. The project also includes upgrades to the local power grid to serve the project. Attach map of service area affected by Project or other documentation. Provided as attachment D-56							
H. Is an Inter Basin Transfer potentially involved? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			I. Is project located in a Groundwater District (If yes, identify District by name)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>				
J. Service Area Projected Population for at least a 20 year period: (if different from Planning Area, discuss in separate attachment)	Current Population		Projected Population				
	Year:	2018	2020	2025	2030	2035	2040
	Population:	266,591	287,164	336,722	382,214	422,487	462,194
Project Design Year: (Year for which project will be sized)		2050		Design Population: (Population served by project on the design year)		528,188	
K. Is the proposed project included in a current Regional Water Plan? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Don't Know <input type="checkbox"/> (If Yes, please specify on what page in the Regional Water Plan - Regional Water Plan Page Number: <u>G, Vol II, pg 7.2.1</u>)							
L. What type of water source is associated directly with the proposed project? Surface Water <input checked="" type="checkbox"/> Groundwater <input type="checkbox"/> Reuse <input type="checkbox"/>							
M. Will the project increase the volume of water supply? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>							
N. What volume of water is the project anticipated to deliver/ treat per year? <u>11,760 (new treatment)</u> <small>Acres-Feet/Year</small> <u>90,720 (new raw water capacity)</u>							
O. Current Water Supply Information							
Surface Water Supply Source / Provider Names Lower Colorado River Authority		Certificate No. Reference Form WRD-208A	Source County Travis		Annual Volume and Unit Reference Form WRD-208A		
Groundwater Supply Aquifer N/A		Well Field location N/A	Source County N/A		Annual Volume and Unit N/A		
Reuse Water N/A		Certificate No. N/A	Annual Amount Used and Unit N/A				
P. Proposed Water Supply Associated Directly with the Proposed Project							
Surface Water Supply Source / Provider Names Lower Colorado River Authority		Certificate No. Reference Form WRD-208A	Source County Travis		Annual Volume and Unit Reference Form WRD-208A		
Groundwater Supply Aquifer N/A		Well Field location N/A	Source County N/A		Annual Volume and Unit N/A		
Reuse Water N/A		Certificate No. N/A	Annual Amount Used and Unit N/A				
Q. Consulting Engineer Name Aaron Archer, PE		Telephone No. 512-382-0021		E-mail address aarcher@walkerpartners.com			
R. Applicant Contact Name, Title Tom Gallier, General Manager		Telephone No. 512-788-2036		E-mail address tgallier@bcrua.org			

All boxes on this form must be filled out for the application to be administratively complete. Items may be marked as N/A if appropriate.

Part D-63 Cedar Park

STATE OF TEXAS §
COUNTY OF WILLIAMSON §
§

SURFACE WATER AFFIDAVIT

Before me, the undersigned notary, on this day personally appeared a person Brenda Eivens whose identity is known to me. After I administered an oath to him/her, upon his/her oath he/she said:

- 1. I am over 18 years of age, of sound mind, and capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.
- 2. I am an authorized representative of the City of Cedar Park, an entity that has filed an application for financial assistance with the Texas Water Development Board for a project that proposes the development of a new surface water supply source.
- 3. Does the applicant possess a Certificate of Adjudication and/or Water Rights Permit(s) issued by the Texas Commission on Environmental Quality or a predecessor agency authorizing the appropriation and use of the surface water needed for the Project?

Yes No

Please attach a copy of the Certificate(s) of Adjudication and Water Rights Permit(s).

Item attached: Yes No

- 4. Does the applicant have the contractual right to use the surface water from an entity that enjoys the right to appropriate and use the surface water needed for the project?

Yes No

Please attach a copy of any draft or executed water supply contract, lease or other legal instrument providing contractual authorization to use the surface water needed for the Project.

Item attached: Yes No

Please identify the Certificate of Adjudication(s) and Water Rights Permit(s) possessed by the wholesale water provider pursuant to which the contract, lease or other legal instrument has been or will be executed.

Certificate of Adjudications: 14-5478 and 14-5482

Item attached: Yes No

Water Rights Permit(s): _____

Item attached: Yes No

Signed the day of 27th of April, 2018

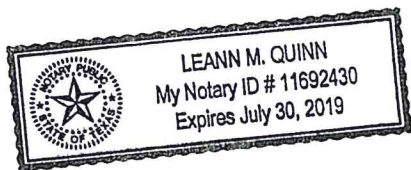
Name: Brenda Eivens

Title: City Manager

Sworn to and subscribed before me by Brenda Eivens on April 27th,
2018

Leann M. Quinn

Notary Public in and for the State of Texas



[SEAL]

My Commission expires: 7.30.19

WATER SALE CONTRACT FOR MUNICIPAL USES

by and between

LOWER COLORADO RIVER AUTHORITY

And

CITY OF CEDAR PARK, TEXAS

00037571 126963

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EXHIBITS

- A. Description Of Diversion Points
- B. Description Of Area Of Use
- C. Depiction Of Area Of Use
- D. Water Conservation Plan
- E. Non-Point Source Water Pollution Abatement Plan
- F. Arbitration Procedures

WATER SALE CONTRACT FOR MUNICIPAL USES

The LOWER COLORADO RIVER AUTHORITY (hereinafter, together with its successors and assigns, "LCRA") and the City of Cedar Park, Texas (hereinafter, together with its successors and assigns as provided herein, "PURCHASER") in mutual consideration of the provisions herein contained agree as follows:

I

WATER SUPPLY

- A. MAXIMUM ANNUAL QUANTITY - From and after the Effective Date hereof, PURCHASER shall have the right to divert up to a maximum of 18,000 acre-feet (5,865,318,000 gallons) of raw water per annum (the "Maximum Annual Quantity") from Lake Travis in Travis County, Texas at a point or points of diversion within a segment bordering on Lake Travis described and depicted in Exhibit "A" attached hereto (the "Point of Diversion"), said Exhibit depicting the segment by reference to a corner of an original land survey and/or other survey point, giving both course and distance.
- B. SOURCE OF WATER SUPPLY – The water supplied under this contract will be water provided, in accordance with LCRA's Water Management Plan, from storage in Lakes Buchanan and/or Travis in accordance with water rights held by LCRA as set forth in Certificates of Adjudication No. 14-5478, as amended, and 14-5482, as amended, or from any other source available to LCRA.

- C. MUNICIPAL USE ONLY – PURCHASER represents to LCRA and LCRA relies on such representation that all water supplied under this contract will be utilized for municipal uses only, as such term is defined by the substantive rules for water rights of the Texas Natural Resource Conservation Commission.
- D. AREA OF USE – Water supplied under this contract shall only be used within that certain area consisting of a total of 21,052 acres, and to the following areas, without regard to whether such areas are within the corporate limits or extraterritorial jurisdiction of the City of Cedar Park:
- (a) Any area that is within the service area defined by Certificates of Convenience and Necessity No. 10160 issued by the Public Utility Commission of Texas;
 - (b) The area that the Cedar Park Water Supply Corporation was obligated to serve by the contract with Block House Venture dated November 8, 1979, including any area included in any future amendment to that contract, so long as the amendment does not increase the total acreage which the City is obligated to serve under the November 8, 1979 contract;
 - (c) That certain 1,800 acre tract of land located immediately adjacent to and east of the City’s current extraterritorial jurisdiction, lying along and east of South Brushy Creek; and
 - (d) Those areas served by the City of Leander or included within its existing Certificate of Convenience and Necessity and/or extraterritorial jurisdiction;

provided, however, Purchaser's authorization to provide water to serve the area in this Paragraph I.D. (d) is, unless the area is also included in one of the areas described in the preceding portions of this Paragraph I.D., contingent upon the effectiveness of the Interlocal Agreement for Water Supply between Purchaser and LCRA, effective July 7, 1998, as amended from time to time ("Interlocal Agreement"). If the Interlocal Agreement terminates, or if the Texas Natural Resource Conservation Commission authorizes LCRA to use water out of Lake Travis to serve the City of Leander, then Purchaser's authorization to provide water to serve the area in this Paragraph I.D. (d) will, unless the area is also included in one of the areas described in the preceding portions of this Paragraph I.D., become null and void.

all of which is described in Exhibit "B" attached hereto and depicted in Exhibit "C", attached hereto, together hereinafter called the "Property".

E. WATER CONSERVATION/DROUGHT CONTINGENCY MEASURES –

PURCHASER agrees to implement the water conservation program and drought contingency measures in accordance with the water conservation plan (the "Conservation Plan") described in Exhibit "D" attached hereto and that the water diverted by PURCHASER pursuant to this contract will be used in accordance with such Conservation Plan. PURCHASER agrees that, in the event that PURCHASER furnishes water or water services to a third party that in turn will furnish the water or water services

to the ultimate consumer, the requirements of this contract relative to water conservation and drought contingency measures shall be met through contractual agreements between the PURCHASER and the third party, providing for the establishment and implementation of a water conservation program consistent with PURCHASER's Conservation Plan. LCRA, in accordance with applicable law, may from time to time adopt reasonable rules and regulations relating to water conservation and drought contingency measures. PURCHASER agrees to amend its Conservation Plan, as necessary, to reflect such water conservation and drought contingency measures, rules and regulations.

- F. DELIVERY OF WATER – LCRA shall deliver such water to the Points of Diversion in the necessary amounts and at the necessary times to allow PURCHASER to divert water at the Points of Diversion at PURCHASER's sole expense in such amounts and at such times as needed by PURCHASER, up to a total diversion of the Maximum Annual Quantity.
- G. AVAILABILITY OF WATER – The LCRA shall make water available to PURCHASER under this contract from the LCRA's firm water supply, as defined in the LCRA's Water Sale Contract Administrative Rules, except LCRA may interrupt or curtail the water supplied under this contract in accordance with LCRA's Water Management Plan, as such Plan and any amendments thereto have been approved and may be approved in the

future by the Texas Natural Resource Conservation Commission.

LCRA makes no guarantee that the water supplied under this contract will be available at any particular time or place or that any LCRA owned/operated reservoir or the Colorado River will be retained at any specific level at any particular time.

PURCHASER fully understands that the level of said reservoirs and the Colorado River will vary as a result of LCRA's operations of its dams on the Colorado River.

- H. OPERATIONS OF DAMS AND RESERVOIRS – The right of LCRA to maintain and operate its several dams and their appurtenances on the Colorado River and at any and all times in the future to impound and release waters thereby in any lawful manner and to any lawful extent LCRA may see fit is recognized by PURCHASER; and, except as otherwise provided herein, there shall be no obligation upon LCRA to release or not to release any impounded waters at any time or to maintain any waters at any specified level.
- I. INTERBASIN TRANSFER - Water supplied under this contract will be transferred to and used within the Brazos River Basin, as contemplated by the authorization set forth in Sections 11.085(v) (4) and 11.122, Texas Water Code. Purchaser will apply to the Texas Natural Resource Conservation Commission for and will diligently pursue the amendment of its existing Water Use Permit No. 4007, as amended, to authorize the

increase in the quantity of raw water to be supplied to PURCHASER under this contract. Upon obtaining such amendment, PURCHASER will promptly provide a copy thereof to LCRA.

II

CONTRACT ADMINISTRATION

- A. TERM OF CONTRACT – This contract shall be for a term of forty (40) years commencing on the “Effective Date,” and ending on the last day of June, 2041. The Effective Date of this contract shall be the date that this contract has obtained an amendment to its existing water use permit, as contemplated by Paragraph I.I, “INTERBASIN TRANSFER”.
- B. PAYMENT – PURCHASER hereby covenants to pay LCRA on a monthly basis beginning with the first month after the Effective Date of this contract an amount of money equal to the rate determined by the Board of Directors of LCRA to then be in effect for all sales of water for municipal purposes (“Water Rate”) times the amount of water diverted by PURCHASER during the previous month (“Monthly Diversion”). PURCHASER covenants to pay LCRA, on a calendar year basis, an amount of money (“the Reserved Water Charge”) equal to the Water Rate times fifty percent (50%) of the “Reserved Water,” which shall be the difference between the Maximum Annual Quantity and the amount of water diverted by PURCHASER during the previous calendar year

("Annual Diversion"). PURCHASER further covenants to pay LCRA, on a calendar year basis, an amount of money equal to the rate determined by the Board of Directors of LCRA to then be in effect for diversion of water in amounts in excess of the Maximum Annual Quantity ("Inverted Block Rate"). The Water Rate presently in effect is \$105.00 per acre-foot (\$0.32 cents per 1,000 gallons) of water. The Inverted Block Rate presently in effect is \$200.00 per acre-foot of water.

LCRA reserves all rights that it may have under law to modify from time to time the Water Rate applicable to all diversions of water for municipal use and the Inverted Block Rate applicable to all diversions of water in excess of the Maximum Annual Quantity.

LCRA also reserves all rights that it may have under law to impose and thereafter modify from time to time a charge applicable to all such water which is reserved but not diverted.

PURCHASER understands and acknowledges that the Water Rate, Reserved Water Charge, and the Inverted Block Rate set forth in this contract are in accordance with the water tariff for water reserved and/or diverted for municipal purposes approved by LCRA's Board of Directors.

Within five (5) days after the first day of each month, LCRA will mail a statement to PURCHASER showing the Monthly Diversion. Such statement shall also show the amount of money owed by PURCHASER to LCRA in accordance with the Water Rate and late payment charge specified herein.

The statement mailed by LCRA to PURCHASER in the month of January each year, in addition to showing the amount of water diverted by PURCHASER during the previous month and the amount of money owed by PURCHASER to LCRA for such water, shall also show the amount of water remaining during the previous calendar year (“Reserved Water”) that PURCHASER was authorized to divert under this contract but failed to do so, as well as the amount of money owed by PURCHASER to LCRA in accordance with the Reserved Water Charge and late payment charge specified herein. If PURCHASER diverts water in excess of the Maximum Annual Quantity, then such statement shall show the amount of water diverted in excess of said amount, as well as the amount of money owed by PURCHASER to LCRA in accordance with the Inverted Block Rate specified herein.

Each statement submitted to PURCHASER shall be paid to LCRA at its office in Austin, Texas, by check or bankwire, on or before thirty (30) days from the date of mailing of the statement to PURCHASER. In the event PURCHASER fails to make payment of that statement within said thirty (30) day period, PURCHASER shall then pay a late payment charge of five percent (5%) of the amount of the statement. For each calendar month or fraction thereof that the statement remains unpaid, PURCHASER shall pay interest at the rate of two percent (2%) of the amount of the statement. If the statement has not been paid in the prescribed period, PURCHASER further agrees to pay all costs of collection and reasonable attorney’s fees, regardless of whether suit is filed.

C. METERING OF DIVERTED WATER – To measure the amount of water diverted by PURCHASER hereunder, PURCHASER agrees at PURCHASER’s expense to install such flow meters and recording devices as are approved by LCRA, (the “Meters”) such meters to permit, within five percent (5%) accuracy, determination of quantities of raw water diverted hereunder in units of 1,000 gallons. PURCHASER shall provide LCRA with reasonable access to the Meters for the purpose of making meter readings and/or periodic inspections. LCRA shall have the right to make a reading of the Meters installed by PURCHASER on a monthly basis. PURCHASER agrees that the Meters shall be tested for accuracy by qualified personnel as approved by LCRA and at the expense of PURCHASER once each calendar year at intervals of approximately twelve (12) months. PURCHASER shall furnish to LCRA a report of such test results. Readings within five percent (5%) of accuracy shall be considered correct.

The Meters may be tested at any reasonable time by either party to this contract, provided that the party making the test shall notify the other party at least two (2) weeks in advance and allow the other party to witness the test. LCRA may install, at its expense, check meters in or to any of PURCHASER’s metering equipment at any time and may leave such check meters installed for such periods as is reasonably necessary to determine the accuracy of PURCHASER’s metering equipment. PURCHASER shall be required to take necessary steps to correct any meter inaccuracy discovered during any test.

In the event any question arises at any time as to the accuracy of any meter, such meter shall be tested by PURCHASER promptly upon the demand of LCRA, the expense of such test to be borne by LCRA if the meter is found to be correct and by PURCHASER if it is found to be incorrect. If, as a result of any test, any meter is found to be registering inaccurately (i.e., in excess of five percent (5%) of accuracy), the readings of such meter shall be corrected at the rate of its inaccuracy for any period which is definitely known and agreed upon or, if no such period is known and agreed upon, the shorter of the following periods shall be used as the basis for correction:

- (1) a period extended back either sixty (60) days from the date of demand for the test or, if no demand for the test was made, sixty (60) days from the date of the test; or
- (2) a period extending back half of the time elapsed since the last previous test; and the records of reading shall be adjusted accordingly.

D. TERMINATION OF CONTRACT – This contract may be terminated hereto as follows:

- (1) If a PURCHASER is current on all payments due to LCRA under this contract, PURCHASER may terminate this contract, by providing at least thirty (30) days' prior written notice to LCRA, on February 15 of any year following the expiration of five (5) years measured from the Effective Date.

- (2) LCRA at its sole option, in accordance with the terms and conditions set forth in Paragraph II.E., “NON-PAYMENT”, may terminate this contract without recourse should PURCHASER fail to comply with the terms and conditions of this contract for the payment of moneys owed to LCRA pursuant to Paragraph II.B., “PAYMENT.”

- (3) If PURCHASER fails to comply with its Conservation Plan or its Non-Point Source Water Pollution Abatement Plan, LCRA may, at its sole option terminate this contract without recourse unless such default is cured within thirty (30) days (or, if the nature of such default is not susceptible of being cured within such thirty (30) day period, such longer period of time during which PURCHASER diligently prosecutes the cure of such default, not to exceed ninety (90) days) of PURCHASER’s receipt of written notice of such default.

- (4) If PURCHASER fails to comply with the requirements of Paragraphs III.C., “SEWAGE REGULATIONS,” or III.D., “DEVELOPMENT AND WATER QUALITY REGULATIONS,” LCRA may, at its sole option, terminate this contract without recourse unless such default is cured within thirty (30) days (or, if the nature of such default is not susceptible of being cured within such thirty (30) day period, such longer period of time during which PURCHASER diligently prosecutes the cure of such default, not to exceed ninety (90) days) of

PURCHASER's receipt of written notice of such default.

- (5) If PURCHASER fails to comply with other requirements of this contract not specifically stated above, LCRA may, at its sole option, terminate this contract without recourse unless such default is cured within thirty (30) days (or, if the nature of such default is not susceptible of being cured within such thirty (30) day period, such longer period of time during which PURCHASER diligently prosecutes the cure of such default, not to exceed ninety (90) days) of PURCHASER's receipt of written notice of such default.
- (6) This contract may be terminated immediately by the LCRA upon the declaration of bankruptcy by PURCHASER.

PURCHASER shall remain liable for all fees and charges accruing under the contract through the date the contract is terminated.

- E. NON-PAYMENT – If LCRA determines that PURCHASER has not paid the full amount owed for any payment due under Paragraph II.B., “PAYMENT”, hereof within the time provided therefore, LCRA shall give written notice to PURCHASER stating the amount LCRA has determined is due and unpaid. If LCRA gives notice as provided herein and PURCHASER fails to pay within thirty (30) days the amounts claimed in such notice to

be due and unpaid, LCRA may, at its sole option, upon giving ten (10) days written notice to PURCHASER terminate this contract without recourse. If PURCHASER should dispute PURCHASER's obligation to pay all or any part of the amount stated in any statement or notice, PURCHASER may, in addition to all other rights that PURCHASER may have under law, pay such amount under protest in which case such amount shall be deposited by LCRA in an interest bearing account mutually acceptable to both LCRA and PURCHASER pending final resolution of such dispute in accordance with Paragraph IV.G., "DISPUTE RESOLUTION." LCRA may not terminate this contract for failure to pay the amount stated in any statement or notice if PURCHASER pays such amount under protest and until there is a final resolution of such dispute in accordance with Paragraph IV.G., "DISPUTE RESOLUTION," favorable to LCRA which resolution would allow the LCRA to terminate this contract for non-payment.

- F. NOTICE – Each notice under this contract shall be transmitted by certified mail, return receipt requested, and shall be effective on the date actually received. All notices and statements to PURCHASER shall be addressed to:

City of Cedar Park
600 North Bell
Cedar Park, Texas 78630

and all notices and payment to LCRA shall be addressed to:

Lower Colorado River Authority
P.O. Box 220
Austin, Texas 78767

Either party may change its address by giving written notice of such change to the other party.

- G. ASSIGNMENT OF CONTRACT – PURCHASER may assign this contract only upon obtaining the approval of the LCRA in accordance with the requirements for substantive amendments of contracts in the LCRA’s Water Sale Contract Administrative Rules.
- H. COMPLIANCE WITH FILING REQUIREMENTS – LCRA agrees to file a copy of this contract with the Executive Director of the Texas Natural Resource Conservation Commission, P.O. Box 13087, Capitol Station, Austin, Texas 78711, it being fully recognized by the PURCHASER hereunder that the effectiveness of this contract is dependent upon compliance with the substantive rules and procedural rules for water rights of the Texas Natural Resource Conservation Commission.

III

ENVIRONMENTAL

- A. NON-POINT SOURCE WATER POLLUTION ABATEMENT – PURCHASER agrees to implement a non-point source water pollution abatement program in accordance with the non-point source pollution abatement plan (the “NPS Plan”) described in Exhibit “E,” attached hereto. LCRA, in accordance with applicable law, may from time to time adopt reasonable rules and regulations relating to the abatement of non-point source water

pollution. PURCHASER agrees to amend its NPS Plan as necessary to reflect such non-point source water pollution abatement rules and regulations.

- B. QUALITY OF WATER – LCRA makes no representation as to the quality of the water supplied under this contract, and PURCHASER hereby releases LCRA and agrees to hold it harmless from any and all claims that PURCHASER or PURCHASER’s customers or users have or may have against LCRA for any diminution in or impairment of the quality of water supplied under this contract caused by any acts or omissions of LCRA.
- C. SEWAGE REGULATIONS - PURCHASER agrees to obtain or cause to be obtained all approvals required by all applicable local, state or federal agencies for any sanitary sewage system or systems which collect sewage derived from water diverted herein or any sanitary sewage system whose effluent is discharged in the Colorado River basin. PURCHASER shall make copies of such approvals available to LCRA. Failure of PURCHASER to meet any standards imposed by such agencies for sanitary sewage systems, including on-site systems, shall subject PURCHASER under this contract to all remedies allowed by law including, without limitation, termination or suspension of this contract by LCRA. PURCHASER further agrees that if a sewage treatment plant is located within the Property, LCRA shall have reasonable access to such plant for the purpose of taking samples of sewage effluent from such plant for testing by LCRA to

determine whether PURCHASER is in compliance with such standards imposed by such agencies.

- D. DEVELOPMENT AND WATER QUALITY REGULATIONS – Prior to actual diversion of water, PURCHASER agrees to provide LCRA written verification that all plans and designs of improvements to be constructed, operated and/or maintained by PURCHASER upon the Property or applicable portion thereof as described in Exhibit “B” and depicted in Exhibit “C” are in compliance with municipal, county or other governmental regulations pertaining to the use of said Property, or applicable portion thereof, or to water quality or non-point source discharges.

IV

GENERAL PROVISIONS

- A. PREVIOUS CONTRACT – Upon the Effective Date of this contract that certain Water Sale Contract between LCRA and the City of Cedar Park, Texas (LCRA Contract No. 34333) dated March 30, 2000, shall be null, void, and of no further legal force and effect.
- B. INDEMNIFICATION – PURCHASER will indemnify and save LCRA harmless from any and all claims and demands whatsoever to which LCRA may be subjected by reason of any injury to any person or damage to any property resulting from any and all actions and activities (or failure to act) of PURCHASER under this contract except to the extent

caused by LCRA's gross negligence or willful misconduct. PURCHASER's pumping and related facilities shall be installed, operated and maintained by PURCHASER at PURCHASER's sole risk. Nothing in this contract shall be construed as authorizing PURCHASER, or recognizing that PURCHASER has any right, to install any equipment or improvements on property owned by LCRA or third parties.

LCRA will save PURCHASER harmless from any and all claims or demands whatsoever to which LCRA may be subjected by reason of any injury to any person or damage to any property resulting from or in any way connected with any and all actions and activities (or failure to act) of LCRA under this contract.

- C. FORCE MAJEURE - The term "Force Majeure" as used herein, shall mean those situations or conditions which are beyond the control of LCRA or PURCHASER and which, after the exercise of due diligence to remedy such situation or condition, render LCRA or PURCHASER unable, wholly or in part, to carry out the covenants contained herein. Such force majeure includes but is not limited to acts of God, strikes, lockouts, acts of the public enemy, orders of any kind of the government of the United States or of the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, civil disturbances, explosions, breakage or accidents to machinery, pipelines, canals, or dams, partial or entire failure of water supply insofar as each of the foregoing are beyond

the reasonable control of the party in question. LCRA shall not be held liable or responsible for any damage that may be caused by its inability, after the exercise of due diligence, to make the supply of water available to PURCHASER due to any force majeure. LCRA shall use reasonable and timely diligence to repair or recondition the machinery, canals, or dams in the event such machinery, canals or dams are damaged or made unserviceable from any force majeure.

- D. NO THIRD-PARTY BENEFICIARY - The parties hereto are entering into this contract solely for the benefit of themselves and agree that nothing herein shall be construed to confer any right, privilege or benefit on any person or entity other than the parties hereto.
- E. NO RIGHTS OR TITLE ACQUIRED - PURCHASER agrees and acknowledges that it acquires by this contract no rights or title to the water that is the subject of this contract other than those rights explicitly set forth herein.
- F. REPRESENTATIONS AND WARRANTIES - Each of LCRA and PURCHASER represents and warrants to the other that this contract has been duly executed by an authorized officer and constitutes a valid and binding contract, enforceable against it in accordance with its terms (except as such enforceability may be limited by bankruptcy laws or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles).

G. DISPUTE RESOLUTION

- (1) Settlement By Mutual Agreement. In the event any dispute, controversy or claim between or among the parties arises under this contract or is connected with or related in any way to this contract or any right, duty or obligation arising hereunder or the relationship of the parties hereunder (a "Dispute or Controversy"), including, but not limited to, a Dispute or Controversy relating to the effectiveness, validity, interpretation, implementation, termination, cancellation or enforcement of this contract, the parties shall first attempt in good faith to settle and resolve such Dispute or Controversy by mutual agreement in accordance with the terms of this subparagraph (1). In the event a Dispute or Controversy arises, any party shall have the right to notify the other party to such Dispute or Controversy that it has elected to implement the procedures set forth in this subparagraph (1). Within fifteen (15) days after delivery of any such notice by one party to the other regarding a Dispute or Controversy, the designated representatives of the parties shall meet at a mutually agreed time and place to attempt, with diligence and good faith, to resolve and settle such Dispute or Controversy. Should a mutual resolution and settlement not be obtained at the meeting of the parties' designated representatives for such purpose or should no such meeting take place within such fifteen (15) day period, then any party may by notice to the other party, as the case may be, refer the Dispute or Controversy to senior management of the parties for resolution. Within fifteen (15) days after

delivery of any such notice by one party to the other referring such Dispute or Controversy to senior management of the parties for resolution, representatives of senior management of each of the parties shall meet at a mutually agreed upon time and place to attempt, with diligence and good faith, to resolve and settle such Dispute or Controversy. Should mutual resolution and settlement not be obtained at the meeting of representatives of senior management of each of the parties for such purposes or should no such meeting take place within such fifteen (15) day period (unless extended by mutual agreement), then any party may by notice to the other party, as the case may be, submit the Dispute or Controversy to binding arbitration in accordance with the provisions of subparagraph (2) and Exhibit F. Upon the receipt of notice of referral to arbitration hereunder, the parties shall be compelled to arbitrate the Dispute or Controversy in accordance with the terms of this Paragraph G and Exhibit F without regard to the justiciable character or executory nature of such Dispute or Controversy.

- (2) Arbitration. Each party hereby agrees that any Dispute or Controversy which is not resolved pursuant to the provisions of subparagraph (1) may be submitted to binding arbitration hereunder and if submitted shall be resolved exclusively and finally through such binding arbitration. This Paragraph G and Exhibit F constitute a written agreement by the parties to submit to arbitration any Dispute

or Controversy arising under or in connection with this contract within the meaning of Section 171.001 of the Texas Civil Practice and Remedies Code.

- (3) Emergency Relief. Without affecting the parties' agreement to arbitrate Dispute and Controversies, either party may seek injunctive relief or other form of emergency relief at any time from any state court of competent jurisdiction in Austin, Texas, the federal court for such district, or any state or federal regulatory agency of competent jurisdiction.
- (4) Survival. The provisions of this Paragraph G shall survive expiration or earlier termination of this contract.

H. ACTUAL DAMAGES - NEITHER PARTY SHALL BE LIABLE OR HAVE ANY RESPONSIBILITY TO THE OTHER FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE OR DELAY-RELATED OR PERFORMANCE-RELATED DAMAGES INCLUDING, WITHOUT LIMITATION, LOST EARNINGS OR PROFITS. SUCH LIMITATION ON LIABILITY SHALL APPLY TO ANY CLAIM OR ACTION, WHETHER IT IS BASED ON WHOLE OR IN PART ON CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT, STATUTE OR ANY OTHER THEORY OF LIABILITY. The provisions of this Paragraph IV.H. shall have no effect on the party's indemnity obligations under Paragraph IV.B.

- I. AMENDMENT - This contract may not be modified or amended except by an instrument in writing signed by authorized representatives of the parties.
- J. BINDING EFFECT - The terms of this contract shall be binding upon, and inure to the benefit of, the parties and their permitted successors and assigns.
- K. COMPLETE CONTRACT - This contract, together with all Exhibits attached hereto constitutes the entire agreement of the parties relating to the subject matter of this contract and supersedes all prior contracts, agreements or understandings with respect to the subject matter hereof, both oral or written.

Each party agrees that the other party (and their agents and representatives) have not made, and it has not relied upon, any representation, warranty, covenant or agreement to or with such party relating to the transactions contemplated hereunder other than those expressly set forth herein.

- L. COUNTERPARTS - This contract may be executed by the parties in any number of separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts shall together constitute one and the same agreement. All signatures need not be on the same counterpart.

- M. FURTHER ASSURANCES - Each party agrees to do all acts and things and to execute and deliver such further written instruments, as may be from time to time reasonably required to carry out the terms and provisions of this contract.
- N. GOVERNING LAW - This contract and the rights and duties of the parties arising out of this contract shall be governed by, and construed in accordance with, the laws of the State of Texas, without reference to the conflict of laws rules thereof.
- O. HEADINGS; TABLE OF CONTENTS - The headings of the Articles and Paragraphs of this contract and the Table of Contents are included for convenience only and shall not be deemed to constitute a part of this contract.
- P. INCORPORATION OF EXHIBITS - All Exhibits attached to this contract are incorporated herein by this reference in their entirety and made a part hereof for all purposes.
- Q. INTERPRETATION AND RELIANCE - No presumption will apply in favor of any party in the interpretation of this contract or in the resolution of any ambiguity of any provisions thereof.

R. RELATIONSHIP OF PARTIES - This contract and the transactions contemplated hereunder are based upon the active participation of all parties.

Neither the execution nor delivery of this contract, nor the consummation of the transactions contemplated hereunder, shall create or constitute a partnership, joint venture, or any other form of business organization or arrangement between the parties, except for the contractual arrangements specifically set forth in this contract. Except as is expressly agreed to in writing in this contract, no party (or any of its agents, officers or employees) shall be an agent or employee of the other party, nor shall a party (or any of its agents, officers or employees) have any power to assume or create any obligation on behalf of the other party. Nothing contained in this contract shall create or constitute a partnership, joint venture, or any other form of business organization or arrangement among LCRA on the one hand and the Purchaser on the other hand, except for the contractual arrangements specifically set forth herein.

S. SEVERABILITY - In the event that any provision of this contract is held to be unenforceable or invalid by any court of competent jurisdiction, the parties shall negotiate an equitable adjustment to the provisions of this contract with the view to effecting, to the extent possible, the original purpose and intent of this contract, and the validity and enforceability of the remaining provisions shall not be affected thereby.

T. SHORT TERM SALES OF FIRM WATER TO THIRD PARTIES - In accordance with LCRA Board Policy 501, Water Resources Management, LCRA and PURCHASER agree that LCRA may market and re-sell any portion of PURCHASER'S Reserved Water to third parties on a limited term basis for a management fee and under terms mutually acceptable to LCRA and PURCHASER and in accordance with LCRA Board Policies.

EXECUTED this 13th day of June, 2001.

LOWER COLORADO RIVER AUTHORITY

By: Paul D. Thornhill
Paul D. Thornhill, P.E.
Manager, WaterCo



CITY OF CEDAR PARK, TEXAS

By: Bob Young
Bob Young, Mayor

EXHIBIT F

ARBITRATION PROCEDURES

Section 1. Arbitration.

1.1. Binding Arbitration. Binding arbitration shall be conducted in accordance with the following procedures:

(a) The party seeking arbitration hereunder shall request such arbitration in writing, which writing shall be delivered to the opposing party or parties and include a clear statement of the matter(s) in dispute. If a legal proceeding relating to the matter(s) in dispute has previously been filed in a court of competent jurisdiction (other than a proceeding for injunctive or ancillary relief) then such notice of election under this paragraph shall be delivered within ninety (90) days of the date the electing party receives service of process in such legal proceeding. Except to the extent provided in this Exhibit F, the arbitration shall be conducted in accordance with the commercial rules of the American Arbitration Association by a single arbitrator to be appointed as follows: (i) upon the issuance and receipt of a request for arbitration, the requesting and receiving party shall each designate a representative for the sole purpose of selecting, by mutual agreement with the other party's designee, the individual who shall arbitrate the Dispute or Controversy referred to arbitration hereunder; (ii) within twenty (20) days of their appointment, the two representatives shall designate a third individual who shall be the arbitrator to conduct the arbitration of the Dispute or Controversy; (iii) said individual shall be qualified to arbitrate the Dispute or Controversy referred to arbitration hereunder and have a schedule that permits him or her to serve as arbitrator within the time periods set forth herein. In order to facilitate any

such appointment, the party seeking arbitration shall submit a brief description (no longer than two (2) pages) of the Dispute or Controversy to the opposing party. In the event the parties' two representatives are unable to agree on a single arbitrator of the Dispute or Controversy within the twenty (20) day period, then the arbitrator shall be appointed by the then-serving chief administrative district judge of Travis County, Texas or any successor thereto within the next ten (10) day period. The party seeking arbitration shall make the parties' request for appointment of an arbitrator and furnish a copy of the aforesaid description of the Dispute or Controversy to said judge. Each party may, but shall not be required to, submit to said judge a list of up to three (3) qualified individuals as candidates for appointment as the arbitrator whose schedules permit their service as arbitrator within the time periods set forth herein. The arbitrator appointed by the judge need not be from such lists.

(b) Within thirty (30) days of the date the arbitrator is appointed, the arbitrator shall notify the parties in writing of the date of the arbitration hearing, which hearing date shall be not less than one-hundred twenty (120) days from the date of the arbitrator's appointment. The arbitration hearing shall be held in Austin, Texas. Except as otherwise provided herein, the proceedings shall be conducted in accordance with the procedures of the Texas General Arbitration Act, Tex. Civ. Prac. & Remedies Code § 171.001 et seq. (the "Texas General Arbitration Act"). Depositions may be taken and other discovery may be made in accordance with the Texas Rules of Civil Procedure, provided that (i) depositions and other discovery shall be completed within ninety (90) days of the appointment of the arbitrator, (ii) there shall be no evidence by affidavit allowed, and (iii) each party shall disclose a list of all documentary

evidence to be used and a list of all witnesses and experts to be called by the party in the arbitration hearing at least twenty (20) days prior to the arbitration hearing. The arbitrator shall issue a final ruling within thirty (30) days after the arbitration hearing. Any decision of the arbitrator shall state the basis of the award and shall include both findings of fact and conclusions of law. Any award rendered pursuant to the foregoing, which may include an award or decree of specific performance hereunder, shall be final and binding on, and nonappealable by, the parties and judgment thereon may be entered or enforcement thereof sought by either party in a court of competent jurisdiction. The foregoing deadlines shall be tolled during the period that no arbitrator is serving until a replacement is appointed in accordance with this Exhibit F.

(c) Notwithstanding the foregoing, nothing contained herein shall be deemed to give the arbitrator appointed hereunder any authority, power or right to alter, change, amend, modify, waive, add to or delete from any of the provisions of the contract.

Section 2. Further Qualifications of Arbitrators; Conduct. All arbitrators shall be and remain at all times wholly impartial and, upon written request by any party, shall provide the parties with a statement that they can and shall decide any Dispute or Controversy referred to them impartially. No arbitrator shall be employed by any party, the State of Texas, or have any material financial dependence upon a party, the State of Texas, nor shall any arbitrator have any material financial interest in the Dispute or Controversy.

Section 3. Applicable Law and Arbitration Act. The agreement to arbitrate set forth in this Exhibit shall be enforceable in either federal or state court. The enforcement of such agreement and all procedural aspects thereof, including the construction and interpretation of this

agreement to arbitrate, the scope of the arbitrable issues, allegations of waiver, delay or defenses as to arbitrability and the rules (except as otherwise expressly provided herein) governing the conduct of the arbitration, shall be governed by and construed pursuant to the Texas General Arbitration Act. In deciding the substance of any such Dispute or Controversy, the arbitrator shall apply the substantive laws of the State of Texas. The arbitrator shall have authority, power and right to award damages and provide for other remedies as are available at law or in equity in accordance with the laws of the State of Texas, except that the arbitrator shall have no authority to award incidental or punitive damages under any circumstances (whether they be exemplary damages, treble damages or any other penalty or punitive type of damages) regardless of whether such damages may be available under the laws of the State of Texas. The parties hereby waive their right, if any, to recover punitive damages in connection with any arbitrated Dispute or Controversy.

Section 4. Consolidation. If the parties initiate multiple arbitration proceedings, the subject matters of which are related by common questions of law or fact and which could result in conflicting awards or obligations, then the parties hereby agree that all such proceedings may be consolidated into a single arbitration proceeding.

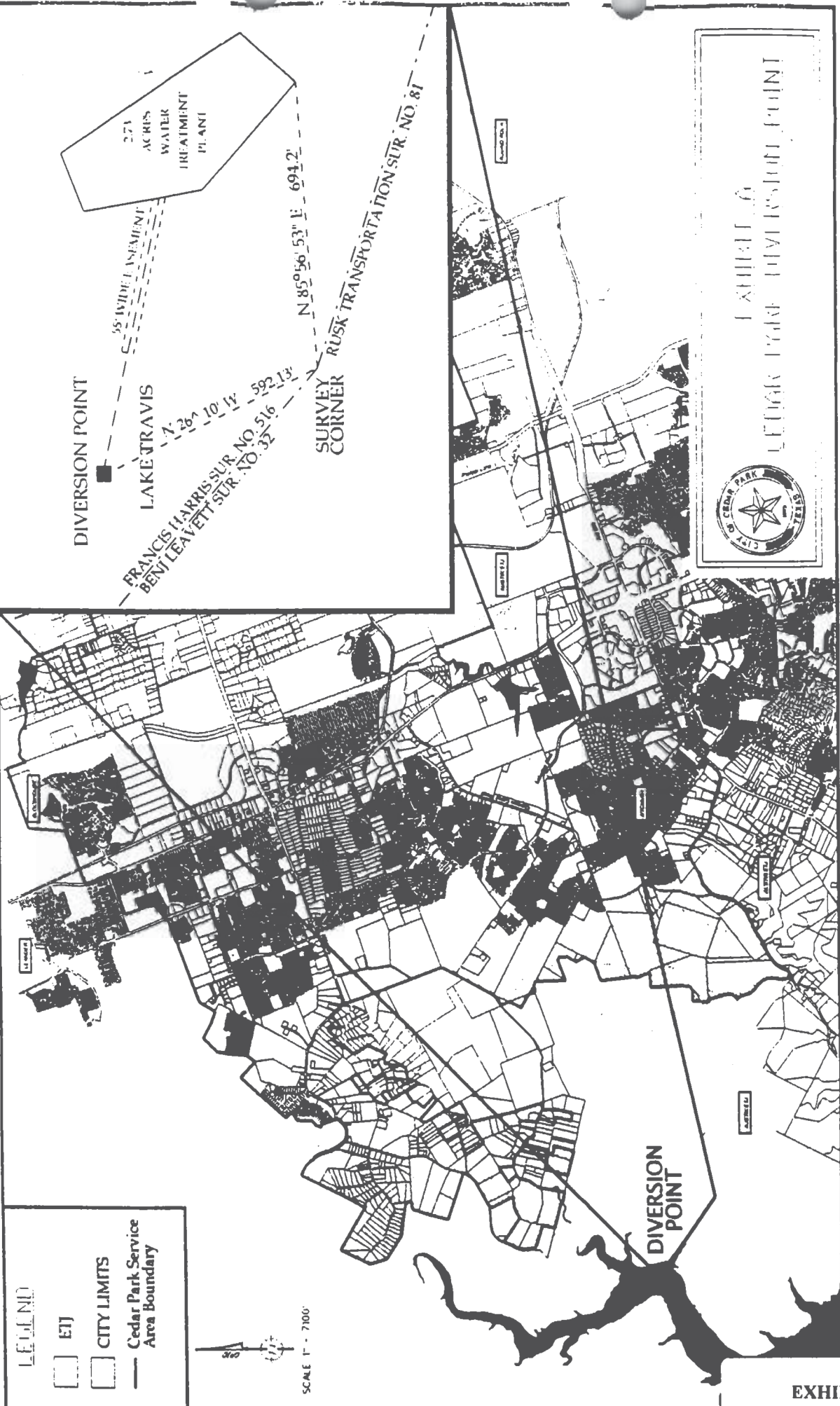
Section 5. Pendency of Dispute; Interim Measures. The existence of any Dispute or Controversy eligible for referral or referred to arbitration hereunder, or the pendency of the dispute settlement or resolution procedures set forth herein, shall not in and of themselves relieve or excuse either party from its ongoing duties and obligations under the contract or any right, duty or obligation arising therefrom; provided, however, that during the pendency of arbitration

proceedings and prior to a final award, upon written request by a party, the arbitrator may issue interim measures for preservation or protection of the status quo.




Section 6. No Appeal. Each party agrees that arbitration pursuant to this Exhibit F shall be the exclusive method for resolving all Disputes and Controversies that are not resolved by mutual agreement and that it will not commence an Action or Proceeding, except to enforce the arbitrator's decision or to compel the other party to participate in arbitration under this Exhibit F.

Section 7. Complete Defense. The parties agree that compliance by a party with the provisions of this Exhibit shall be a complete defense to any Action or Proceeding instituted in any federal or state court, or before any administrative tribunal by any other party with respect to any Dispute or Controversy which is subject to arbitration as set forth herein, other than a suit or action alleging non-compliance with a final and binding arbitration award rendered hereunder.

Section 8. Costs. Each party shall bear the costs of its appointed representative to select the arbitrator of the Dispute or Controversy and its own attorneys' fees, while the costs of the arbitrator of the Dispute or Controversy incurred in accordance with the foregoing shall be shared equally by the parties. Additional incidental costs of arbitration shall be paid for by the nonprevailing party in the arbitration; provided, however, that where the final decision of the arbitrator is not clearly in favor of either party, such incidental costs shall be shared equally by the parties.



LEGEND

-  EIT
-  CITY LIMITS
-  Cedar Park Service Area Boundary

SCALE 1" = 700'


 EXHIBIT A
 CEDAR PARK DIVERSION POINT

DIVERSION POINT

LAKE TRAVIS

FRANCIS HARRIS SUR. NO. 516
 BENJ LEVETT SUR. NO. 32

N 85° 56' 53" E 694.2'

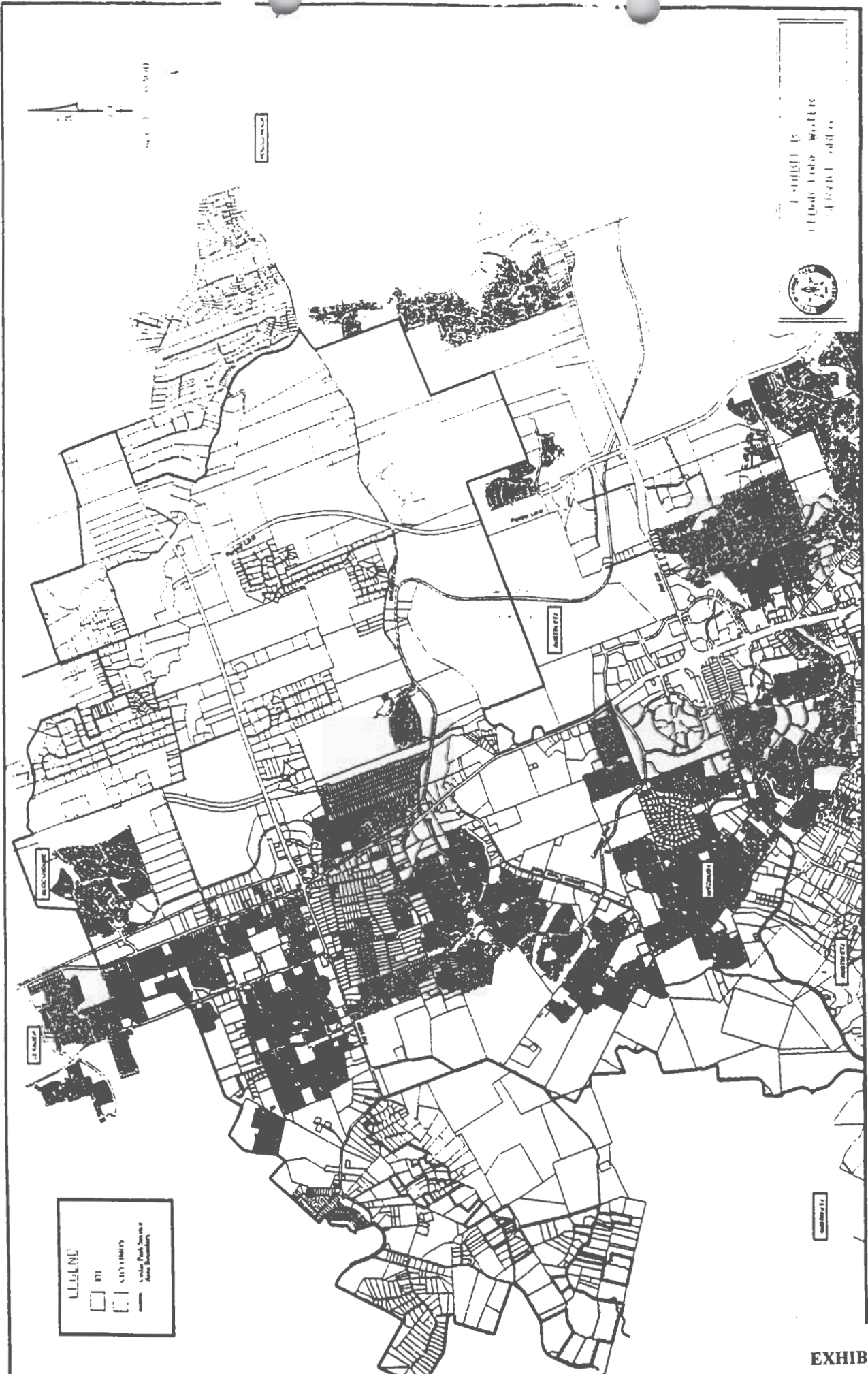
SURVEY CORNER

RUSK TRANSPORTATION SUR. NO. 81

15' WIDE EASEMENT

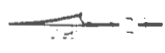
273
ACRES
WATER
TREATMENT
PLANT

DIVERSION POINT



LEGEND

- CITY
- CITY LIMITS
- WATER
- UNDEVELOPED
- PAVED
- UNPAVED
- UNIMPROVED
- IMPROVED



1" = 100'

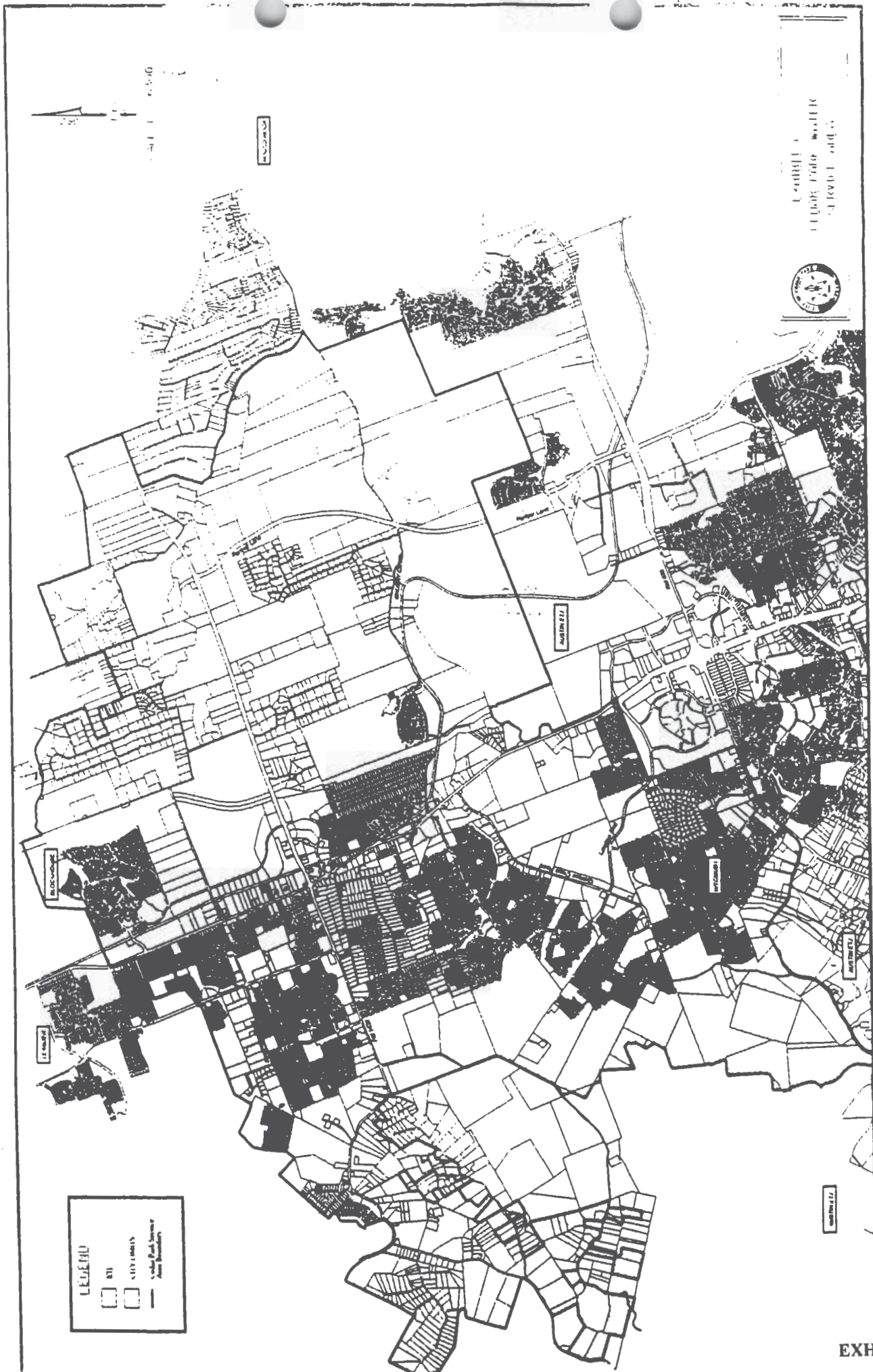
100'

EXHIBIT B
UNDEVELOPED LANDS
IN THE CITY OF
ALBUQUERQUE, NEW MEXICO



100'

EXHIBIT B



COUNTY OF ...
 ...
 ...

EXHIBIT C

ORDINANCE NO. 02000-10

AN ORDINANCE TO REVISE ARTICLE 11.800 DROUGHT CONTINGENCY AND WATER EMERGENCY PLAN IN CHAPTER 11 UTILITIES AND SOLID WASTE REGULATIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CEDAR PARK, TEXAS:

SECTION 1: That ARTICLE 11.800: DROUGHT CONTINGENCY AND WATER EMERGENCY PLAN in CHAPTER 11. UTILITIES AND SOLID WASTE REGULATIONS, is hereby amended as follows:

ARTICLE 11.800: DROUGHT CONTINGENCY AND WATER EMERGENCY PLAN

Sec. 11.801 Approval of the Plan

The City Council hereby approves to replace the City of Cedar Park Drought Contingency and Water Emergency Plan attached hereto to be included in full as a part of the Ordinance as if recited verbatim herein. The City commits to implement the program changes according to the procedures set forth in the revised plan.

Sec. 11.802 Declaration of Policy, Purpose, and Intent

It is hereby declared that, because of the water conditions prevailing in the City of Cedar Park, the water resources available to the City be put to the maximum beneficial use and that the waste, unreasonable use, or unreasonable method of use of water be prevented, and the conservation of such water to be extended with a view to the reasonable and beneficial use thereof in the interests of the people of the City of Cedar Park and for the public health and welfare.

Water uses regulated or prohibited under the Drought Contingency and Water Conservation Plan (the Plan) are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) as defined in Section 11.814 of this Plan.

EXHIBIT D

Sec. 11.803 Public Involvement

The opportunity for the public to provide input into the preparation of the plan was provided by the City of Cedar Park by means of scheduling and providing public notice of the City of Cedar Park Planning and Zoning Commission and City Council public meetings in January and February 2000.

Sec. 11.804 Public Education

The City of Cedar Park will periodically provide the public with information about the plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of press releases and utility bill inserts.

Sec. 11.805 Wholesale Water Customer Education

The City of Cedar Park will periodically provide wholesale water customers with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of press releases, utility bill inserts, and providing a copy of the Plan to wholesale water customers.

Sec. 11.806 Coordination with Regional Planning Groups

The service area of the City of Cedar Park is located within the Lower Colorado Regional Water Planning Area (Region K) of the State of Texas and the and the City of Cedar Park has provided a copy of this plan to the Lower Colorado Regional Water Planning Area.

Sec. 11.807 Authorization

The City Manager or his/her designee is hereby authorized and directed to implement the applicable provisions of this Plan upon determination that such implementation is necessary to protect public health, safety, and welfare. The city manager, or his/her designee, shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this Plan.

Sec. 11.808 Application

The provisions of this plan shall apply to all persons, customers, and property utilizing water provided by the City of Cedar Park. The terms "persons" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities.

Sec. 11.809 Definitions

For the purpose of this plan, the following definitions shall apply:

Conservation: those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer: any person, company, or organization using water supplied by the City of Cedar Park.

Landscape Irrigation Use: water used for the irrigation and maintenance of landscaped areas, whether privately or publicly owned, including residential and commercial lawns, gardens, golf courses, parks, and rights-of-way and medians.

Non-Essential Water Use: water uses that are not essential nor required for the protection of public health, safety, and welfare, including:

- (a) irrigation of landscaped areas, including parks, athletic fields, and golf courses, except otherwise provided by this Plan;
- (b) use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (c) use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (d) use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (e) flushing gutters or permitting water to run or accumulate in any gutter or street;
- (f) use of water to fill, refill, or add to any indoor swimming pools or jacuzzi-type pools;
- (g) use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (h) failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (i) use of water from hydrants for construction purposes or any other purposes other than fire fighting.

Outdoor Water Use: includes but is not limited to watering lawns, shrubs, and other types of outdoor vegetation; washing vehicles, boats, and trailers; use of landscape irrigation systems; the refilling or adding water to swimming pools or wading pools or ponds; the operation of any ornamental fountain or other similar structure; the use of water from fire hydrants for uses other than fire fighting or other activities necessary to maintain health and safety conditions; the watering of patios, driveways, parking areas, streets, tennis courts, sidewalks or other paved areas; and the watering of ground foundations.

Xeriscape: a method of landscaping which conserves water through the use of specific principles of design, plant selection, installation, maintenance, and irrigation methods.

Sec. 11.810 Triggering and Termination Criteria for Drought Response Stages

The City Manager, or his/her designee, shall monitor water supply and/or demand conditions on a monthly basis and shall determine when conditions warrant initiation or termination of each stage of the plan. During the months of May through September water supply conditions may be monitored on a more frequent basis if deemed necessary. Public notification of the initiation or termination of drought response stages shall be by means of publication in a newspaper of general circulation, signs posted in public places, utility bill inserts, and other means to be determined by the City Manager or his/her designee.

The triggering criteria described below are based on customer water consumption and water treatment plant production/distribution capacity.

(1) Stage 1 - Voluntary Water Conservation Conditions

Requirements for initiation - Customers shall be requested to voluntarily conserve water and adhere to the water restrictions on non-essential water use, defined in sec. 11.809 of this Plan - Definitions, each year from May 1 through September 30

Requirements for termination - Stage 1 of the Plan may be rescinded at any time by the city manager or his/her designee. The City of Cedar Park will notify its wholesale water customers of the initiation and termination of the Stage 1 of the Plan.

(2) Stage 2 - Moderate Water Shortage Conditions

Requirements for initiation - Customers shall be required to comply with the requirements and restrictions on non-essential water uses, defined in Section 11.809 of this Plan when:

- (A) daily water consumption for three consecutive days reaches 90% of production/distribution capacity
- (B) weather conditions are to be considered in drought classification determination. Predicted long, cold, or dry periods are to be considered in impact analysis.

Requirements for termination - Stage 2 of the Plan may be rescinded by the City Manager by his/her designee when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination

of Stage 2, Stage 1 becomes operative. The City of Cedar Park will notify its wholesale water customers of the initiation and termination of Stage 2 of the Plan.

(3) Stage 3 - Severe Water Shortage Conditions

Requirements for initiation - Customers shall be required to comply with the requirements and restrictions on non-essential water uses, defined in Section 11.809, for Stage 3 of this Plan when:

- (A) daily water consumption reaches 95% of production/distribution capacity for three consecutive days and/or
- (B) daily water consumption will not enable storage levels to be maintained,
- (C) system demand exceeds available high service pump capacity,
- (D) water system is contaminated whether accidentally or intentionally. Severe condition is reached immediately upon detection,
- (E) water system fails – from acts of God (tornadoes, hurricanes) or man. Severe condition is reached immediately upon detection,
- (F) any mechanical failure of pumping equipment which will require more than 12 hours to repair which causes unprecedented loss of capability to provide water service.

Requirements for termination - Stage 3 of the Plan may be rescinded by the city manager or his/her designee when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage 3, Stage 2 becomes operative as directed by the city manager or his/her designee. The City of Cedar Park will notify its wholesale water customers of the initiation and termination of Stage 3 of the Plan.

Sec. 11.811 Drought Response Stages

The City Manager or his/her designee, shall monitor water supply and/or demand conditions on a daily basis and, in accordance with the triggering criteria set forth in Section 11.810 of the Plan, shall determine that a voluntary, moderate, or severe condition exists and shall implement the following actions upon publication of notice in a newspaper of general circulation:

(1) Stage 1 – Voluntary Water Conservation Conditions

The goal for Stage 1 of the Plan is to raise public and customer awareness of

water demand conditions.

(A). Voluntary Water Use Measures:

1. Water customers shall voluntarily limit outdoor water use by participating in the 5 Day Watering Schedule for outdoor water use. Outdoor water use shall only occur on a designated outdoor watering day, which will be once every five days. The 5 Day Watering Schedule will be determined and distributed each year by the City of Cedar Park Public Works Department.
2. Outdoor water use is discouraged between the hours of 10:00 a.m. and 7:00 p.m. except with hand-held hoses equipped with a positive pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used, or hand-held buckets. The time restrictions do not apply to: (1) the irrigation of commercial plant nurseries, (2) irrigation using treated wastewater effluent, (3) new landscape installation during installation and the first ten (10) days, and (4) the testing of new irrigation systems or existing irrigation systems being tested or under repair.
3. All operations of the City of Cedar Park shall adhere to non-essential water use restrictions in Section 11.809 of this Plan.
4. Water customers are requested to practice water conservation and adhere to the restrictions on non-essential water uses, defined in Section 11.809.

(B). Demand Measurement Measures

1. The City Manager, or his/her designee, will contact wholesale water customers to discuss water supply and/or demand conditions and will request that wholesale water customers initiate voluntary measures to reduce water use.

(2) Stage 2 - Moderate Water Shortage Conditions

The goal for Stage 2 of the Plan is to reduce and maintain maximum daily water demand at or below ninety percent (90%) of system capacity.

(A). Water Use Restrictions. Under threat of penalty for violation, the following water use restrictions shall apply to all persons:

1. Water customers are required to participate in the 5 Day Watering Schedule for outdoor water use in the 5 Day Watering Schedule for outdoor water uses. Outdoor water use shall only occur on a designated

outdoor watering day, which will be once every five days. The 5 Day watering Schedule will be determined and distributed each year by the City of Cedar Park Public Works Department.

2. Outdoor water use is prohibited between the hours of 10:00 a.m. and 7:00 p.m. except with hand-held hoses equipped with a positive pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used, or hand-held buckets. The time restrictions do not apply to: (1) the irrigation of commercial plant nurseries, (2) irrigation using treated wastewater effluent, (3) new landscape installation during installation and the first ten (10) days, and (4) the testing of new irrigation systems or existing irrigation systems being tested or under repair.
3. The washing of automobiles, trucks, motorbikes, boats, trailers, airplanes or other vehicle is prohibited except on designated watering days. Washing is prohibited between the hours of 10:00 a.m. and 7:00 p.m. Such washing when allowed, shall be done with a hand-held bucket or a hand-held hose equipped with a positive shutoff nozzle for quick rinses. The washing of individual vehicles may be done at any time on the immediate premises of a commercial car wash or commercial service station. Further, this restriction does not apply to the washing of vehicles or any other type of mobile equipment (such as garbage trucks and vehicles to transport food and perishables) when the health, safety, and welfare of the public is contingent upon frequent vehicle cleansing. Charity car washes are prohibited.
4. Use of water to fill, refill, or add to any indoor or outdoor swimming pools, wading pools, or jacuzzi-type pools is prohibited except on designated watering days. This water use is prohibited between the hours of 10:00 a.m. and 7:00 p.m.
5. Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
6. Use of water from hydrants shall be limited to fire fighting, related activities, or other activities necessary to maintain public health, safety, and welfare, except that use of water from designated fire hydrants for construction purposes may be allowed under written permission from the City of Cedar Park. (see Section 11.813 of this Plan)
7. Use of water for the irrigation of golf course greens, tees, and fairways

is prohibited except on designated watering days. Such irrigation may not take place between the hours of 10:00 a.m. and 7 p.m. These restrictions do not apply to the irrigation of any golf course which uses wastewater effluent, ground water, or raw water.

8. All restaurants are prohibited from serving water to its patrons except when requested.
9. The following uses constitute a waste of water and are prohibited:
 - a. Washing sidewalks, walkways, driveways, parking lots, tennis courts, patios or other hard-surfaced areas except to alleviate immediate health or safety hazards;
 - b. use of water for dust control;
 - c. allowing water to run off a property or allowing water to pond in the street or parking.
 - d. operating a permanently installed irrigation system with broken heads, with heads that are out of adjustment that spray more than 10% of the spray on street or parking lots, or that is misting.
 - e. failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s).
 - f. washing an automobile, truck, trailer, boat, airplane, or other mobile equipment with a hand-held hose not equipped with a pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used.

(B). Demand Management Measures

1. The City Manager, or his/her designee, will initiate weekly contact with wholesale water customers to discuss water supply and/or demand conditions and the possibility of pro rata curtailment of water diversions and/or deliveries.
2. The City Manager, or his/her designee, will request wholesale water customers to initiate mandatory measures to reduce non-essential water use (e.g., implement Stage 2 of the customer's drought contingency plan).
3. The City Manager, or his/her designee, will initiate preparations for the implementation of pro rata water curtailment of water diversions and/or deliveries by preparing a monthly water usage allocation baseline for the wholesale customer according to the procedures specified in Sec. 11.812 of the Plan.

4. The City Manager, or his/her designee, will provide a weekly report to news media with information regarding current water supply and/or demand conditions, projected water supply and demand conditions if drought conditions persist, and consumer information on water conservation measure and practices.

(3) Stage 3 - Severe Water Shortage Conditions

The goal for Stage 3 of the Plan is to reduce and maintain maximum daily water demand at or below ninety five percent (95%) of system capacity.

A. Supply Management Measures:

The City of Cedar Park will cease the flushing of water mains except when necessary for reasons of health or safety. All Cedar Park departments will discontinue irrigating public landscaped areas except when such areas are irrigated with wastewater effluent, ground water, or raw water.

Water Use Restrictions. All requirements of Stage 2 shall remain in effect during Stage 3 except:

1. Outdoor water use by use of hand-held hoses equipped with a positive pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used or hand-held buckets may occur only between the hours of 6:00 a.m. to 10:00 a.m. and 7:00 p.m. and 10:00 p.m. on designated outdoor water use days. The use of permanently installed irrigation systems, drip irrigation systems, and hose end irrigation is prohibited.
2. The watering of golf course tees is prohibited unless the golf course utilizes a water source other than that provided by the City of Cedar Park.
3. The washing of automobiles, trucks, trailers, boats, airplanes, and other types of mobile equipment not occurring on the immediate premises of a commercial car wash or a commercial service station and not in the immediate interest of the public health, safety, and welfare are prohibited. The washing of such vehicles under public safety and health situations may only occur between 6 a.m. and 10 a.m..
4. Commercial plant nurseries may use only hand-held hoses equipped with a positive pistol grip nozzle or other device that automatically shuts off water flow when the hose is not being used or hand-held buckets.

5. The filling, refilling, or adding of potable water to swimming or wading pools is prohibited.
6. No new landscapes of any type may be installed.
7. The use of water for construction purposes from designated fire hydrants under written permission from the City of Cedar Park is to be discontinued.

B. Demand Management Measures

1. The City Manager, or his/her designee, will contact wholesale water customers to discuss water supply and/or demand conditions and will request that wholesale water customers initiate additional mandatory measures to reduce non-essential water use (e.g., implement stage 2 of the customer's drought contingency plan).
2. The City Manager, or his/her designee, will initiate pro rata water curtailment of water diversions and/or deliveries for each wholesale customer according to the procedures specified in Sec. 11.812 of the Plan.
3. The City Manager, or his/her designee, will provide a weekly report to news media with information regarding current water supply and/or demand conditions, projected water supply and demand conditions if drought conditions persist, and consumer information on water conservation measures and practices.

In the event that severe water shortage conditions persist (Stage 3) for an extended period of time, the city manager, upon recommendation of the Director of Public Works, may order water rationing and/or terminate service to selected users of the system in accordance with the following sequence;

1. Recreational users,
2. Commercial users
3. School users
4. Residential users
5. Hospitals, public health and safety facilities.

(4). Additional Measures

Through a contractual agreement with the Lower Colorado River Authority (LCRA), the LCRA may interrupt or curtail the water supplied to Cedar Park in accordance with the LCRA's Drought Management Plan.

Sec. 11.812 Pro Rate Water Allocation

Every wholesale water contract entered into or renewed by the City of Cedar Park after the effective date of this plan, including contract extensions, shall provide that in case of a shortage of water resulting from drought, the water to be distributed shall be divided in accordance with Texas Water Code § 11.309 and the provisions of this Drought Contingency Plan.

Sec. 11.813 Variances

The City Manager, or his/her designee, may, in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

1. Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.
2. Alternative methods can be implemented which will achieve the same level of reduction in water use.

Persons requesting an exemption from the provisions of this Ordinance shall file a petition for variance with the City of Cedar Park Public Works Department within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the City Manager, or his/her designee, and shall include the following:

1. Name and address of the petitioner(s),
2. Purpose of water use,
3. Specific provision(s) of the plan from which the petitioner is requesting relief,
4. Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with this Plan,
5. Description of the relief requested,
6. Period of time for which the variance is sought,
7. Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and the compliance date, and
8. Other pertinent information.

Variances granted by the City Manger or his/her designee shall be subject to the following conditions, unless waived or modified by the city manger or his/her designee:

1. Variances granted shall include a timetable for compliance, and
2. Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

11.814 Enforcement

No person shall knowingly or intentionally allow the use of water from the City of Cedar Park for residential, commercial, industrial, agricultural, governmental, or any other purpose in a manner contrary to any provision of this Plan, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by city manger, or his/her designee, in accordance with provisions of this Plan.

Any person who violates this Plan is guilty of a misdemeanor and, upon conviction shall be punished by a fine not to exceed five hundred dollars (\$500.00). Each day that one or more of the provisions in this Plan is violated shall constitute a separate offense. If a person is convicted of three or more distinct violations of this Plan, the city manager or his/her designee shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur. Services discontinued under such circumstances shall be restored only upon payment of a re-connection charge, hereby established at fifty dollars (\$50.00), and any other costs incurred by the City of Cedar Park in discontinuing service. In addition, suitable assurance must be given to the city manager, or his/her designee, that the same action shall not be repeated while the Plan is in effect. Compliance with this plan may also be sought through injunctive relief in the district court.

Any person, including a person classified as a water customer of the City of Cedar Park, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents' control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this Plan and that the parent could not have reasonably known of the violation.

Any employee of the City of Cedar Park, police officer, or other employee designated by the City Manger, may issue a citation to a person he/she reasonably believes to be in violation of this Ordinance. The citation shall be prepared in duplicate and shall contain

the name and address of the alleged violator, if known, the offense charged, and shall direct him/her to appear in Cedar Park Municipal Court on the date shown on the citation for which the date shall not be less than 3 days nor more than 5 days from the date the citation was issued. The alleged violator shall be served a copy of the citation. Service of the citation shall be complete upon delivery of the citation to the alleged violator, to an agent or employee of a violator, or to a person over 14 years of age who is a member of the violator's immediate family or is a resident of the violator's residence. The alleged violator shall appear in the Cedar Park Municipal Court to enter a plea of guilty or not guilty for the violation of this Plan. If the alleged violator fails to appear in the Cedar Park Municipal Court, a warrant for his/her arrest may be issued. A summons to appear may be issued in lieu of an arrest warrant. These cases shall be expedited and given preferential setting in the Cedar Park Municipal Court before all other cases.

11.815 Severability

It is hereby declared to be the intention of the City of Cedar Park that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph, or section of this Plan shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Plan, since the same would not have been enacted by the City of Cedar Park without the incorporation into this Plan of any such unconstitutional phrase, clause, sentence, paragraph, or section.

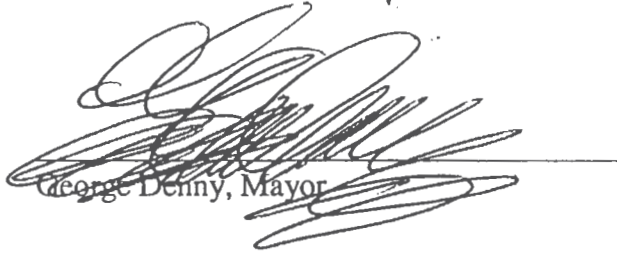
SECTION 2: If any provision, section, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances is for any reason held to be unconstitutional, void or invalid (or for any reason unenforceable), the validity of the remaining portions of this Ordinance or the application to such other persons or sets of circumstances shall not be affected hereby, it being the intent of the City Council of the City of Cedar Park in adopting this Ordinance, that no portion hereof or provision contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion or provision.

SECTION 3: This Ordinance shall be published according to law and shall be and remain in full force and effect from and after the date of publication.

READ, CONSIDERED, PASSED AND APPROVED ON FIRST READING by the City Council of Cedar Park at a regular meeting on the 27th day of January, 2000, at which a quorum was present and for which due notice was given pursuant to Section 551.001, et. Seq. of the Government Code.

READ, CONSIDERED, PASSED AND APPROVED ON SECOND AND FINAL READING by the City Council of Cedar Park at a regular meeting on the 10th day of February, 2000, at which a quorum was present and for which due notice was given pursuant to Section 551.001, et. Seq. of the Government Code.

APPROVED this 10th day of February, 2000.



George Denny, Mayor

ATTEST:



LeAnn Barnes, City Secretary

**ARTICLE 9.700 LAKE TRAVIS WATERSHED NON-POINT SOURCE
POLLUTION CONTROL**

Sec. 9.701 General Provisions

(a) LCRA Non-Point Source Pollution Control Technical Manual Adopted. There is hereby adopted by the City of Cedar Park, for the purpose of establishing rules and regulations for Non-Point Source Pollution Control during the design, development, construction, alteration, or enlargement, of areas within the Lake Travis Watershed located within the City of Cedar Park extraterritorial jurisdiction and/or city limits, such jurisdiction, delineated in Exhibit "A", the map of Lake Travis watershed as maintained on file in the office of the city secretary, that certain standards required by the Lower Colorado River Authority Non-Point Source Pollution Control Technical Manual, being the most current Edition thereof, and the whole thereof, as amended from time to time by LCRA, including later editions. One (1) copy of said code is now on file in the office of the city secretary, and the same is hereby adopted and incorporated as fully as if set out at length herein, and the same shall be controlling in the design, development, and construction of all subdivisions within the city limits and extraterritorial jurisdiction of the City of Cedar Park, Texas, located within the Lake Travis Watershed.

(b) Application of Section and Coordination with Other Sections.

- (1) This section sets out special requirements for the subdivision of land located in the Lake Travis Watershed, which, for the purpose of this section shall mean all land on the map adopted hereby as Exhibit "A" and on file with the city secretary which is both (1) within the extraterritorial jurisdiction or city limits of the City of Cedar Park; and (2) not included within one of the other watershed areas delineated thereon.
- (2) A person wishing to subdivide land in the Lake Travis Watershed must comply both with these special requirements and with the applicable requirements of other provisions of this Code of Ordinances. When the land being subdivided is located partially within and partially beyond the Lake Travis Watershed, this section shall apply only to that portion of the land within the Lake Travis Watershed.
- (3) In case of conflict between the requirements of this section and any other section, the requirements of this section govern.

(c) Definitions. The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

Affected Person. Any person whose legal rights, duties or privileges may be adversely affected by NPS pollution from any proposed development for which a permit is sought.

Agricultural Activities. All activities associated with the pasturing of livestock or use of the land for planting, growing, cultivating, and harvesting crops for human or animal consumption.

Annual Pollutant Load. The amount of pollution in stormwater runoff that is discharged from a developed site over the course of one year; usually measured in pounds and based on an average year of rainfall. (The average annual rainfall in Travis County in the Lake Travis watershed is 32.5 inches/year.) The annual pollutant load is estimated by multiplying the pollutant concentration by the volume of runoff and does not include the background pollutant load.

Applicant. A landowner or land user (or their duly authorized designee) who applies for a permit under this section.

Background Pollutant Load. The amount of pollution in stormwater runoff that is discharged from a site before development. The background pollutant load is calculated according to the following formula: area of site x annual runoff coefficient x background stormwater pollution concentrations. The annual runoff coefficient is 0.10. The background stormwater pollution concentrations for total suspended solids, total phosphorous, and oil and grease are 48 mg/l, .08 mg/l, and 0.0 mg/l, respectively.

Best Management Practices (BMPs). Those practices, including but not limited to those described in LCRA's Technical Manual, that prevent or control nonpoint source pollution. Innovative BMPs are those practices designed by the applicant's engineer to meet or exceed LCRA's performance standards but which are not described in LCRA's Technical Manual

Board. The Board of Directors of LCRA.

Commencement of Development. The commencement of significant physical site preparation, including clearing, grading, or leveling.

Commercial Development. All development other than open space, single-family residential development.

Creek. A channel or bed conveying a body of running water in wet weather conditions.

Development. All land modification activity, including the construction of buildings, roads, paved storage areas, and parking lots. "Development" also includes any land disturbing construction activities or human-made change of the land surface, including clearing of vegetative cover, excavating, dredging and filling, grading, contouring, mining and the deposit of refuse, waste, or fill. Care and maintenance of lawns, gardens, and trees, minimal clearing (10 feet wide) for surveying and testing, and agricultural activities are excluded from this definition.

District. LCRA's ten-county statutory district, which includes San Saba, Llano Burnet, Blanco, Travis, Bastrop, Fayette, Colorado, Wharton, and Matagorda Counties.

Erosion. The detachment and movement of soil, sediment or rock fragments by wind, water, ice, or gravity.

Existing Development. Any completed development, or any development that is not complete, but which has obtained final plat approval from a governmental entity, prior to February 1, 1990.

Impervious Cover. A surface that reduces the amount of penetration of water into the earth. (ex. asphalt, building, gravel surface)

Increased Pollutant Load. The annual pollutant load minus the background pollutant load.

Jurisdictional Area. This section shall be applied within the portion of the Lake Travis watershed in Travis County located within the City of Cedar Park extraterritorial jurisdiction and/or city limits

Lake. The area within the normal conservation pool elevation of Lake Travis (681 foot contour).

Lake Travis Watershed. All land draining into Lake Travis. The Lake Travis watershed in Travis County is depicted on Exhibit "A" to this article, which is incorporated by reference herein.

Landowner. Any person holding title to or having an interest in land.

Land User. Any person operating, leasing, renting, or having made other arrangements with the landowner by which the landowner authorizes use of his or her land.

Large or Significant Development. A development that LCRA believes may have a direct water quality impact to an adjacent property owner or to an area.

LCRA. Lower Colorado River Authority.

Master Plan. Document submitted as a portion of the NPS permit application which describes development intended to be conducted in phases. Submittal and approval of a master plan shall occur prior to approval of a city of Cedar Park NPS Pollution Control Permit. Applications submitted for projects that are intended to be developed in phases shall be approved in a two step process. Upon approval of the master plan, the Applicant shall complete the permit application for the first phase and each subsequent phase of the project.

Multi-Family Development. Any building that contains three (3) or more attached units designed for residential use (e.g. apartments, townhomes, etc.).

Nonpoint Source (NPS) Pollution. Pollution that is caused by or attributable to diffuse sources. Such pollution results in the human-made or human-induced alteration of the chemical, physical, biological, or radiological integrity of water. Typically, NPS pollution results from land runoff, precipitation, atmospheric deposition, or percolation.

NPS Best Management Practice (BMP) Maintenance Permit. A permit for the maintenance of Best Management Practices (BMPs) or other NPS pollution control measures. This permit may be issued upon satisfactory completion of development and after issuance of a NPS Pollution Control Permit. The NPS Best Management Practice (BMP) Maintenance Permit may be issued to a person other than the original permit applicant if the person is the landowner or Property Owner's Association, as applicable.

NPS Development Permit. A permit for development of land within the jurisdictional area specifically identifying best management practices for control of nonpoint source pollution resulting from development. Private land owners/land users that install utility infrastructures are also required to obtain a NPS Development Permit.

NPS Pollution Controls. Those Best Management Practices (BMPs), including but not limited to those described in LCRA's Technical Manual, that prevent or control nonpoint source pollution.

NPS Pollution Control Permit. A permit issued by the City of Cedar Park upon an approval of an applicant's permit application. The permit includes the approved NPS pollution controls (BMPs).

NPS Pollution Control Technical Manual. The manual developed by LCRA that explains various BMPs that, when implemented, should achieve the performance standards and other requirements set forth in Section 9.703 of this article.

Permit Amendment. A revision to an NPS Pollution Control permit issued by the LCRA after an application for such amendment has been received and reviewed, and the expansion, redevelopment, or modification plans have been found to be in compliance with this section and the Technical Manual. Permit amendment procedures are described in the Technical Manual.

Permittee. A landowner or land user who is undertaking land development activities pursuant to a permit granted according to the provisions of this section.

Person. Any individual, organization, trust, partnership, firm, association, public or private corporation, political subdivision, or any other legal entity.

Phased Development. Development of land in excess of two hundred fifty (250) acres according to a master plan which occurs in stages and over an extended period of time.

Pollution. Alteration of the physical, thermal, chemical, or biological quality of, or the contamination of, any water in the state that renders the water harmful, detrimental, or injurious to humans, animal life, vegetation, property, or public health, safety, or welfare, or impairs the usefulness or the public enjoyment of the water for any lawful or reasonable purpose.

Public Utility. A person, or entity that owns or operates for compensation facilities or equipment for producing, generating, transmitting, selling or furnishing electricity, water, sewer service, cable or telephone services.

Sedimentation. Pollution resulting from the deposit of detached soil particles.

Single-Family Development. One and two-family dwelling units.

Site. The entire area included in the legal description of the land on which development is proposed in the permit application.

Storm Sewer System. Conveyance of stormwater through a man-made structure such as pipe, culvert, etc.

(1988 Revised Code of Ordinances, Chapter 8, Section 7A)

Sec. 9.702 Scope and Application

(a) Authorized Activities: Permit Required. Except as provided in subsections (b), (c), (d), and (e) below, no landowner or land user subject to this section may commence or conduct development in the Lake Travis watershed in Travis County in the city limits or ETJ of Cedar Park without first obtaining an NPS Pollution Control Permit from the City of Cedar Park. Prior to commencing development, the landowner or land user controlling or using the site and desiring to undertake development subject to this section shall pay an application fee and submit a complete application for a permit. By submitting an application, the applicant is authorizing the City of Cedar Park to enter the site to obtain information required for the review of the permit application. The City of Cedar Park shall issue a NPS Pollution Control Permit upon the applicant's submission of a complete permit application, payment of the application fee, and upon the City's approval of the permit application. The provisions of this section regarding permit application and issuance shall be applied consistently, uniformly, and fairly to all applicants and permittees.

(b) Single-Family Residences. No permit is required for the construction of a single-family residence on a single-family lot. Landowners or land users undertaking such construction shall, however, utilize the measures for controlling erosion and

sedimentation described in the LCRA NPS Pollution Control Technical Manual during the construction process. Such landowners or land users shall, at the time of application for a building permit from the City of Cedar Park, demonstrate the erosion and sedimentation control measures that will be used. A single-family residence is a detached structure designed for occupancy by one family as a residence.

Construction of a single-family residence does not include construction of infrastructure such as roadways, utilities and drainage improvements.

(c) Existing Development. No permit is required for existing development. If, however, improvements or additions are made after the effective date of this section which substantially increase the amount of development, then the landowner or land user must obtain a permit and demonstrate that the pollution resulting from the development will meet the performance standards set forth in Section 9.703 of this article. This subsection does not apply to single-family residences as described in subsection (b) of this section.

(d) Final Plats. Landowners or land users developing sites for which final subdivision plats have been approved by the City of Cedar Park and Travis County prior to the effective date of this section do not need a permit and are not required to comply with subsections (1) and (2) of Section 9.703 of this article. Such landowners or land users shall, however, comply with subsection (3) of Section 9.703 of this article regarding erosion and sedimentation control. Such landowners or land users shall, at the time of application for flood control permits from Travis County, demonstrate the erosion and sedimentation control measures that will be used.

(e) Utility Lines. Landowners or land users installing utility lines must obtain a permit, but are not required to comply with subsections (1) and (2) of Section 9.703 of this article. Such landowners or land users shall, however, comply with paragraph (3) of Section 9.703 of this article regarding erosion and sedimentation control. No permit is required for routine maintenance and installation of utility lines if a landowner or land user complies with the guidelines set forth in the LCRA Non-Point Source Control Technical Manual for such activity.

(1988 Revised Code of Ordinances, Chapter 8, Section 7B)

Sec. 9.703 Performance Standards

Except as otherwise provided in Section 9.702 of this article, all development subject to this article shall achieve the following performance standards:

(1) Total Suspended Solids, Total Phosphorus, Oil and Grease.

(A) Total Suspended Solids. For development on slopes between zero percent (0%) and ten percent (10%), seventy percent (70%) of the annual

pollutant load in the stormwater runoff for total suspended solids shall be removed. For development on slopes greater than ten percent (10%) but less than twenty percent (20%), eighty percent (80%) of the annual pollutant load in the stormwater runoff of total suspended solids shall be removed. For development on slopes greater than twenty percent (20%), ninety percent (90%) of the annual pollutant load in the stormwater runoff of total suspended solids shall be removed. All development located within 500 feet of the 691 msl contour line (measured perpendicular to the contour line toward the shore) and on slopes between zero percent (0%) and ten percent (10%), must have seventy-five percent (75%) of total suspended solids removed after development is complete. All development located within 500 feet of the 691 msl contour line (measured perpendicular to the contour line toward the shore) and on slopes over ten percent (10%), must have ninety percent (90%) of the total suspended solids removed after development is complete;

- (B) Total Phosphorous. For development on slopes between zero percent (0%) and ten percent (10%), seventy percent (70%) of the annual pollutant load in the stormwater runoff for total phosphorous shall be removed. For development on slopes greater than ten percent (10%) but less than twenty percent (20%), seventy-five percent (75%) of the annual pollutant load in the stormwater runoff for total phosphorous shall be removed. For development on slopes greater than twenty percent (20%), eighty-five percent (85%) of the annual pollutant load in the stormwater runoff of total phosphorous shall be removed. All development located within five hundred feet (500') of the 691 msl contour line (measured perpendicular to the contour line toward the shore) and on slopes between zero percent (0%) and ten percent (10%), must have seventy-five percent (75%) of total phosphorous removed after development is complete. All development located within five hundred feet (500') of the 691 msl contour line (measured perpendicular to the contour line toward the shore) and on slopes over ten percent (10%), must have eighty-five percent (85%) of total phosphorous removed after development is complete;
- (C) Oil and Grease. For development, other than single-family residences, on slopes between zero percent (0%) and ten percent (10%), seventy percent (70%) of the annual pollutant load for oil and grease shall be removed. For development, other than single-family residences, on slopes greater than ten percent (10%) but less than twenty percent (20%), seventy-five percent (75%) of the annual pollutant load for oil and grease shall be removed. For development, other than single-family residences, on slopes over twenty percent (20%), eighty-five percent (85%) of the annual pollutant load in the stormwater runoff of oil and

grease shall be removed. All development, other than single-family residences, located within 500 feet of the 691 msl contour line (measured perpendicular to the contour line toward the shore) and on slopes between zero percent (0%) and ten percent (10%), must have seventy-five percent (75%) of oil and grease removed after development is complete. All development, other than single-family residences, located within 500 feet of the 691 msl contour line (measured perpendicular to the contour line toward the shore) and on slopes over ten percent (10%), must have eighty-five percent (85%) of oil and grease removed after development is complete.

TABLE 1

SUMMARY OF LCRA PERFORMANCE STANDARDS FOR POLLUTANT
REMOVAL LEVELS
INCREMENTAL POLLUTANT REMOVAL REQUIREMENTS

FLATTER PROPERTY (0 - 10% SLOPE)

	TOTAL SUSPENDED SOLIDS	TOTAL PHOSPHORUS	OIL & GREASE
GENERAL	70%	70%	70%
SHORELINE (within 500' of 691 MSL)	75%	75%	75%

MODERATELY SLOPED PROPERTY (10 - 20% SLOPE)

	TOTAL SUSPENDED SOLIDS	TOTAL PHOSPHORUS	OIL & GREASE
GENERAL	80%	75%	75%
SHORELINE (within 500' of 691 MSL)	90%	85%	85%

STEEPLY SLOPED PROPERTY (GREATER THAN 20% SLOPE)

	TOTAL SUSPENDED SOLIDS	TOTAL PHOSPHORUS	OIL & GREASE
GENERAL	90%	85%	85%
SHORELINE (within 500' of 691 MSL)	90%	85%	85%

- (2) Streambank Erosion. Streambank erosion shall be controlled by designing the drainage system so that the amount of erosion and siltation occurring in the receiving streams is not increased. Specifically, the magnitude and frequency of the pre-development one year design storm shall remain the same. The one year design storm shall be that storm as defined in the LCRA NPS Pollution Control Technical Manual.
- (3) Erosion and Sedimentation Control. Erosion and sedimentation shall be controlled throughout the development process in accordance with the LCRA NPS Pollution Control Technical Manual.
- (4) Alternative Performance Standards for Single-Family Subdivisions. Development of single-family subdivisions that meets all of the following criteria need not comply with subsections (1) and (2) of this section:
 - (A) Minimum lot size of one acre; and
 - (B) Street and drainage network is designed without curbs or gutters, or some other suitable design, so that runoff is treated using over-land flow methods to a vegetated buffer. The vegetated buffer must meet the slope and vegetative area cover criteria described in the LCRA NPS Pollution Control Technical Manual.

Landowners or land users developing single-family subdivisions shall, at the time of application for building permits from the City of Cedar Park, demonstrate the erosion and sedimentation control measures that will be used in accordance with the LCRA NPS Pollution Control Technical Manual.

- (5) Sub-basin Averaging. It is the intent of the section to have a project, as a whole, meet the performance standards of the section. Each phase of a project shall also meet the performance standard when such performance standard is averaged with phases previously built or under construction. As such, averaging of performance standards between sub-basins is allowed under the following conditions:

- (A) Performance standards shall be met or exceeded where drainage impacts an adjacent land owner or environmentally sensitive area.
 - (B) No off-site sub-basin discharge shall fall below the performance standard by more than ten percent (10%).
- (6) Monitoring and Reporting. If a project proposes innovative BMPs, the City of Cedar Park may require as a condition of issuing a permit, water quality performance monitoring of certain BMPs. Water quality monitoring shall last a period of at least three (3) years. The cost of monitoring, borne by the applicant, shall not exceed ten percent (10%) of the construction cost of all BMPs serving a project. During the monitoring period, the applicant shall submit annual reports showing the results of the monitoring efforts. The pollutant parameters to be monitored shall be determined at the time of permit issuance. The monitoring and reporting must be satisfactory prior to issuance of the BMP Maintenance permit.

(1988 Revised Code of Ordinances, Chapter 8, Section 7C)

Sec. 9.704 Processing of Permit Applications

- (a) Preparation of Permit Applications. Landowners or land users who must obtain an NPS Pollution Control Permit from the City of Cedar Park shall prepare the permit application in accordance with the LCRA NPS Pollution Control Technical Manual, which is incorporated herein by reference as if set forth in full and which may be amended from time to time by LCRA in accordance with Section 9.711 of this article.
- (b) Initial Review. After the application is accepted by the City of Cedar Park, Cedar Park shall commence a technical review of the permit application for a period of time not to exceed sixty (60) calendar days. The applicant shall be promptly notified of any additional information that may be necessary for a completed staff review.
- (c) Subsequent Reviews. If more information is needed to complete the technical review, an applicant shall have sixty (60) calendar days to submit additional information or revise the application. If the applicant provides the additional information within the sixty (60) day period, the technical review shall be extended for no more than thirty (30) calendar days. If the applicant does not provide the additional information within the sixty (60) day period, the City of Cedar Park may return the application and all or part of the fees to the applicant.
- (d) Application Fees. The application fees shall be as described in the fee schedule found in the appendix of this code. The fee is intended to cover the cost of processing applications, inspections, and other costs incurred by the city in the administration of this article. The fee schedule may be amended from time to time by the city council of the City of Cedar Park.

(e) Duration. A NPS Pollution Control Permit, unless terminated pursuant to subsection (6) or Section 9.708(c), shall be valid for the life of a project or until a NPS Best Management Practice Permit is issued.

(f) Termination. A City of Cedar Park NPS Pollution Control Permit shall be automatically terminated if the permittee has not commenced development within three (3) years from the date of issuance of the permit. Commencement of development means clearing the site and performing initial or rough grading of the improvements. Pursuant to Section 9.708(c), permit may be terminated by revocation upon violation of a condition to the permit. If the City of Cedar Park terminates a permit for nonuse and the term of fiscal surety is still in effect, the city may call on the permittee's surety in order to provide permanent stabilization of the site.

(g) Fiscal Surety. Approval of a permit application is contingent upon the provision of fiscal surety in a form acceptable to the City of Cedar Park in the amount specified in the permit which provides for the construction of NPS pollution controls (BMPs) in accordance with the permit and any other provision of this section. The amount of the surety shall not be less than one hundred percent (100%) of the cost of the NPS pollution controls (BMPs), as estimated by the professional engineer who seals the permit application. The term of fiscal surety shall terminate after the final inspection/concurrence letter has been accepted by the City of Cedar Park.

(h) Permit Amendment. Modifications to an approved master plan, NPS pollution control permit or an NPS Best Management Practices (BMP) Maintenance Permit shall require an amendment. Applications for amendments shall be made in and processed in accordance with the requirements of this section and the LCRA NPS Technical Manual regarding permit applications. The application for amendment shall clearly identify the items sought to be amended and the reasons therefore. However, no permit amendment is required for minor field adjustments of temporary erosion and sedimentation controls. Requests for permit amendments to permits covered by a master plan shall have the effect, if granted, of automatically amending such master plan. A permit amendment for a master plan shall be required if there is a change in land use, or an increase in density or impervious cover. Permit amendments or amendments to a master plan shall be processed in accordance with the performance standards in effect on the date of the application for the area or phase covered by such amendment.

(i) Phased Development/Alternative Application Procedures. When a phased development is proposed to be constructed over an extended period of time, the permit application shall be submitted and processed in accordance with these alternative procedures.

- (1) Submittal of application and master plan - landowners or land users whose phased development require issuance of multiple NPS pollution control permits shall prepare an application for phased development in accordance with the Technical Manual, which is incorporated herein by reference as if set

forth in full and which may be amended from time to time in accordance with Section 9.711(b) of this article.

- (A) The application shall include a master plan of the entire project for review by the City of Cedar Park. The master plan shall be accompanied by sufficient data to reasonably demonstrate that the project can be developed in compliance with the applicable provisions of the article.
 - (B) The application shall include topographic maps, slope maps, drainage maps, vegetative descriptions, BMP facilities and locations maps, soil maps, pollutant load and removal calculations, preliminary phasing schedule, and any other information deemed necessary by the City of Cedar Park to demonstrate compliance with the section.
- (2) Initial Review. After the application and the master plan accepted by the City of Cedar Park, the city shall commence a technical review of the application for a period of time not to exceed sixty (60) calendar days. The applicant shall be promptly notified of any additional information that may be necessary for a complete staff review. In the event that the City of Cedar Park does not complete the review of the application and master plan within the time provided in this article, or within the time provided for subsequent reviews, the applicant shall be entitled to a full refund of the application fee.
 - (3) Subsequent Reviews. If more information is needed to complete the technical review, the applicant shall have sixty (60) calendar days to submit additional information or revise the application. If the applicant provides the information within the sixty (60) day period, the technical review shall be extended no more than thirty (30) calendar days. If the applicant does not provide the additional information within the sixty (60) day period, the City of Cedar Park may return the application and all or part of the fees to the applicant.
 - (4) Master Plan Approval. Upon approval of the master plan, the applicant shall be entitled to develop the project in accordance with the performance standards in effect on the date of the City of Cedar Park's approval. However, LCRA's NPS Technical Manual may be revised from time to time, and revisions may reflect changes or alterations in certain BMPs relative to their ability to achieve the performance standard. Approval of a master plan does not exempt a development from compliance with revisions to LCRA's NPS Technical Manual so long as the revisions do not prohibit the project from being built in reasonable conformance with the master plan.

(5) Duration.

- (A) The applicant shall have one (1) year from the date of approval of the master plan to submit a completed permit application for the first phase of the project, or the approval of the master plan shall become null and void. The first phase of the project must represent development of at least ten percent (10%) or one hundred (100) acres, whichever is greater, of the total project or it will not be considered a complete permit application under this provision.
- (B) Should the NPS permit for the first phase of the development of the project be terminated due to lack of activity as provided in subsection (d)(6) or if termination occurs pursuant to Section 9.708(c), the master plan approval shall become null and void.
- (C) The applicant shall have five (5) years from the date of issuance of the BMP Maintenance permit, or the completion of construction, whichever occurs first, to submit a completed application for each subsequent phase of phases, or approval of the master plan relative to such phases shall become null and void.
- (D) Should a NPS permit for subsequent phases of development of the project be terminated due to lack of activity, as provided in subsection (d)(6), or if termination occurs pursuant to Section 9.708(c), the master plan approval relative to that phase or phases shall become null and void.

(j) Permit Issuance. The City of Cedar Park staff shall issue a NPS pollution control permit after the applicant has demonstrated compliance with the requirements of this article. A permittee may not commence development until the permit is issued.

(1988 Revised Code of Ordinances, Chapter 8, Section 7D)

Sec. 9.705 Permits

- (a) Permit Conditions. All permits shall require the permittee to:
 - (1) Comply with all applicable sections of this article and conditions of this permit;
 - (2) Notify the City of Cedar Park within forty-eight (48) hours before commencing any development;

- (3) Obtain a permit amendment from the City of Cedar Park prior to modifying the approved NPS pollution controls (BMPs); however, no permit amendment is required for minor field adjustments of temporary erosion controls;
- (4) Install all NPS pollution controls (BMPs) as identified in the approved permit;
- (5) Comply with the requirements of the LCRA NPS Technical Manual regarding formation of a property owners/maintenance association and any associated maintenance plans;
- (6) Repair any siltation or erosion damage resulting from development;
- (7) Inspect all temporary erosion and sedimentation controls after each rain of .5 inches or more, and at least once each week, and make needed repairs;
- (8) Allow the city staff to enter the site for the purpose of inspecting compliance with the permit, or for performing any work necessary to bring the site into compliance with the permit;
- (9) Designate a location on the site for the posting of notices;
- (10) Keep a copy of the permit and all development plans on the site;
- (11) Upon completion of development, a registered professional engineer shall certify in writing to the City of Cedar Park that the NPS pollution controls (BMPs) were constructed in accordance with the permit conditions and this section;
- (12) Promptly notify the City of Cedar Park in writing of any change in the name, address, or telephone number of the permittee; and
- (13) Assign the NPS Pollution Control Permit and all rights and obligations associated therewith to the landowner, maintenance, or Property Owner's Association as applicable, upon completion of construction of the development if the permit is not already in the name of the person responsible for the BMPs.
- (14) Pay all fees associated with the permit application in a timely manner.
- (15) Perform all activities in accordance with all Federal, State, or local laws or ordinances;
- (16) Indemnify and hold the City of Cedar Park harmless from any and all claims, demands, damages, actions, costs and charges to which the City of Cedar Park may become subject and which the City of Cedar Park may have to pay by

reason of injury to any person or property, or loss of life, or property resulting from, or in any way connected with the permittee's actions under this permit.

(17) No work is authorized that is not directly addressed in the permit application submitted to the City of Cedar Park.

(18) Nothing in this permit is intended to amend or alter any legal rights or benefits previously granted to or vested in the City of Cedar Park.

(b) NPS Best Management Practice Maintenance Permit. A BMP Maintenance Permit shall be issued to the developer or his/her assignee upon completion of construction of the infrastructure and BMP facilities required by the NPS Development Permit. In the event that the landowner, maintenance or Property Owner's Association does not accept the assignment, the developer shall remain subject to the terms of the NPS Pollution Control Permit or Best Management Maintenance Permit, as applicable, until an assignment occurs or until the maintenance, Property Owner's Association, or landowner accepts issuance of a BMP permit.

(c) Additional Permit Conditions. Additional permit conditions may be required as necessary in order to achieve compliance with the article.

(1988 Revised Code of Ordinances, Chapter 8, Section 7E)

Sec. 9.706 Right of Entry and Inspection

(a) Right of Entry. Any person or his/her successors or assigns who has filed a permit application or received a permit under this section shall allow entry by the City of Cedar Park on the site for the purposes of inspection and monitoring. Employees and agents of the City of Cedar Park are entitled to enter any public or private property at any reasonable time for the purpose of inspecting and investigating conditions related to water quality and administration of this section.

(b) Pre-Development Inspection. After permit issuance, but before the installation of erosion and sedimentation controls and before development commences, the applicant shall provide a written request to the City of Cedar Park for an inspection of the temporary erosion controls. This pre-development inspection must be attended by the applicant, the city inspector, the design engineer, contractor, and field engineer. The City of Cedar Park inspector will determine whether the temporary erosion and sedimentation controls will be in compliance with the permit. If the city does not conduct the pre-development inspection within five (5) working days of receipt of the request for inspection, the applicant may proceed with development after the time for appeals has expired.

(c) Inspections During Development. During development, the City of Cedar Park shall inspect the site to ensure that temporary and permanent erosion controls are being

maintained and that the permanent NPS pollution controls (BMPs) are being constructed in accordance with the requirements of this section.

(d) Final Inspection. Upon completion of development, the city shall conduct a final inspection of the NPS pollution controls used. This final development inspection must be attended by the permittee, the city inspector, the design engineer, contractor, and field engineer. The city inspector will determine whether the NPS pollution controls are in compliance with the permit. If the NPS pollution controls are approved, the City of Cedar Park shall release the permittee's fiscal surety.

(e) Annual Inspections. All permanent NPS pollution controls (BMPs) will be inspected at least annually by the City of Cedar Park. The fee for this inspection shall be included as part of the permit application fee collected by the city.

(1988 Revised Code of Ordinances, Chapter 8, Section 7F)

Sec. 9.707 Maintenance of NPS Pollution Controls

(a) Maintenance Plans. Prior to permit issuance, all applicants shall prepare a plan describing the measures necessary to maintain each NPS pollution control (BMP) required by this article in accordance with the maintenance guidelines set forth in the LCRA NPS Pollution Control Technical Manual. The maintenance plan must be submitted to and approved by the City of Cedar Park. Upon receiving written approval of the maintenance plan from the city, the landowner or land user must record in the county deed records that the property is subject to an NPS pollution control maintenance plan and must also, upon transferring title to that property, place a restriction in the deed that states that the property is subject to an NPS pollution control maintenance plan.

(b) Maintenance Required. All NPS pollution control measures (BMPs) and their appurtenances shall be maintained by the applicant or subsequent landowner(s) or land user(s) pursuant to the approved plan. Land owners and land users shall form a Maintenance Association (MA) in accordance with this section prior to permit issuance. All MA's must post financial security or create a maintenance fund for the purpose of maintaining all NPS pollution controls (BMPs) required by this section. The duties and responsibilities of an MA may be performed by a Homeowners' Association, Property Owners' Association, or like entity if it meets the requirements of subsections (b) and (c) of this section. The maintenance of all BMPs shall be in accordance with the permit and the approved maintenance plan.

(c) Requirements for Maintenance Associations. The applicant must submit to the City of Cedar Park the approved Articles of Association for the MA, as well as a map showing the boundaries of its jurisdiction. The MA must have the following general powers which are reflected in the Articles of Association:

- (1) Own and convey property;

- (2) Operate and maintain common property, specifically the NPS pollution controls (BMPs);
 - (3) Establish rules and regulations;
 - (4) Assess members maintenance fees and enforce said assessments;
 - (5) Sue and be sued;
 - (6) Contract for services to provide operation and maintenance;
 - (7) If the MA is a homeowners association, it must have as members all the homeowners, lot owners, property owners or unit owners;
 - (8) The MA shall exist in perpetuity; however, if the MA is dissolved, the Articles of Association must provide that the property consisting of the NPS pollution controls (BMPs) shall be conveyed to an appropriate entity or similar non-profit corporation capable of maintaining the BMPs; and
 - (9) It shall be clearly stated in the Articles of Association of the MA that:
 - (A) It is the responsibility of the MA to operate and maintain the NPS pollution controls (BMPs);
 - (B) The NPS pollution control(s) (BMP(s) is/are owned by the MA or described therein as common property;
 - (C) There is a method of assessing and collecting the assessment for operation and maintenance of the NPS pollution controls (BMPs); and
 - (D) Any amendment that would affect the NPS pollution controls (BMPs) must be approved by the City of Cedar Park.
- (d) **Phased Projects.** If an MA is proposed for a project which will be developed in phases and subsequent phases will utilize the NPS pollution controls (BMPs), the MA must have the ability to accept future phases into the MA.
- (e) **Transfer of Maintenance to Political Subdivisions.** Upon approval by the City of Cedar Park, the applicant, landowner, land user, or permittee may transfer responsibility for maintenance of the NPS pollution control measures (BMPs) to a political subdivision. The political subdivision must maintain the NPS pollution control measures in accordance with the approved maintenance plan.

(1988 Revised Code of Ordinances, Chapter 8, Section 7G)

Sec. 9.708 Enforcement

(a) Violations. It is unlawful under this article:

- (1) For any landowner or land user subject to the permit requirements of this section to commence or undertake any development or to cause, suffer, or allow another to commence or undertake development or redevelopment on his or her property without first obtaining a valid NPS pollution control permit from the City of Cedar Park;
- (2) For a landowner or land user subject to this section, but not required to obtain a permit, to commence or undertake development or to cause, suffer or allow another to commence or undertake development on his or her property without first complying with the performance standards, as applicable with this section; or
- (3) For any landowner or land user subject to this section to conduct development after a stop work order has been issued; or
- (4) For any landowner or land user subject to this section to fail to maintain the Best Management Practices in accordance with the NPS Best Management Practice Maintenance Permit or approved maintenance plan.
- (5) For any landowner or land user subject to this section to otherwise commence, construct or engage in development, or any other act, that violates a provision of this section.

(b) Stop-Work Order. If the City of Cedar Park determines that there has been development without compliance with this section, the landowner, land user or permittee shall be ordered to stop work. The stop-work order shall direct that no further development shall take place until the landowner or land user complies with this section. The stop-work order shall be in writing and, in the case of a permitted development, shall be posted at the site in the location designated for posting such notices. If the development is occurring on an unpermitted site, the notice shall be prominently posted at the site. Permittee may appeal the issuance of a stop-work order to the city manager of the City of Cedar Park by submitting in writing a concise statement of the reasons for believing that the stop-work order should not have been issued and citing the specific performance standards that the development should be exempt from the NPS section or the permit requirements. A request for appeal of the stop-work order must be received in the office of the City of Cedar Park city manager within (10) days from the date that the stop-work order is posted. The city manager may decide the appeal based upon the reasons stated in the appeal or may request additional information from the staff or appellant.

(c) Permit Revocation. A permittee shall have ten (10) days from the date that the stop-work order is posted, or ten (10) days from the date that the city manager decides an appeal or the stop-work order, if an appeal has been submitted in a timely manner, to comply with the terms and conditions of the permit. If a permittee fails to comply within this period, the City of Cedar Park may revoke the permit.

(d) Enforcement of Best Management Practices (BMPs) Maintenance Permits. If the City of Cedar Park determines that a Landowner, Maintenance Association (MA), permittee, or political subdivision is not implementing the approved maintenance plan or is not in compliance with one of the other conditions contained in the BMP maintenance permit, the MA, permittee, or political subdivision shall be notified of the deficiency. An MA, permittee, or political subdivision shall have sixty (60) days from the date that the notice is issued to comply with the maintenance plan or BMP permit condition. If the MA, permittee, or political subdivision fails to comply within this period, the City of Cedar Park may perform the necessary maintenance and assess the MA, permittee, or political subdivision for the costs associated with the work performed. The City of Cedar Park may also seek penalties as provided in this section.

(e) Penalty. Any person violating provisions of this section shall be subject to a penalty of not more than ten thousand dollars (\$10,000.00) for each violation. Each calendar day a violation exists shall constitute a separate offense.

(f) Other Remedies and Injunction. Compliance with the provisions of this article may also be enforced through any and all other remedies at law or in equity including enforcement by injunction.

(1988 Revised Code of Ordinances, Chapter 8, Section 7H)

Sec. 9.709 Variances

(a) There shall be a presumption against variances. Variances from the terms of this part may be granted by the planning and zoning commission only if it is found that, because of special circumstances applicable to the property involved, a strict application deprives such property of privileges or safety enjoyed by other similarly timed developments.

Where such conditions are found, the variance permitted shall be the minimum departure necessary to avoid such deprivation of privileges enjoyed by such other property and to facilitate a reasonable use, and which will not create significant probabilities of harmful environmental consequences. Provided, however, in no case may a variance be granted that will provide the applicant with any special privileges not enjoyed by other similarly situated properties with similarly timed developments.

Provided further that the planning and zoning commission shall have no authority to grant a variance based on a special or unique condition which was created as a result of the

method by which a person voluntarily subdivides the land after the effective date of this article. The planning and zoning commission may consider written reports from appropriate city departments and may request such further information from city departments which is relevant and necessary to its decisions.

(b) The planning and zoning commission shall justify the grant or denial of a variance in writing for application file.

(c) The public works director shall prepare and maintain in his or her office for public inspection:

- (1) A written summary of variances granted and denied under this section.
- (2) The contents of the files, including the appeal record, if there was an appeal, for each variance acted on by the planning and zoning commission.

(1988 Revised Code of Ordinances, Chapter 8, Section 7I)

Sec. 9.710 Appeal to City Council

(a) Request for Appeal. Any person may appeal in writing to the city council of the City of Cedar Park the grant or denial (but not disapproval pending receipt of additional information) of a permit under this section or the grant or denial of a variance under this section. The appeal must be delivered to the public works director on or before the tenth (10th) day after the date on which the permit or variance was granted or denied. The request for an appeal must be in writing and contain a concise statement of the reasons for the appeal and citing the specific performance standards that the development did, or did not, meet. The process for appeal from a decision regarding a permit is outlined in the Technical Manual. On receipt, the public works director shall deliver the appeal to the city secretary for placing on the city council agenda. The city secretary shall notify the appellant, the applicant (if different), and the public works director of the hearing date.

(b) Appeal Process. The city council must decide the appeal at the public hearing on or before the thirtieth (30th) day after the date on which the appeal was filed with the public works director. If both the grant or denial of a permit, or the grant or denial of a variance for the same site area are appealed, or if there are multiple appeals of the same grant or denial, the council shall decide them at the hearing. After considering the appeal the council may affirm the grant or denial, reverse it, or modify it to comply with the requirements of this section.

(c) Record on Appeal. The appellant has the burden of proof on appeal and the council must decide the appeal solely on the basis of the permit application file; the written appeal; the written response to the appeal, if any, from the applicant; oral argument at the council hearing; written reports from the appropriate city departments; and such further

information which is relevant and necessary to the council's decision as may be requested from the appropriate city departments by the council.

(d) Ex Parte Communications. Any communication by an applicant/permittee, protesting party, City of Cedar Park staff member, or any other party in interest with the City of Cedar Park or other member(s) of the city council regarding any pending appeal or decision affecting permit, other than in public meeting of the city council, is prohibited.

(1988 Revised Code of Ordinances, Chapter 8, Section 7J)

Sec. 9.711 Savings Clause; Amendment; Effective Date; Review

(a) Savings Clause. If any word, clause, sentence, or provision of this article or the application thereof to any person or circumstance shall be held to be invalid, the remainder of the article, and the application of such provision to other persons or circumstances, shall not be affected thereby.

(b) Amendment of the Article, Technical Manual, or Fee Schedule. This article may be amended by the City of Cedar Park city council from time to time after notice and reasonable opportunity for public review. The LCRA NPS Pollution Control Technical Manual may be amended by LCRA's General Manager from time to time after notice and reasonable opportunity for public review. The fee schedule may be amended from time to time by the City of Cedar Park city council after notice and reasonable opportunity for public review.

(c) Review. This article shall be reviewed for its effectiveness for protecting the quality of water in Lake Travis no later than three (3) years from its effective date.

(1988 Revised Code of Ordinances, Chapter 8, Section 7K)

ARTICLE 9.800 UNIFORM CITY SERVICE ADDRESS SYSTEM

Sec. 9.801 General

The term "city service address" shall refer to the house number and street name assigned to a property by the city manager or a designee within the corporate limits of the city or within its extraterritorial jurisdiction. A lot which contains multiple buildings or multiple units or suites within a single building will also be assigned building numbers and unit/suite numbers, which will be part of the city service address. (1988 Revised Code of Ordinances, Chapter 8, Section 10A)

Ag 5482

CERTIFICATE OF ADJUDICATION

CERTIFICATE OF ADJUDICATION: 14-5482 OWNER: Lower Colorado River Authority
P. O. Box 220
Austin, Texas 78767

COUNTY: Travis PRIORITY DATES: March 29, 1926 and
March 7, 1938

WATERCOURSE: Colorado River BASIN: Colorado River

WHEREAS, by final judgment and decree of the 264th Judicial District Court of Bell County, Texas, in Cause No. 115,414-A-1, In Re: The Exceptions of the Lower Colorado River Authority and the City of Austin to the adjudication of water rights in the Lower Colorado River Segment of the Colorado River Basin dated April 20, 1988, a right was recognized under Permit 951, Permit 952, Permit 1259 and Permit 1260 authorizing the Lower Colorado River Authority to appropriate waters of the State of Texas as set forth below:

NOW, THEREFORE, this certificate of adjudication to appropriate waters of the State of Texas in the Colorado River Basin is issued to the Lower Colorado River Authority (hereinafter called LCRA), subject to the following terms and conditions:

1. IMPOUNDMENT

LCRA is authorized to maintain an existing dam and reservoir on the Colorado River (Mansfield Dam and Lake Travis) and impound therein not to exceed 1,170,752 acre-feet of water. The dam is located in the John S. Choate Survey 461, Abstract 186 and the C. B. Townsend Survey 192, Abstract 2640, Travis County, Texas.

2. USE

A. LCRA is authorized to use the water impounded in the aforesaid Lake Travis for recreation purposes with no right of diversion or release for this purpose.

B. LCRA is authorized to divert and use not to exceed 1,500,000 acre-feet of water per annum from the aforesaid reservoir and Lake Buchanan (Certificate of Adjudication 14-5478) for municipal, industrial, irrigation and mining purposes, subject to the following conditions:

- (1) LCRA shall prepare and submit to the Commission, on or before December 31, 1988, a proposed reservoir operation plan, which shall include such studies and other information as may be required by the Commission to determine the Combined Firm Yield of Lakes Travis and Buchanan (as

Certificate of Adjudication 14-5482

defined By Fact Finding No. 29 for Lake Travis in the "Modified Findings and Conclusions Defining LCRA's Water Rights with Respect to the Highland Lakes", Attachment No. 2 to Judgment in Cause No. 115,414-A-1) and demonstrate LCRA's compliance with, and its ability to comply with, these conditions (the "Management Plan"). In making its decision on the adoption of a Management Plan, the Commission shall consider all relevant public policies including, without limitation, the following:

- (a) Recognition of the necessity of beneficial inflows from the Colorado River into the Lavaca-Tres Palacios Estuary consistent with §11.147 of the Texas Water Code;
- (b) Protection of fish and wildlife habitats consistent with §11.147 of the Texas Water Code;
- (c) Consideration of the effects, if any, on existing instream uses and water quality consistent with §11.147 of the Texas Water Code;
- (d) Mitigation of adverse impacts, if any, on wildlife habitats inundated by new reservoir construction;
- (e) Mitigation of adverse environmental impacts, if any, caused by new projects taking, storing or diverting in excess of 5,000 acre-feet per year consistent with §11.152 of the Texas Water Code; and
- (f) Recognition of the Commission's statutory authority to require water conservation under §11.134(b)(4).

The Commission shall consider LCRA's proposal prior to adopting the initial Management Plan. The Management Plan may be amended from time to time upon the request of LCRA or on the Commission's own motion. The initial proceeding to consider the adoption of the Management Plan, and any major amendment thereof, shall be pursuant to contested case procedures. Any proceeding to consider the adoption or major amendment of the Management Plan shall be preceded by notice and opportunity to request a hearing in accordance with the Commission's regulations applicable to water rights permitting proceedings. The Texas Parks and Wildlife Department, at its option, may be a party in any such proceeding, in the same manner as it would be a party to a proceeding before the Commission incident to an application for a permit governed by §11.147 of the Texas Water Code. The Commission shall name as other parties persons who establish a justiciable interest in the

Certificate of Adjudication 14-5482

proceeding. In making a final decision on the adoption of a Management Plan and any amendment thereof, the Commission, in addition to other information, evidence, and testimony presented, shall consider all information, evidence, and testimony presented by the Texas Parks and Wildlife Department, including, without limitation, any memorandum of understanding between LCRA and Texas Parks and Wildlife Department relating to the management of the Highland Lakes.

- (2) LCRA shall prepare and submit to the Commission, on or before March 1 of each year beginning with March 1, 1990, a report which documents compliance with the Management Plan and these conditions during the previous year. Such report shall be in a form approved by the Executive Director of the Commission.
- (3) Except as provided in Paragraph (9) below, LCRA shall not supply or commit to supply any water under this certificate or under Certificate of Adjudication 14-5478 to any other party except pursuant to a written contract between LCRA and such party that defines such commitment.
- (4) LCRA shall not supply or commit to supply any water under this certificate or under Certificate of Adjudication 14-5478 to itself for use by itself or other parties except pursuant to resolution adopted by LCRA's Board of Directors that defines such commitment.
- (5) Each commitment by LCRA to supply water under this certificate or under Certificate of Adjudication 14-5478 shall be considered to be on a firm, uninterrupted basis unless the contract, resolution or special condition defining such commitment specifically provides that such commitment "is subject to interruption or curtailment".
- (6) LCRA shall not commit to supply water under this certificate or under Certificate of Adjudication 14-5478 on a firm, uninterrupted basis in excess of the Combined Firm Yield of Lakes Travis and Buchanan. During the period beginning as of January 1, 1988 until such time as the Management Plan is submitted and approved by the Commission, LCRA shall not enter into any contract or adopt any resolution by which it commits to supply any water under this certificate or under Certificate of Adjudication 14-5478 on a firm, uninterrupted basis, unless:
 - (a) The aggregate of all firm, uninterrupted commitments of water under this certificate or under Certificate of Adjudication 14-5478, including the

Certificate of Adjudication 14-5482

commitment made pursuant to such contract or resolution, does not exceed 2,500,000 acre-feet of water over any five consecutive calendar-year period; or

- (b) The commitment made pursuant to such contract or resolution is for municipal use, and such commitment does not exceed 10,000 acre-feet of water per annum; or
 - (c) Such contract or resolution is specifically approved by either the Executive Director of the Commission or the Commission pursuant to the condition contained in this Paragraph (6).
- (7) LCRA shall interrupt or curtail the supply of water under this certificate or under Certificate of Adjudication 14-5478 pursuant to commitments that are specifically subject to interruption or curtailment, to the extent necessary to allow LCRA to satisfy all demands for water under such certificates pursuant to all firm, uninterruptible commitments. Commitments to supply water on a non-firm, interruptible basis may be interrupted or curtailed as necessary either on a pro rata basis or in accordance with a system of priorities, as may be set forth in various contracts and resolutions that define such commitments.
- (8) LCRA shall not impose its priority under this certificate or under Certificate of Adjudication 14-5478 against any junior permanent water right with a priority date senior to November 1, 1987, except to the extent that:
- (a) LCRA would have the right to impose such priority against such water right if LCRA's right under this certificate or under Certificate of Adjudication 14-5478 to divert and use water from Lakes Travis and Buchanan were limited to the Combined Firm Yield of such lakes; or
 - (b) The holder of such water right has agreed, or in the future agrees, otherwise.
- (9) LCRA shall supply water under this certificate or under Certificate of Adjudication 14-5478 to or for the benefit of any downstream water right with a priority date junior to December 1, 1900 and senior to November 1, 1987 that authorizes the diversion of not more than 3000 acre-feet of water per annum, to the extent that:

Certificate of Adjudication 14-5482

(a) The holder of such water right applies to the Commission for release of such water; and

(b) The Commission finds that, but for the exercise of priority claims under Certificates of Adjudication 14-5471, 14-5472 (as pertains to rights recognized pursuant to CF-330), 14-5475, 14-5476 and 14-5477.

[1] Water would be available for diversion from the natural flow of the Colorado River or tributary thereof at an authorized point of diversion under such water right; and

[2] Applicant's water right would entitle him to divert such water;

provided, however, that LCRA shall not be obligated to supply more than 20,000 acre-feet of water in any year pursuant to this condition (9); that this commitment is subject to interruption or curtailment pro rata with other long-term interruptible commitments of LCRA; and that LCRA shall not be obligated to supply water under this condition to or for the benefit of a temporary or term permit beyond the initial term thereof.

(10) LCRA may from time to time apply to the Commission for amendment of the conditions outlined in paragraph 2B(1) through 2B(9) above pursuant to Commission rules.

(11) The rights recognized in Paragraph 2B, are duplicative of, and not in addition to, those rights recognized under Certificate of Adjudication 14-5478 relating to LCRA's rights in Lake Buchanan.

C. LCRA is authorized to use the bed and banks of the Colorado River below the aforesaid dam to convey water released from Lake Travis for use by LCRA or others entitled to use such water in the amounts and for the purposes authorized herein.

D. LCRA is authorized to divert and use water through Mansfield Dam for the purpose of hydroelectric power generation, subject to the following conditions:

(1) Such right is subordinated to the extent set forth in TEX. REV. CIV. STAT. ANN. art. 8280-107, as amended, Tex. Laws 1975, ch. 74 at 179, as such act may be amended from time to time (the "LCRA Act").

Certificate of Adjudication 14-5482

- (2) Such right is further subordinated, to the extent that it may not be subordinated pursuant to the LCRA Act, as follows:
 - (a) LCRA shall not release water through Mansfield Dam solely for the purpose of hydroelectric generation, except during emergency shortages of electricity, and during other times to the extent that such releases will not impair LCRA's ability to satisfy all existing and projected demands for water from Lakes Travis and Buchanan under this certificate and under Certificate of Adjudication 14-5478 pursuant to all firm, uninterruptible commitments and all non-firm, interruptible commitments; and
 - (b) To the extent that water is released through Mansfield Dam solely for the purpose of hydroelectric generation, such right is specifically subordinated, as to priority, to all present and future upstream rights to use the waters of the Colorado River and its tributaries for municipal, domestic, industrial, irrigation and/or mining purposes, except during emergency shortages of electricity, and during other times to the extent that the holder of any such upstream right has agreed, or in the future agrees, otherwise.

3. DIVERSION

A. Location:

- (1) On the perimeter of the aforesaid reservoir.
- (2) Releases through the dam.

B. Maximum rate:

- (1) Unspecified from the perimeter of said reservoir.
- (2) 5530.00 cfs (2,488,500 gpm) for hydroelectric generation.

4. PRIORITY

- A. The time priority of LCRA's right is March 29, 1926 for the impoundment of water in the aforesaid reservoir, the use of the impounded water for recreation and the use of released water for hydroelectric generation.
- B. The time priority of LCRA's right is March 7, 1938 for the diversion and use of water for all other purposes authorized.

Certificate of Adjudication 14-5482

5. SPECIAL CONDITION

Owner shall maintain a suitable outlet in the aforesaid dam authorized herein to allow the free passage of water that Owner is not entitled to divert or impound.

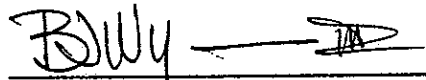
The location of pertinent features related to this certificate are shown on Page 31 of the Middle Colorado River Segment Certificates of Adjudication Maps and Page 1 of the Lower Colorado River Segment Certificates of Adjudication Maps, copies of which are located in the office of the Texas Water Commission, Austin, Texas.

This certificate of adjudication is issued subject to all terms conditions and provisions in the final judgment and decree of the 264th Judicial District Court of Bell County, Texas, in Cause No. 115,414-A-1, In Re: The Exceptions of the Lower Colorado River Authority and the City of Austin to the adjudication of water rights in the Lower Colorado River Segment of the Colorado River Basin dated April 20, 1988 and supersedes all rights of the Owner asserted in that cause.

This certificate of adjudication is issued subject to senior and superior water rights in the Colorado River Basin.

This certificate of adjudication is issued subject to the Rules of the Texas Water Commission and its continuing right of supervision of State water resources consistent with the public policy of the State as set forth in the Texas Water Code.

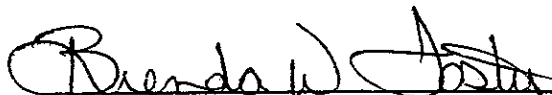
TEXAS WATER COMMISSION


B. J. Wynne, III, Chairman

DATE ISSUED:

JUN 28 1989

ATTEST:


Brenda W. Foster, Chief Clerk

NOW, THEREFORE, this amendment to Certificate No. 14-5482 is issued to the Lower Colorado River Authority, subject to the following provisions:

1. USE

a. In addition to the authorizations included in Paragraph 2.B., USE of Certificate No. 14-5482 to divert and use water from Lake Travis for municipal, industrial, irrigation and mining purposes, certificate owner is authorized to divert, use and release waters from Lake Travis for domestic, recreation, instream flows and bay/estuary purposes.

b. The combined firm yield for Lakes Travis and Buchanan is as found by the Commission by Order approved on September 7, 1989, approving the Water Management Plan as may be modified by the Commission from time to time.

2. SPECIAL CONDITIONS

a. For purposes of perfection, use of water for recreation purposes is limited to that quantity of water actually sold for that purpose whether used in, or released or diverted from, Lakes Buchanan or Travis.

b. Certificate owner shall follow the provisions of the Water Management Plan as approved by Order of the Commission on September 7, 1989, and the terms and conditions of that Order.

This amendment is issued subject to all terms, conditions and provisions contained in Certificate No. 14-5482, except as specifically amended herein.

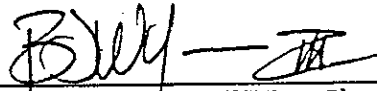
This amendment is issued subject to all superior and senior water rights in the Colorado River Basin.

Certificate owner agrees to be bound by the terms, conditions and provisions contained herein and such agreement is a condition precedent to the granting of this amendment.

All other matters requested in the application which are not specifically granted by this amendment are denied.

This amendment is issued subject to the Rules of the Texas Water Commission and to the right of continuing supervision of State water resources exercised by the Commission.

TEXAS WATER COMMISSION



B. J. Wynne, III, Chairman

DATE ISSUED: October 12, 1989

ATTEST:



Brenda W. Foster, Chief Clerk

WHEREAS, the Commission has complied with the requirements of the Texas Water Code and Rules of the Texas Water Commission in issuing this amendment; and

NOW, THEREFORE, this amendment to Certificate No. 14-5482, as amended, is issued to the Lower Colorado River Authority, subject to the following provisions:

USE

In addition to the authorizations included in Certificate No. 14-5482, as amended, to divert and use water from Lake Travis for municipal, industrial, irrigation, mining, domestic, recreation, instream flows and bay/estuary purposes, certificate owner is authorized to divert, use and release the waters in Lake Travis for livestock and recharge purposes.

This amendment is issued subject to all terms, conditions and provisions contained in Certificate No. 14-5482, as amended, except as specifically amended herein.

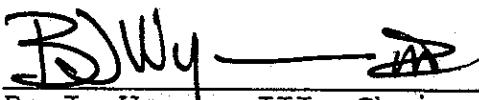
This amendment is issued subject to all superior and senior water rights in the Colorado River Basin.

Certificate owner agrees to be bound by the terms, conditions and provisions contained herein and such agreement is a condition precedent to the granting of this amendment.

All other matters requested in the application which are not specifically granted by this amendment are denied.

This amendment is issued subject to the Rules of the Texas Water Commission and to the right of continuing supervision of State water resources exercised by the Commission.

TEXAS WATER COMMISSION


B. J. Wynne, III, Chairman

DATE ISSUED: MAR 08 1990

ATTEST:


Brenda W. Foster, Chief Clerk

AMENDMENT TO
CERTIFICATE OF ADJUDICATION

CERTIFICATE NO. ¹⁴⁷ 12-5482C TYPE: AMENDMENT

Name: Lower Colorado River Authority Address: PO BOX 220
AUSTIN TX 78767-0220

Filed: September 17, 1991 Granted: October 9, 1991

Purposes: Industrial and Irrigation County: Travis

Watercourse: Colorado River Watershed: Colorado River Basin

WHEREAS, Certificate No. 14-5482, as amended, was issued to Lower Colorado River Authority (LCRA) and authorized the certificate owner to maintain Mansfield Dam and Lake Travis on Colorado River in Travis County and the diversion and use of water from Lake Travis and Lake Buchanan (included in LCRA's Certificate No. 14-5478) for municipal, industrial, irrigation, mining, domestic, recreation, instream flows, bay/estuary, livestock and recharge purposes; and

WHEREAS, applicant seeks to amend Certificate No. 14-5482, as amended, to establish a diversion point and maximum diversion rate on Lake Austin (authorized by Certificate No. 14-5471 and owned by the City of Austin) for the purposes of diverting water released from Lake Travis for (industrial use) heat transfer or cooling purposes and for irrigation of landscaped areas surrounding LCRA's proposed office complex; and

WHEREAS, the Texas Water Commission finds that jurisdiction over the application is established; and

WHEREAS, no person protested the granting of this application; and

WHEREAS, the Commission has complied with the requirements of the Texas Water Code and Rules of the Texas Water Commission in issuing this amendment.

NOW, THEREFORE, this amendment to Certificate No. 14-5482 is issued to the Lower Colorado River Authority, as follows:

1. USE

Certificate owner is authorized to divert and use 1470 acre-feet of water per annum for industrial and irrigation purposes at the certificate owner's proposed office complex.

2. DIVERSION

In addition to the authorized points of diversion in Certificate No. 14-5482, as amended, certificate owner is authorized to use the following point of diversion:

A. Location:

- (3) *At a point on the eastern end of Tom Miller Dam on the Colorado River, Travis County, the same being S 79° E, 1135 feet from the north corner of the Henry P. Hill Grant, Abstract No. 14.*

B. Maximum rate:

- (3) *4.0 cfs (1800 gpm).*

3. POINT OF RETURN

At a point S 74° E, 1170 feet from the aforesaid survey corner.

4. SPECIAL CONDITION

Certificate owner shall maintain annual records indicating that water used under this amendment conforms to Article 5.1.2.(b) and 5.1.3.(b) of LCRA's Water Conservation Rules and the records shall be made available to representatives of the Executive Director of the Texas Water Commission upon reasonable request.

This amendment is issued subject to all terms, conditions and provisions contained in Certificate No. 14-5482, except as specifically amended herein.

This amendment is issued subject to all superior and senior water rights in the Colorado River Basin.

Certificate owner agrees to be bound by the terms, conditions and provisions contained herein and such agreement is a condition precedent to the granting of this amendment.

All other matters requested in the application which are not specifically granted by this amendment are denied.

Certificate owner shall use those practices, techniques and technologies that will reduce the loss or waste of water and improve the efficiency and use of water so that only so much water as can be beneficially used will be diverted. Furthermore, diversion and use will occur only when reasonably necessary because of prevailing climatic conditions and subject to the terms and conditions of this amendment.

This amendment is issued subject to the Rules of the Texas Water Commission and to the right of continuing supervision of State water resources exercised by the Commission.

TEXAS WATER COMMISSION



John Hall, Chairman

DATE ISSUED: OCT 3 1 1991

ATTEST:



Gloria A. Vasquez, Chief Clerk

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



AMENDMENT TO
CERTIFICATE OF ADJUDICATION

APPLICATION NO. 14-5478C

CERTIFICATE NO. 14-5478C

Name	: Lower Colorado River Authority	Address	: 3701 Lake Austin Blvd. Austin, Texas 78703
Filed	: December 12, 1995	Granted	: MAR 29 1996
Purpose	: Municipal, Industrial, Irrigation, Mining, Domestic, Recreation, Instream Flows, Bay/Estuary, Livestock, Hydroelectric, and Recharge	County	: Llano and Burnet
Watercourse	: Colorado River	Watershed	: Colorado River

WHEREAS, Certificate of Adjudication No. 14-5478, as amended, includes authorization for the Lower Colorado River Authority (LCRA) to maintain an existing dam and 992,475 acre-foot capacity reservoir on the Colorado River (Buchanan Dam and Lake Buchanan) for in-place recreational purposes and to divert and use not to exceed 1,500,000 acre-feet of water per annum from the reservoir and Lake Travis (included in Certificate No. 14-5482) for municipal, industrial, irrigation, mining, and hydroelectric generation purposes; and

WHEREAS, the certificate included a time priority of March 29, 1926 for the impoundment of water in the aforesaid reservoir, the use of the impounded water for recreation, and the use of released water for hydroelectric generation, and a time priority of March 7, 1938 was assigned to the diversion and use of water for all other authorized purposes; and

WHEREAS, the certificate was amended to authorize the diversion, use, and release of the waters in Lake Buchanan for domestic, recreation, instream flows, bay/estuary inflows; and

WHEREAS, the certificate was amended a second time to authorize the diversion, use, and release of the waters in Lake Buchanan for livestock and recharge purposes; and

WHEREAS, Certificate No. 14-2564 was issued on August 31, 1983 to Palladian Capital Corporation and authorized the diversion and use of not to exceed 1100 acre-feet and the use of 1035 acre-feet of water per annum from the Colorado River to irrigate a maximum of 352 acres of land out of an 825.6 acre tract located in the William Seckatz Survey No. 535, Abstract No. 1046, San Saba County, Texas; and

WHEREAS, Commission records show ownership of Certificate No. 14-2564 as follows:

1. Haskel G. Hudson & Norma Jeanne Hudson - Diversion of 626 acre-feet per annum and use of 589 acre-feet for irrigation of 200.34 acres out of a 435.74 acre tract; and
2. Luther W. Simpson & Irma Nell Simpson - Diversion of 474 acre-feet per annum and use of 446 acre-feet for irrigation of 151.66 acres out of 329.86 acre tract; and

WHEREAS, William J. Maddux holds an option to purchase the right to divert 532 acre-feet and use 500 acre-feet per annum of the water rights owned by Haskel G. Hudson and Norma Jeanne Hudson authorized by Certificate No. 14-2564; and

WHEREAS, pursuant to an agreement between William J. Maddux and the LCRA (applicants), an application to amend Certificate No. 14-5478 has been submitted and requests the Commission to amend the Certificate by:

1. Changing the place of diversion of 532 acre-feet of water and place of consumptive use for 500 acre-feet of water from the current location in San Saba County to a location approximately 35 miles downstream to Lake Buchanan to be used in the LCRA's authorized service area; and
2. Severing the diversion of 532 acre-feet and consumptive use of 500 acre-feet of water from Certificate No. 14-2564 and combine it with Certificate No. 14-5478, as amended, thereby assigning all current authorizations under Certificate No. 14-5478, as amended, to the additional water; and

WHEREAS, the Texas Natural Resource Conservation Commission finds that jurisdiction over the application is established; and

WHEREAS, the Texas Natural Resource Conservation Commission is of the opinion and so finds the proposed changes will not impair the rights of any person entitled to the use of a portion of the waters of the Colorado River Basin; and

WHEREAS, the Commission has complied with the requirements of the Texas Water Code and Rules of the Texas Natural Resource Conservation Commission in issuing this amendment.

NOW, THEREFORE, this amendment to Certificate No. 14-5478, as amended, is issued to the Lower Colorado River Authority, subject to the following provisions:

1. USE

In addition to the existing authorizations under Certificate No. 14-5478, as amended, certificate owner is authorized to divert 532 acre-feet and consumptively use not to exceed 500 acre-feet of water per annum from Lake Buchanan on the Colorado River with current purpose and place of use authorizations as delineated in Certificate No. 14-5478, as amended.

2. DIVERSION

Diversions will occur on the Colorado River from Lake Buchanan at currently authorized locations and diversion rates authorized in Certificate No. 14-5478, as amended.

3. SPECIAL CONDITIONS

This amendment is conditional upon the purchase and sale of the 532 acre-feet of water from Haskel G. and Norma Jeanne Hudson and the subsequent transfer of that portion of Certificate No. 14-2564 from William J. Maddux to the LCRA.

4. PRIORITY

This amendment is junior in time priority to all the water rights in the Colorado River watershed between the diversion points included in Certificate No. 14-2564 and Certificate No. 14-5478. The time priority of this amendment as it relates to all other water rights is December 31, 1929.

This amendment is issued subject to all terms, conditions and provisions contained in Certificate No. 14-5478, as amended, except as specifically amended herein.

This amendment is issued subject to all superior and senior water rights in the Colorado River Basin.

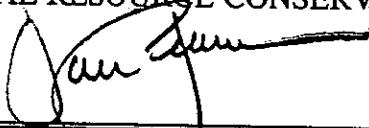
The Certificate owner agrees to be bound by the terms, conditions and provisions contained herein and such agreement is a condition precedent to the granting of this amendment.

All other matters requested in the application which are not specifically granted by this amendment are denied.

The right to use State water appropriated hereunder is limited to that amount which can be beneficially used by the water use permit owner for the authorized purpose but not to exceed the amount specifically authorized. Non-beneficial use or waste of water is a violation of this amendment.

This amendment is issued subject to the Rules of the Texas Natural Resource Conservation Commission and to the right of continuing supervision of State water resources exercised by the Commission.

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



For the Commission

DATE ISSUED: **MAR 29 1996**

ATTEST:



Gloria A. Vasquez, Chief Clerk

AMENDMENT TO
CERTIFICATE OF ADJUDICATION

CERTIFICATE NO. 14-5478B

TYPE: AMENDMENT

Name: Lower Colorado River
Authority

Address: P.O. Box 220
Austin, Texas 78767

Filed: February 6, 1990

Granted: February 21, 1990

Purposes: Livestock and Recharge

Counties: Llano and Burnet

Watercourse: Colorado River

Watershed: Colorado River Basin

WHEREAS, Certificate of Adjudication No. 14-5478 was issued to Lower Colorado River Authority on June 28, 1989 and authorized certificate owner to maintain Buchanan Dam and Lake Buchanan on the Colorado River in Llano and Burnet Counties and the diversion and use of water from Lake Buchanan and Lake Travis included in the Authority's Certificate No. 14-5482) for municipal, industrial, irrigation and mining purposes; and

WHEREAS, Certificate No. 14-5478A was issued on October 12, 1989 which authorized certificate owner to divert, use and release waters from Lake Buchanan for domestic, recreation, instream flows and bay/estuary purposes in addition to uses listed above; and

WHEREAS, certificate owner has requested an amendment to Certificate No. 14-5478, as amended, to add authority to divert, use and release the waters in Lake Buchanan for livestock and recharge purposes; and

WHEREAS, the Texas Water Commission finds that jurisdiction over the application is established; and

WHEREAS, no person protested the granting of this application;
and

WHEREAS, the Commission has complied with the requirements of the Texas Water Code and Rules of the Texas Water Commission in issuing this amendment; and

NOW, THEREFORE, this amendment to Certificate No. 14-5478, as amended, is issued to the Lower Colorado River Authority, subject to the following provisions:

USE

In addition to the authorizations included in Certificate No. 14-5478, as amended, to divert and use water from Lake Buchanan for municipal, industrial, irrigation, mining, domestic, recreation, instream flows and bay/estuary purposes, certificate owner is authorized to divert, use and release the waters in Lake Buchanan for livestock and recharge purposes.

This amendment is issued subject to all terms, conditions and provisions contained in Certificate No. 14-5478, as amended, except as specifically amended herein.


This amendment is issued subject to all superior and senior water rights in the Colorado River Basin.

Certificate owner agrees to be bound by the terms, conditions and provisions contained herein and such agreement is a condition precedent to the granting of this amendment.

All other matters requested in the application which are not specifically granted by this amendment are denied.

This amendment is issued subject to the Rules of the Texas Water Commission and to the right of continuing supervision of State water resources exercised by the Commission.


TEXAS WATER COMMISSION



B. J. Wynne, III, Chairman

DATE ISSUED: MAR 08 1990

ATTEST:



Brenda W. Foster, Chief Clerk

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



AN ORDER severing a portion of the water rights authorized by Certificate No. 14-2564 and combine it with all of the water rights authorized by Certificate No. 14-5478, as amended, and amending Certificate No. 14-5478, as amended, under Certificate No. 14-5478, as amended, designating such as Certificate No. 14-5478C.

An application by the Lower Colorado River Authority and William J. Maddux was presented to the Executive Director of the Texas Natural Resource Conservation Commission for consideration of approval. The applicants request authorization to sever and combine a 532 acre-foot portion the water rights authorized by Certificate No. 14-2564, with the water rights authorized by Certificate No. 14-5478, as amended, under Certificate No. 14-5478, as amended.

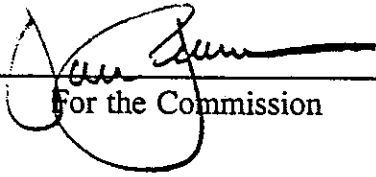
The Commission has jurisdiction to consider this matter and after hearing all of the evidence pertaining to the matter, the Commission is of the opinion and so finds that the 532 acre-foot portion water rights authorized by Certificate No. 14-2564 should be severed from said certificate and combined with the water rights authorized by Certificate No. 14-5478, as amended, designating such combination as Certificate No. 14-5478C.

NOW THEREFORE, BE IT ORDERED BY THE TEXAS NATURAL RESOURCE CONSERVATION COMMISSION that the 532 acre-foot portion of water rights authorized by Certificate No. 14-2564 is hereby severed from Certificate No. 14-2564 and combined with the water rights authorized by Certificate No. 14-5478, as amended, by amendment to be so designated as Certificate No. 14-5478C.

All other terms and conditions contained in Certificate No. 14-5478, as amended, which are not specifically contrary to the terms of Certificate No. 14-5478, as herein combined, and to be so designated as Certificate No. 14-5478C by amendment, shall remain in full force and effect.

The Chief Clerk of the Commission is directed to forward a certified copy of this order to Mr. Gene Richardson, of the Lower Colorado River Authority, to Mr. William J. Maddux, to the County Clerk of Llano and Burnet County, and to the Commission Records Systems file of both of the certificates herein combined.

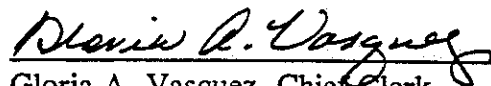
TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



For the Commission

DATE ISSUED: **MAR 29 1996**

ATTEST:


Gloria A. Vasquez, Chief Clerk

AMENDMENT TO
CERTIFICATE OF ADJUDICATION

CERTIFICATE NO. 14-5478A TYPE: AMENDMENT

Name: Lower Colorado Address: P.O. Box 220
 River Authority Austin, Texas 78767

Filed: September 6, 1989 Granted: September 7, 1989

Purposes: Domestic,
 Recreation,
 Instream Flows and
 Bay/Estuary Use Counties: Llano and Burnet

Watercourse: Colorado River Watershed: Colorado River Basin

WHEREAS, Certificate of Adjudication No. 14-5478 was issued to Lower Colorado River Authority on June 28, 1989, and authorized the certificate owner to maintain Buchanan Dam and Lake Buchanan on the Colorado River in Llano and Burnet Counties and the diversion and use of water from Lake Buchanan and Lake Travis (included in the authority's Certificate No. 14-5482) for municipal, industrial, irrigation and mining purposes; and

WHEREAS, in conjunction with submittal of the Water Management Plan required by the Final Judgement and Decree in Case No. 155, 414-A-1 of the 264th Judicial District Court of Bell County, certificate owner has also requested an amendment to Certificate No. 14-5478 to add authority to divert, use and release the waters in Lake Buchanan for domestic, recreation, instream flow and bay/estuary inflow purposes; and

WHEREAS, the Texas Water Commission finds that jurisdiction over the application is established; and

WHEREAS, no person protested the granting of this application; and

WHEREAS, the Commission has complied with the requirements of the Texas Water Code and Rules of the Texas Water Commission in issuing this amendment.

NOW, THEREFORE, this amendment to Certificate No. 14-5478 is issued to the Lower Colorado River Authority, subject to the following provisions:

1. USE

a. In addition to the authorizations included in Paragraph 2.B., USE of Certificate No. 14-5478 to divert and use water from Lake Buchanan for municipal, industrial, irrigation and mining purposes, certificate owner is authorized to divert, use and release waters from Lake Buchanan for domestic, recreation, instream flows and bay/estuary purposes.

b. The combined firm yield for Lakes Travis and Buchanan is as found by the Commission by Order approved on September 7, 1989, approving the Water Management Plan as may be modified by the Commission from time to time.

2. SPECIAL CONDITIONS

a. For purposes of perfection, use of water for recreation purposes is limited to that quantity of water actually sold for that purpose whether used in, or released or diverted from, Lakes Buchanan or Travis.

b. Certificate owner shall follow the provisions of the Water Management Plan as approved by Order of the Commission on September 7, 1989, and the terms and conditions of the Order.

This amendment is issued subject to all terms, conditions and provisions contained in Certificate No. 14-5478, except as specifically amended herein.

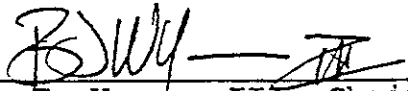
This amendment is issued subject to all superior and senior water rights in the Colorado River Basin.

Certificate owner agrees to be bound by the terms, conditions and provisions contained herein and such agreement is a condition precedent to the granting of this amendment.

All other matters requested in the application which are not specifically granted by this amendment are denied.

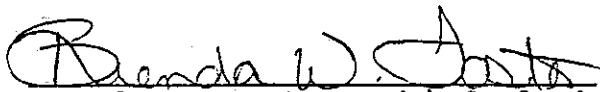
This amendment is issued subject to the Rules of the Texas Water Commission and to the right of continuing supervision of State water resources exercised by the Commission.

TEXAS WATER COMMISSION


B. J. Wynne, III, Chairman

DATE ISSUED: October 12, 1989

ATTEST:


Brenda W. Foster, Chief Clerk

CERTIFICATE OF ADJUDICATION

CERTIFICATE OF ADJUDICATION: 14-5478

OWNER: Lower Colorado River
Authority
P. O. Box 220
Austin, Texas 78767

COUNTIES: Llano and Burnet

PRIORITY DATES: March 29, 1926 and
March 7, 1938

WATERCOURSE: Colorado River

BASIN: Colorado River

WHEREAS, by final judgment and decree of the 264th Judicial District Court of Bell County, Texas, in Cause No. 115,414-A-1, In Re: The Exceptions of the Lower Colorado River Authority and the City of Austin to the adjudication of water rights in the Lower Colorado River Segment of the Colorado River Basin dated April 20, 1988, a right was recognized under Permit 954, Permit 1259 and Permit 1260 authorizing the Lower Colorado River Authority to appropriate waters of the State of Texas as set forth below:

NOW, THEREFORE, this certificate of adjudication to appropriate waters of the State of Texas in the Colorado River Basin is issued to the Lower Colorado River Authority (hereinafter called LCRA), subject to the following terms and conditions:

1. IMPOUNDMENT

LCRA is authorized to maintain an existing dam and reservoir on the Colorado River (Buchanan Dam and Lake Buchanan) and impound therein not to exceed 992,475 acre-feet of water. The dam is located in the Carl Conrad Mertz Survey, Abstract 510 and the Johann L. Henne Survey, Abstract 326 in Llano County and the Abraham Large Survey, Abstract 532; the F.H.R. Day Survey, Abstract 262 and the D. R. Banta Survey, Abstract 1215, in Burnet County, Texas.

2. USE

A. LCRA is authorized to use the water impounded in the aforesaid Lake Buchanan for recreation purposes with no right of diversion or release for this purpose.

B. LCRA is authorized to divert and use not to exceed 1,500,000 acre-feet of water per annum from the aforesaid reservoir and Lake Travis (Certificate of Adjudication 14-5482) for municipal, industrial, irrigation and mining purposes, subject to the following conditions:

(1) LCRA shall prepare and submit to the Commission, on or before December 31, 1988, a proposed reservoir operation

plan which shall include such studies and other information as may be required by the Commission to determine the Combined Firm Yield of Lakes Travis and Buchanan (as defined by Fact Finding No. 22 for Lake Buchanan in the "Modified Findings and Conclusions Defining LCRA's Water Rights with Respect to the Highland Lakes", Attachment No. 2 to Judgment in Cause No. 115,414-A-1) and demonstrate LCRA's compliance with, and its ability to comply with, these conditions (the "Management Plan"). In making its decision on the adoption of a Management Plan, the Commission shall consider all relevant public policies including, without limitation, the following:

- (a) Recognition of the necessity of beneficial inflows from the Colorado River into the Lavaca-Tres Palacios Estuary consistent with §11.147 of the Texas Water Code;
- (b) Protection of fish and wildlife habitats consistent with §11.147 of the Texas Water Code;
- (c) Consideration of the effects, if any, on existing instream uses and water quality consistent with §11.147 of the Texas Water Code;
- (d) Mitigation of adverse impacts, if any, on wildlife habitats inundated by new reservoir construction;
- (e) Mitigation of adverse environmental impacts, if any, caused by new projects taking, storing or diverting in excess of 5,000 acre-feet per year consistent with §11.152 of the Texas Water Code; and
- (f) Recognition of the Commission's statutory authority to require water conservation under §11.134(b)(4).

The Commission shall consider LCRA's proposal prior to adopting the initial Management Plan. The Management Plan may be amended from time to time upon the request of LCRA or on the Commission's own motion. The initial proceeding to consider the adoption of the Management Plan, and any major amendment thereof, shall be pursuant to contested case procedures. Any proceeding to consider the adoption or major amendment of the Management Plan shall be preceded by notice and opportunity to request a hearing in accordance with the Commission's regulations applicable to water rights permitting proceedings. The Texas Parks and Wildlife Department, at its option, may be a party in any such proceeding, in the same manner as it would be a party to a proceeding before the Commission incident to an

Certificate of Adjudication 14-5478

application for a permit governed by §11.147 of the Texas Water Code. The Commission shall name as other parties persons who establish a justiciable interest in the proceeding. In making a final decision on the adoption of a Management Plan and any amendment thereof, the Commission, in addition to other information, evidence, and testimony presented, shall consider all information, evidence, and testimony presented by the Texas Parks and Wildlife Department, including, without limitation, any memorandum of understanding between LCRA and Texas Parks and Wildlife Department relating to the management of the Highland Lakes.

- (2) LCRA shall prepare and submit to the Commission, on or before March 1 of each year beginning with March 1, 1990, a report which documents compliance with the Management Plan and these conditions during the previous year. Such report shall be in a form approved by the Executive Director of the Commission.
- (3) Except as provided in Paragraph (9) below, LCRA shall not supply or commit to supply any water under this certificate or under Certificate of Adjudication 14-5482 to any other party except pursuant to a written contract between LCRA and such party that defines such commitment.
- (4) LCRA shall not supply or commit to supply any water under this certificate or under Certificate of Adjudication 14-5482 to itself for use by itself or other parties except pursuant to resolution adopted by LCRA's Board of Directors that defines such commitment.
- (5) Each commitment by LCRA to supply water under this Certificate or under Certificate of Adjudication 14-5482 shall be considered to be on a firm, uninterrupted basis unless the contract, resolution or special condition defining such commitment specifically provides that such commitment "is subject to interruption or curtailment".
- (6) LCRA shall not commit to supply water under this certificate or under Certificate of Adjudication 14-5482 on a firm, uninterrupted basis in excess of the Combined Firm Yield of Lakes Travis and Buchanan. During the period beginning as of January 1, 1988 until such time as the Management Plan is submitted and approved by the Commission, LCRA shall not enter into any contract or adopt any resolution by which it commits to supply any water under this certificate or under Certificate of Adjudication 14-5482 on a firm, uninterrupted basis, unless:

Certificate of Adjudication 14-5478

- (a) The aggregate of all firm, uninterruptible commitments of water under this certificate or under Certificate of Adjudication 14-5482, including the commitment made pursuant to such contract or resolution, does not exceed 2,500,000 acre-feet of water over any five consecutive calendar-year period; or
 - (b) The commitment made pursuant to such contract or resolution is for municipal use, and such commitment does not exceed 10,000 acre-feet of water per annum; or
 - (c) Such contract or resolution is specifically approved by either the Executive Director or the Commission pursuant to the Special Condition contained in this paragraph (6).
- (7) LCRA shall interrupt or curtail the supply of water under this certificate or under Certificate of Adjudication 14-5482 pursuant to commitments that are specifically subject to interruption or curtailment, to the extent necessary to allow LCRA to satisfy all demands for water under such certificates pursuant to all firm, uninterruptible commitments. Commitments to supply water on a non-firm, interruptible basis may be interrupted or curtailed as necessary either on a pro rata basis or in accordance with a system of priorities, as may be set forth in various contracts and resolutions that define such commitments.
- (8) LCRA shall not impose its priority under this certificate or under Certificate of Adjudication 14-5482 against any junior permanent water right with a priority date senior to November 1, 1987, except to the extent that:
- (a) LCRA would have the right to impose such priority against such water right if LCRA's right under this certificate or under Certificate of Adjudication 14-5482 to divert and use water from Lakes Travis and Buchanan were limited to the Combined Firm Yield of such lakes; or
 - (b) The holder of such water right has agreed, or in the future agrees, otherwise.

Certificate of Adjudication 14-5478

(9) LCRA shall supply water under this certificate or under Certificate of Adjudication 14-5482 to or for the benefit of any downstream water right with a priority date junior to December 1, 1900 and senior to November 1, 1987 that authorizes the diversion of not more than 3000 acre-feet of water per annum, to the extent that:

(a) The holder of such water right applies to the Commission for release of such water; and

(b) The Commission finds that, but for the exercise of priority claims under Certificates of Adjudication 14-5471, 14-5472 (as pertains to rights recognized pursuant to CF-330), 14-5475, 14-5476 and 14-5477.

[1] Water would be available for diversion from the natural flow of the Colorado River or tributary thereof at an authorized point of diversion under such water right; and

[2] Applicant's water right would entitle him to divert such water;

provided, however, that LCRA shall not be obligated to supply more than 20,000 acre-feet of water in any year pursuant to this condition (9); that this commitment is subject to interruption or curtailment pro rata with other long-term interruptible commitments of LCRA; and that LCRA shall not be obligated to supply water under this condition to or for the benefit of a temporary or term permit beyond the initial term thereof.

(10) LCRA may from time to time apply to the Commission for amendment of the conditions outlined in paragraph 2B(1) through 2B(9) above pursuant to Commission rules.

(11) The rights recognized in Paragraph 2B are duplicative of, and not in addition to, those rights recognized under Certificate of Adjudication 14-5482 relating to LCRA's rights in Lake Travis.

C. LCRA is authorized to use the bed and banks of the Colorado River, below the aforesaid dam to convey water released from Lake Buchanan for use by LCRA or others entitled to use such water in the amounts and for the purposes authorized herein.

Certificate of Adjudication 14-5478

D. LCRA is authorized to divert and use water through Buchanan Dam for the purpose of hydroelectric power generation, subject to the following conditions:

(1) Such right is subordinated to the extent set forth in TEX. REV. CIV. STAT. ANN. art. 8280-107, as amended, Tex. Laws 1975, ch. 74 at 179, as such act may be amended from time to time (the "LCRA Act").

(2) Such right is further subordinated, to the extent that it may not be subordinated pursuant to the LCRA Act, as follows:

(a) LCRA shall not release water through Buchanan Dam solely for the purpose of hydroelectric generation, except during emergency shortages of electricity, and during other times to the extent that such releases will not impair LCRA's ability to satisfy all existing and projected demands for water from Lakes Travis and Buchanan under this certificate and under Certificate of Adjudication 14-5482 pursuant to all firm, uninterruptible commitments and all non-firm, interruptible commitments; and

(b) To the extent that water is released through Buchanan Dam solely for the purpose of hydroelectric generation, such right is specifically subordinated, as to priority, to all present and future upstream rights to use the waters of the Colorado River and its tributaries for municipal, domestic, industrial, irrigation and/or mining purposes, except during emergency shortages of electricity, and during other times to the extent that the holder of any such upstream right has agreed, or in the future agrees, otherwise.

E. LCRA is authorized to maintain and operate its existing pump-back unit, located below the aforesaid dam on Inks Lake, as an aid in utilizing the water authorized herein for hydroelectric generation purposes.

3. DIVERSION

A. Location:

(1) On the perimeter of the aforesaid reservoir.

(2) Releases through the dam.

B. Maximum rate:

(1) Unspecified from the perimeter of reservoir.

(2) 3630.00 cfs (1,633,500 gpm) for hydroelectric generation.

4. PRIORITY

- A. The time priority of LCRA's right is March 29, 1926 for the impoundment of water in the aforesaid reservoir, the use of the impounded water for recreation and the use of released water for hydroelectric generation.
- B. The time priority of LCRA's right is March 7, 1938 for the diversion and use of water for all other purposes authorized herein.

5. SPECIAL CONDITION

Owner shall maintain a suitable outlet in the aforesaid dam authorized herein to allow the free passage of water that Owner is not entitled to divert or impound.

The location of pertinent features related to this certificate are shown on Pages Nos. 21 and 25 of the Middle Colorado River Segment Certificates of Adjudication Maps, copies of which are located in the office of the Texas Water Commission, Austin, Texas.

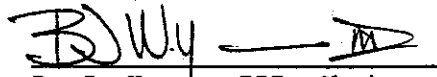
This certificate of adjudication is issued subject to all terms, conditions and provision in the final judgment and decree of the 264th Judicial District Court of Bell County, Texas, in Cause No. 115,414-A-1, In Re: The Exceptions of the Lower Colorado River Authority and the City of Austin to the adjudication of water rights in the Lower Colorado River Segment of the Colorado River Basin dated April 20, 1988 and supersedes all rights of the Owner asserted in that cause.

This certificate of adjudication is issued subject to senior and superior water rights in the Colorado River Basin.

Certificate of Adjudication 14-5478

This certificate of adjudication is issued subject to the Rules of the Texas Water Commission and its continuing right of supervision of State water resources consistent with the public policy of the State as set forth in the Texas Water Code.

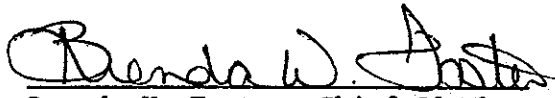
TEXAS WATER COMMISSION


B. J. Wynne, III, Chairman

DATE ISSUED:

JUN 28 1989

ATTEST:


Brenda W. Foster, Chief Clerk

Part D-63 Leander

STATE OF TEXAS §
COUNTY OF Williamson §
§

SURFACE WATER AFFIDAVIT

Before me, the undersigned notary, on this day personally appeared a person Wayne S. Watts, Sr.,
_____ whose identity is known to me. After I administered an oath to him/her, upon his/her oath
he/she said:

1. I am over 18 years of age, of sound mind, and capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.
2. I am an authorized representative of City of Leander, an entity that has filed an application for financial assistance with the Texas Water Development Board for a project that proposes the development of a new surface water supply source.
3. Does the applicant possess a Certificate of Adjudication and/or Water Rights Permit(s) issued by the Texas Commission on Environmental Quality or a predecessor agency authorizing the appropriation and use of the surface water needed for the Project?

Yes No

Please attach a copy of the Certificate(s) of Adjudication and Water Rights Permit(s).

Item attached: Yes No

4. Does the applicant have the contractual right to use the surface water from an entity that enjoys the right to appropriate and use the surface water needed for the project?

Yes No

Please attach a copy of any draft or executed water supply contract, lease or other legal instrument providing contractual authorization to use the surface water needed for the Project.

Item attached: Yes No

Please identify the Certificate of Adjudication(s) and Water Rights Permit(s) possessed by the wholesale water provider pursuant to which the contract, lease or other legal instrument has been or will be executed.

Certificate of Adjudications: _____

Item attached: Yes No

Water Rights Permit(s): Permit No. 5677B

Item attached: Yes No

Signed the day of April 25th, 2018

Name: Wayne S. Watts

Title: City Engineer

Sworn to and subscribed before me by Wayne S. Watts on April 25th, 2018



Lorraine Benoit Eldred

Notary Public in and for the State of Texas

[SEAL]

My Commission expires: 01-04-2021



September 4, 2007

Wayne S. Watts, P.E.
Public Works Director/City Engineer
City of Leander, Texas
P.O. Box 319
Leander, TX 78646-0319

Re: Filing of a Municipal Use Water Sale Contract between the Lower Colorado River Authority and the City of Leander, Texas, Contract No. 8000001719

Dear Mr. Watts:

I have enclosed an original of the water sale contract by and between LCRA and the City of Leander, Texas for your files.

Should you have any questions concerning this matter, please feel free to call me at 473-3231.

Sincerely,

Anissa Menefee, Supervisor
Water Services Customer Service

Enclosure

AM:2478



RECEIVED
9/7/07

September 4, 2007

Kellye Rila, Team Leader
Water Rights Permitting Team &
Resource Management Division
Texas Commission on Environmental Quality
P.O. Box 13087 Capitol Station
Austin, Texas 78711-3087

**Re: Filing of a Municipal Use Water Sale Contract, LCRA No. 8000001719,
Pursuant to 31 TAC § 295.101**

Dear Ms. Rila:

Enclosed please find a copy of the Water Sale Contract between the Lower Colorado River Authority and the City of Leander, Texas in compliance with the above referenced rule of the Texas Commission on Environmental Quality.

Do not hesitate to contact me at (512) 473-3231 if you have any questions concerning this matter.

Sincerely,

Anissa Menefee, Supervisor
Water Services Customer Service

AM:2477

Enclosure

✓ xc: Wayne S. Watts, P.E.
City of Leander

 **RECEIVED**
9/7/07

WATER SALE CONTRACT FOR MUNICIPAL USES

by and between

LOWER COLORADO RIVER AUTHORITY

And

CITY OF LEANDER, TEXAS

EDMS ID: 880 - 00017119

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WATER SALE CONTRACT FOR MUNICIPAL USES

This Contract is entered into this 21st day of August 2007 (hereinafter "Effective Date"), by and between the LOWER COLORADO RIVER AUTHORITY (hereinafter, together with its successors and assigns, "LCRA") and CITY OF LEANDER, TEXAS (hereinafter, together with its successors and assigns as provided herein, "PURCHASER") in mutual consideration of the provisions herein contained agree as follows:

I. WATER SUPPLY

A. INTERBASIN TRANSFER PERMIT AND MAXIMUM ANNUAL QUANTITY.

- 1) LCRA currently holds interbasin transfer permit no. 5677 issued by the Texas Natural Resource Conservation Commission on or about March 29, 2000 (hereinafter, the "IBTP"). LCRA shall apply to the Texas Commission on Environmental Quality for amendment of the IBTP to bring the IBTP into conformance with the terms of this contract within forty-five (45) days of the Execution Date of this contract. Water supplied under this contract may not be transferred or used outside of the Colorado River basin under this contract unless such transfer or use is within LCRA's water service area or is otherwise in strict compliance with the IBTP, as amended, and LCRA Board Policies.
- 2) From and after the date of issuance of an amendment to the IBTP by the Texas Commission on Environmental Quality in accordance with this contract, PURCHASER shall have the right to divert up to a maximum of 24,000 acre-feet (7,820,424,000 gallons) of raw water per annum (the "Maximum Annual Quantity" or "MAQ") from Lake Travis in Travis County, Texas at a point or points of diversion within a segment bordering on Lake Travis described and depicted in Exhibit "A" attached hereto (the "Point of Diversion"), said Exhibit depicting the segment by reference to a corner of an original land survey and/or other survey point, giving both course and distance. Prior to that date, and in accordance with the current IBTP, PURCHASER shall have the right to divert up to a maximum of 6,400 acre-feet (2,085,446,400 gallons) of raw water per annum from Lake Travis in Travis County, Texas, at the Point of Diversion.

B. EXCEEDANCE OF MAXIMUM ANNUAL QUANTITY.

If Purchaser's annual diversion for any reason exceeds the Maximum Annual Quantity stated in Purchaser's contract during two (2) consecutive years, or two (2) out of any four (4) consecutive years, the Purchaser will be required to negotiate a new standard form water sale contract for an increased MAQ.

C. SOURCE OF WATER SUPPLY.

- (1) The water supplied under this contract will be water provided, in accordance with LCRA's Water Management Plan, from storage in Lakes Buchanan and/or Travis in accordance with water rights held by LCRA as set forth in Certificates of Adjudication No. 14-5478, as amended, and 14-5482, as amended, or from any other source or water rights available to LCRA.

- (2) LCRA may supply water under this contract from water rights owned by LCRA based on that certain water right previously owned by the Garwood Irrigation Company and identified as Certificate of Adjudication No. 14-5434 issued by the Texas Water Commission on June 28, 1989, as amended (herein, "Garwood's Right"). That portion of Garwood's Right that is owned by LCRA (and for which reference is made to Certificate of Adjudication No. 14-5434C issued by the Texas Natural Resource Conservation Commission) is referred to herein as "Garwood's Remaining Right."
 - (a) PURCHASER acknowledges and agrees that LCRA may supply water for this contract from Garwood's Remaining Right only following approval by the Texas Commission on Environmental Quality, or its successor, of amendments to allow use of Garwood's Remaining Right for the type of use authorized by this contract at the Point of Diversion.

 - (b) In this event, this contract is subject to the commitments and conditions set forth in Section 7.08 of that certain Purchase Agreement, dated July 20, 1998, between Garwood Irrigation Company, as seller, and the Lower Colorado River Authority, as buyer (the "LCRA-Garwood Purchase Agreement"), and is further subject to all terms, provisions and special conditions contained within Garwood's Remaining Right, as amended. Copies of the LCRA-Garwood Purchase Agreement and Garwood's Remaining Right, as amended, are available at the following internet web-site address:

"<http://www.lcra.org/water/contracts.html>".

PURCHASER also may obtain copies of the LCRA Purchase Agreement and Garwood's Remaining Right, as amended, by request to LCRA's address for notices herein. By executing this contract, PURCHASER hereby acknowledges receipt of copies of the LCRA Purchase Agreement and Garwood's Remaining Right, as amended.

D. MUNICIPAL USE ONLY.

PURCHASER represents to LCRA and LCRA relies on such representation that all water supplied under this contract will be utilized for municipal uses only, as such term is defined by the substantive rules for water rights of the Texas Commission on Environmental Quality. In accordance

with state law, water that PURCHASER diverts but does not use for municipal uses in accordance with this contract shall be returned to the Colorado River or a tributary of the Colorado River.

E. SERVICE AREA.

Water supplied under this contract shall only be used within that certain area consisting of a total of 45,707 acres, as described in Exhibit "B" attached hereto and depicted in Exhibit "C", attached hereto, together hereinafter called the "Service Area".

F. WATER CONSERVATION AND DROUGHT CONTINGENCY MEASURES.

- (1) PURCHASER agrees to implement the water conservation program contained in the water conservation plan (the "Water Conservation Plan") described in Exhibit "D" attached hereto. PURCHASER further agrees that the water diverted by PURCHASER pursuant to this contract will be used in accordance with such Water Conservation Plan. In the event that PURCHASER agrees to furnish water or water services to a third party, who in turn will furnish the water or water services to an ultimate consumer, PURCHASER agrees to include in its agreement with the third party provisions that obligate the third party to develop and implement a water conservation program consistent with PURCHASER's Water Conservation Plan. LCRA, in accordance with applicable law, may from time to time adopt reasonable rules and regulations relating to water conservation measures. PURCHASER agrees to amend its Water Conservation Plan, as necessary, to reflect amendments in state law or LCRA's water conservation rules and regulations.
- (2) PURCHASER agrees to implement the drought contingency program contained in the drought contingency plan (the "Drought Contingency Plan") described in Exhibit "E" attached hereto. PURCHASER further agrees that the water diverted by PURCHASER pursuant to this contract will be used in accordance with such Drought Contingency Plan. In the event that PURCHASER agrees to furnish water or water services to a third party, who in turn will furnish the water or water services to an ultimate consumer, PURCHASER agrees to include in its agreement with the third party provisions that obligate the third party to develop and implement a drought contingency program consistent with PURCHASER's Drought Contingency Plan. LCRA, in accordance with applicable law, may from time to time adopt reasonable rules and regulations relating to drought contingency measures, including LCRA's Water Management Plan. PURCHASER agrees to amend its Drought Contingency Plan, as necessary, to reflect amendments in state law, or LCRA's Water Management Plan.

G. AVAILABILITY OF WATER.

The LCRA shall make water available to PURCHASER under this contract from the LCRA's firm water supply, as defined in the LCRA's Water Sale Contract Administrative

Rules, except LCRA may interrupt or curtail the water supplied under this contract in accordance with LCRA's Water Management Plan, as such Plan and any amendments thereto have been approved and may be approved in the future by the Texas Commission on Environmental Quality.

H. DELIVERY OF WATER.

LCRA shall use reasonable efforts to deliver such water to the Points of Diversion in the necessary amounts and at the necessary times to allow PURCHASER to divert water at the Points of Diversion at PURCHASER's sole expense in such amounts and at such times as needed by PURCHASER, up to a total diversion of the Maximum Annual Quantity. LCRA, however, makes no guarantee that the water supplied under this contract will be available at any particular time or place or that any LCRA owned/operated reservoir or the Colorado River will be retained at any specific level at any particular time. Furthermore, PURCHASER acknowledges and agrees that LCRA's obligations under this contract shall not require LCRA to make additional releases of water from LCRA facilities beyond the Maximum Annual Quantity that may be needed to raise water levels at the Points of Diversion at a particular time to an elevation sufficient for Purchaser's intake and/or diversion facilities to operate.

I. OPERATIONS OF DAMS AND RESERVOIRS.

The right of LCRA to maintain and operate its several dams and their appurtenances on the Colorado River and at any and all times in the future to impound and release waters thereby in any lawful manner and to any lawful extent LCRA may see fit is recognized by PURCHASER; and, except as otherwise provided herein, there shall be no obligation upon LCRA to release or not to release any impounded waters at any time or to maintain any waters at any specified level. PURCHASER acknowledges that the level of said reservoirs and the Colorado River will vary as a result of LCRA's operations of its dams on the Colorado River.

J. QUALITY OF WATER.

LCRA makes no representation as to the quality of the water supplied under this contract, and PURCHASER hereby releases LCRA and agrees to hold it harmless from any and all claims that PURCHASER or PURCHASER's customers or users have or may have against LCRA for any diminution in or impairment of the quality of water supplied under this contract.

K. REQUIRED NOTICES.

- (1) PURCHASER shall notify LCRA in writing of its intention to initiate diversions of water under this contract not more than eight (8) weeks, nor less than four (4) weeks, prior to PURCHASER's initiation of diversions. If diversions of water are being continued from a previous contract or other right to divert no notice is necessary.
- (2) In the event the PURCHASER is required by state law to obtain a water rights permit – including but not limited to interbasin transfer, contractual, term, or temporary permits – from the Texas Commission on Environmental Quality related to water that is reserved or purchased pursuant to this contract, PURCHASER shall provide LCRA both: (i) a copy of the application for the permit within five (5) business days of its filing with TCEQ; and, (ii) a copy of the permit promptly following the issuance of the permit.
- (3) PURCHASER shall notify LCRA in writing not more than eight (8) weeks, nor less than four (4) weeks, prior to implementing a program for: i) direct reuse of water that is reserved or purchased pursuant to this contract and that falls within the type of use and Service Area provided in this contract; or, ii) return to the Colorado River, or tributary thereof, of water that PURCHASER diverts from the Colorado River that remains unused for municipal purposes (“Return Flows”). PURCHASER will make available to LCRA non-privileged documents regarding PURCHASER's direct reuse or Return Flows program within a reasonable amount of time, not to exceed fifteen (15) business days, following a written request by LCRA staff. For all purposes of this contract, the term “direct reuse” means the authorized use of water, which water was obtained and used pursuant to this contract, but which water remains unconsumed and has yet to be either disposed of or discharged or otherwise allowed to flow into a watercourse, lake or other body of state-owned water.

II. CONTRACT ADMINISTRATION

A. TERM OF CONTRACT.

This contract shall be for a term of forty (40) years commencing on the Effective Date, and ending on the 2047 year anniversary of the Effective Date, unless terminated earlier by either party as provided below.

B. PAYMENT.

- (1) PURCHASER agrees and covenants to pay LCRA - on a monthly basis beginning with the first month after the Effective Date of this contract - an amount of money equal to the rate determined by the Board of Directors of LCRA to then be in effect for all sales of water for municipal purposes (“Water Rate”) multiplied by the amount of water diverted by PURCHASER during the previous month (“Monthly Diversion”).

- (2) PURCHASER also agrees and covenants to pay LCRA - on a calendar year basis - an amount of money ("the Reserved Water Charge") equal to the Water Rate multiplied by fifty percent (50%) of the "Reserved Water," which shall be the excess of the Maximum Annual Quantity over the amount of water diverted by PURCHASER during the previous calendar year ("Annual Diversion").
- (3) PURCHASER further agrees and covenants to pay LCRA, on a calendar year basis, an amount of money equal to the rate determined by the Board of Directors of LCRA to then be in effect for diversion of water in amounts in excess of the Maximum Annual Quantity ("Inverted Block Rate") multiplied by any amount of water diverted by PURCHASER in excess of the Maximum Annual Quantity during the previous calendar year.
- (4) The Water Rate presently in effect is \$126 per acre-foot (\$0.39 per 1,000 gallons) of water. The Inverted Block Rate presently in effect is \$239.40 per acre-foot of water. LCRA reserves all rights that it may have under law to modify from time to time the Water Rate applicable to all diversions of water and the Inverted Block Rate applicable to all diversions of water in excess of the Maximum Annual Quantity. LCRA also reserves all rights that it may have under law to impose and thereafter modify from time to time a charge applicable to all such water which is reserved but not diverted. PURCHASER understands and acknowledges that the Water Rate, Reserved Water Charge, and the Inverted Block Rate set forth in this contract have been approved by LCRA's Board of Directors, and that the Board may change all rates, fees and charges under the contract from time to time.
- (5) All charges under this contract shall be pro-rated as necessary to reflect the Effective Date of this Contract.
- (6) Within five (5) days after the first day of each month, LCRA will mail an invoice to PURCHASER showing the Monthly Diversion. Such invoice shall also show the amount of money owed by PURCHASER to LCRA in accordance with the Water Rate and ANY late payment charges, as specified herein.
- (7) The invoice mailed by LCRA to PURCHASER in the month of January each year, in addition to showing the amount of water diverted by PURCHASER during the previous month and the amount of money owed by PURCHASER to LCRA for such water, shall also show: (a) any amount of water remaining during the previous calendar year ("Reserved Water") that PURCHASER was authorized to divert under this contract but failed to do so, as well as the corresponding amount of money owed by PURCHASER to LCRA in accordance with the Reserved Water Charge; or, b) any amount of water that PURCHASER diverted in excess of the Maximum Annual Quantity during the previous calendar year, as well as the corresponding amount of money owed by PURCHASER to LCRA in accordance with the Inverted Block Rate.
- (8) PURCHASER shall pay LCRA for water provided under this contract in the amount of each invoice submitted to PURCHASER by LCRA on or before thirty (30) days from the date of the invoice. PURCHASER shall mail checks for payments to the address indicated on the invoice. PURCHASER may pay by hand-delivery of checks or cash to LCRA's headquarters in Austin, Travis County, Texas, or by bank-wire if PURCHASER obtains LCRA's approval and makes arrangements for doing so prior to the due date. Payment must be received at the

address provided on the invoice, or, if approved, at LCRA's headquarters or bank, not later than thirty (30) days from the invoice date in order not to be considered past due or late. In the event PURCHASER fails to make payment of that invoice within thirty (30) days of the invoice date, PURCHASER shall then pay a late payment charge of five percent (5%) of the amount of the invoice. For each calendar month or fraction thereof that the invoice remains unpaid, PURCHASER shall pay interest at the rate of one and one-half percent (1.5%) of the amount of the invoice. In the event PURCHASER attempts to pay LCRA by check, draft, credit card or any other similar instrument and the instrument is returned or refused by the bank or other similar institution as insufficient or non-negotiable for any reason, PURCHASER shall be assessed and must pay to LCRA, per each returned instrument, the LCRA's current returned instrument fee. If the invoice has not been paid within thirty (30) days of the invoice date, PURCHASER further agrees to pay all costs of collection and reasonable attorney's fees, regardless of whether suit is filed.

C. METERING OF DIVERTED WATER.

- (1) To measure the amount of water diverted by PURCHASER hereunder, PURCHASER agrees at PURCHASER's expense to install such flow meters and recording devices as are approved by LCRA, (the "Meter") such Meter to permit, within five percent (5%) accuracy, determination of quantities of raw water diverted hereunder in units of 1,000 gallons. LCRA shall have the right to approve both the design of the meter as well as the location of its installation. A Purchaser must repair, replace or make necessary improvements to a meter that is not in compliance with this contract or LCRA's Water Sale Contract Administrative Rules promptly after Purchaser becomes aware of the deficiency that causes the meter to not comply with this contract or LCRA's Water Sale Contract Administrative Rules.
- (2) PURCHASER agrees to provide LCRA's representatives access across PURCHASER'S property for inspection, testing and reading of the Meter. PURCHASER shall locate the meter in a manner that provides LCRA with reasonably safe access to the Meter for the purpose of making meter readings, testing, and/or periodic inspections.
- (3) PURCHASER agrees that the Meter shall be tested for accuracy by qualified personnel as approved by LCRA and at the expense of PURCHASER once each calendar year at intervals of approximately twelve (12) months.
 - (a) PURCHASER shall furnish to LCRA a report of such test results. Readings within five percent (5%) of accuracy shall be considered correct.
 - (b) In the event PURCHASER fails to test the Meter for a period of fifteen (15) consecutive months, PURCHASER agrees to pay LCRA for the actual cost of testing the Meter plus a fifty dollar (\$50) administrative fee. LCRA will provide PURCHASER a written invoice of the cost of testing the Meter, and said invoice will be subject to the payment terms provided in section II.B. of this contract.

- (4) If, at any time, LCRA provides PURCHASER a written notice that questions the accuracy of the Meter, PURCHASER promptly shall test the Meter and, in this event, the expense of such test will be paid by LCRA if the Meter is found to be correct and by PURCHASER if it is found to be incorrect.
- (5) Any party that tests the Meter shall provide written notice of the test to the other party at least five (5) business days in advance of the test and shall allow the other party to observe the test.
- (6) PURCHASER shall be required to take necessary steps to correct any inaccuracy in the Meter discovered during any test. LCRA may install, at its expense, check meters in or to any of PURCHASER's Meters at any time and may leave such check meters installed for such periods as is reasonably necessary to determine the accuracy of PURCHASER's Meters.
- (7) If, as a result of any test, the Meter is found to be registering inaccurately (i.e., in excess of five percent (5%) of accuracy), the readings of the Meter shall be corrected at the rate of its inaccuracy for any period which is definitely known and agreed upon or, if no such period is known and agreed upon, the shorter of the following periods shall be used as the basis for correction:
 - (a) a period extended back either sixty (60) days from the date of demand for the test or, if no demand for the test was made, sixty (60) days from the date of the test; or
 - (b) a period extending back half of the time elapsed since the last previous test; and the records of reading shall be adjusted accordingly.

D. TERMINATION OF CONTRACT.

This contract may be terminated as follows:

- (1) If a PURCHASER is current on all payments due to LCRA under this contract, PURCHASER may terminate this contract at any time following the expiration of five (5) years, measured from the Effective Date, by providing at least thirty (30) days' prior written notice to LCRA.
- (2) LCRA at its sole option, in accordance with the terms and conditions set forth in Section II.E., "NON-PAYMENT," may terminate this contract without recourse should PURCHASER fail to comply with the terms and conditions of this contract for the payment of moneys owed to LCRA pursuant to Section II.B., "PAYMENT."
- (3) If PURCHASER fails to comply with its Water Conservation Plan, its Drought Contingency Plan, or any applicable LCRA nonpoint source water pollution abatement ordinance, LCRA may terminate, at its sole option, this contract without recourse unless such default is cured within thirty (30) days (or, if the nature of such default is not susceptible of being cured within such thirty (30) day period, such longer period of time during which PURCHASER diligently prosecutes the cure of

such default, not to exceed ninety (90) days) of PURCHASER's receipt of written notice of such default.

- (4) If PURCHASER fails to comply with the requirements of Sections III.A., "NONPOINT SOURCE POLLUTION ABATEMENT," III.B., "SEWAGE REGULATIONS," or III.C., "DOCUMENTATION OF COMPLIANCE WITH OTHER REGULATIONS," LCRA may, at its sole option, terminate this contract without recourse unless such default is cured within thirty (30) days (or, if the nature of such default is not susceptible of being cured within such thirty (30) day period, such longer period of time during which PURCHASER diligently prosecutes the cure of such default, not to exceed ninety (90) days) of PURCHASER's receipt of written notice of such default. For purposes of this section, LCRA shall not deem PURCHASER to be in default for so long as PURCHASER is in compliance with any remedial or enforcement agreement authorized by an agency of appropriate jurisdiction.
- (5) If PURCHASER fails to comply with other requirements of this contract not specifically stated above, LCRA may, at its sole option, terminate this contract without recourse unless such default is cured within thirty (30) days (or, if the nature of such default is not susceptible of being cured within such thirty (30) day period, such longer period of time during which PURCHASER diligently prosecutes the cure of such default, not to exceed ninety (90) days) of PURCHASER's receipt of written notice of such default.
- (6) This contract may be terminated immediately by the LCRA upon the declaration of bankruptcy by PURCHASER.

PURCHASER shall remain liable for all fees and charges accruing under the contract through the date the contract is terminated, including but not limited to a pro-rated Reserved Water Charge, which shall be calculated as the excess of the Maximum Annual Quantity over the amount of water diverted by PURCHASER, pro-rated to the date of termination, and the total Monthly Diversions to the date of termination. In the event LCRA terminates this Contract as provided herein, PURCHASER shall immediately suspend all withdrawal of water from the Colorado River, or any tributaries thereof, under this Contract. LCRA may exercise any rights that it may have at law or in equity to prevent unauthorized withdrawals by PURCHASER or enforce the requirements of any water permits issued to PURCHASER.

E. NON-PAYMENT.

- (1) If LCRA determines that PURCHASER has not paid the full amount owed for any payment due under Section II.B., "PAYMENT", hereof within the time provided therefore, LCRA shall give written notice to PURCHASER stating the amount LCRA has determined is due and unpaid. If LCRA gives notice as provided herein and PURCHASER fails to pay within

thirty (30) days the amounts claimed in such notice to be due and unpaid, LCRA may, at its sole option: (1) upon giving ten (10) days written notice to PURCHASER terminate this contract without recourse; and/or, (2) request injunctive relief from a court of competent jurisdiction to prevent PURCHASER from diverting additional water pursuant to this contract.

- (2) If PURCHASER should dispute PURCHASER's obligation to pay all or any part of the amount stated in any invoice or notice, PURCHASER may, in addition to all other rights that PURCHASER may have under law, pay such amount under protest in which case such amount shall be deposited by LCRA in an interest bearing account mutually acceptable to both LCRA and PURCHASER pending final resolution of such dispute in accordance with Section IV.G., "DISPUTE RESOLUTION." LCRA may not terminate this contract, or request injunctive relief to prevent additional diversions, for failure to pay the amount stated in any invoice or notice if PURCHASER pays such amount under protest and until there is a final resolution of such dispute in accordance with Section IV.G., "DISPUTE RESOLUTION," favorable to LCRA.

F. EQUITABLE REMEDIES.

PURCHASER agrees that diversions of water by PURCHASER without the authorization provided by this contract will result in damages to LCRA that cannot be adequately compensated by money alone. As a result, PURCHASER agrees that LCRA shall have available to it equitable remedies, including injunctive relief against additional diversions by PURCHASER unless PURCHASER demonstrates that it is otherwise authorized to divert water. In addition, PURCHASER agrees that the provisions of Section IV.G., "DISPUTE RESOLUTION," will not apply to any legal action brought by LCRA seeking equitable remedies under this contract except as expressly provided by Section II.E.(2) regarding "NON-PAYMENT."

G. RIGHTS REGARDING RETURN FLOWS.

In the event PURCHASER fails to return to the Colorado River, or tributary thereof, water that PURCHASER diverts from the Colorado River that remains unused for municipal purposes (herein referred to as "Return Flows"), then LCRA shall have the right, but not the obligation, to: i) enter, place facilities within, and collect from PURCHASER's facilities the Return Flows; and, ii) make such use of the Return Flows as may be permitted under any existing or future water rights granted by the Texas Commission on Environmental Quality. In the event LCRA exercises its rights under this section, then:

- a) PURCHASER shall provide to LCRA, at no charge or cost to LCRA, any easements reasonably necessary for LCRA to locate any collection facilities for Return Flows within PURCHASER's facilities;

- b) LCRA shall submit to PURCHASER plans for any collection facilities to be located within PURCHASER's facilities to collect Return Flows from PURCHASER's facilities in advance of construction thereof; and,
- c) PURCHASER agrees not to oppose any permit application submitted by LCRA to the Texas Commission on Environmental Quality related to the Return Flows.

H. NOTICE.

Any notice under this contract may be delivered by facsimile transmission or by certified mail, return receipt requested. If delivered by facsimile transmission, notice shall be effective upon receipt. If delivered by certified mail, return receipt requested, notice shall be deemed effective five (5) days after the date on which the notice is post-marked.

All notices and invoices to PURCHASER shall be addressed to:

City of Leander, Texas
ATTN: Mayor
P.O. Box 319
Leander, TX 78646-0319

With a copy to:

City of Leander, Texas
ATTN: City Manager
P.O. Box 319
Leander, TX 78646-0319

and all notices and payment to LCRA shall be addressed to:

Lower Colorado River Authority
Attn: River Services
P.O. Box 220
Austin, Texas 78767
(512) 473-3253 for facsimile transmission

Either party may change its address by giving written notice of such change to the other party.

I. ASSIGNMENT OF CONTRACT.

PURCHASER may assign this contract only upon obtaining the approval of the LCRA in accordance with the requirements for substantive amendments of contracts in the LCRA's

Water Sale Contract Administrative Rules.

J. COMPLIANCE WITH FILING REQUIREMENTS.

LCRA agrees to file a copy of this contract with the Executive Director of the Texas Commission on Environmental Quality, P.O. Box 13087, Capitol Station, Austin, Texas 78711, it being fully recognized by the PURCHASER hereunder that the effectiveness of this contract is dependent upon compliance with the substantive rules and procedural rules for water rights of the Texas Commission on Environmental Quality.

III. ENVIRONMENTAL ISSUES RELATED TO WATER SUPPLY

A. NONPOINT SOURCE WATER POLLUTION ABATEMENT.

If PURCHASER will use water under this contract to serve areas located within the jurisdictional area of LCRA Lake Travis Nonpoint Source Pollution Control Ordinance, the Upper Highland Lakes Nonpoint Source Pollution Control Ordinance, or any other LCRA water quality ordinance that has been adopted by the LCRA Board, PURCHASER agrees to comply with and shall comply with the provisions of that respective ordinance, which ordinance may require a permit and compliance with other applicable local, state, and federal rules and regulations pertaining to water quality protection. If PURCHASER will use water under this contract to serve areas wholly outside the jurisdiction of an LCRA water quality ordinance, PURCHASER agrees to comply with and shall comply with any applicable local, state, and federal rules and regulations pertaining to water quality protection. PURCHASER further agrees to distribute to its customers in its service area water quality protection educational materials that LCRA provides to PURCHASER.

B. SEWAGE REGULATIONS.

PURCHASER agrees to obtain, or cause to be obtained, all approvals required by all applicable local, state or federal agencies for any sanitary sewage system or systems that collect sewage derived from water diverted herein or any sanitary sewage system whose effluent is discharged within the boundaries of LCRA's statutory district. Failure of PURCHASER to meet any standards imposed by such agencies for sanitary sewage systems, including on-site systems, shall subject PURCHASER under this contract to all remedies allowed by law including, without limitation, termination or suspension of this contract by LCRA. PURCHASER further agrees that if a sewage treatment plant is located within the Service Area, LCRA shall have reasonable access to such plant for the purpose of taking samples of sewage effluent from such plant for testing by LCRA to determine whether PURCHASER is in compliance with regulatory standards imposed by such agencies.

C. DOCUMENTATION OF COMPLIANCE WITH OTHER REGULATIONS.

In addition to notices required by Section I.L of this Contract, PURCHASER shall provide LCRA copies of any approvals that PURCHASER has received from federal, state or local agencies that relate to water reserved or purchased pursuant to Purchaser's contract or to facilities intended to divert, transport or use water provided under Purchaser's contract within a reasonable amount of time, not to exceed fifteen (15) business days, following a written request by LCRA staff.

IV. GENERAL PROVISIONS

A. PREVIOUS RESERVATION.

Upon the Effective Date of this contract, that certain reservation of water made by the LCRA Board of Directors in January 2001 for PURCHASER shall be null, void, and of no further legal force and effect.

B. INDEMNIFICATION.

To the extent allowed by law, PURCHASER will indemnify and save LCRA harmless from any and all claims and demands whatsoever to which LCRA may be subjected by reason of any injury to any person or damage to any property resulting from any and all actions and activities (or failure to act) of PURCHASER under this contract except to the extent caused by LCRA's gross negligence or willful misconduct. PURCHASER's pumping and related facilities shall be installed, operated and maintained by PURCHASER at PURCHASER's sole risk. Nothing in this contract shall be construed as authorizing PURCHASER, or recognizing that PURCHASER has any right, to install any equipment or improvements on property owned by LCRA or third parties.

LCRA will save PURCHASER harmless from any and all claims or demands whatsoever to which LCRA may be subjected by reason of any injury to any person or damage to any property resulting from or in any way connected with any and all actions and activities (or failure to act) of LCRA under this contract.

C. FORCE MAJEURE.

The term "Force Majeure" as used herein, shall mean those situations or conditions that are beyond the control of LCRA or PURCHASER and that, after the exercise of due diligence to remedy such situation or condition, render LCRA or PURCHASER unable, wholly or in part, to carry out the covenants contained herein. Such force majeure includes, but is not limited to acts of God, strikes, lockouts, acts of the public enemy, orders of any kind of the government of the United States or of the State of Texas or any civil or military authority,

insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, civil disturbances, explosions, breakage or accidents to machinery, pipelines, canals, or dams, partial or entire failure of water supply insofar as each of the foregoing are beyond the reasonable control of the party in question. LCRA shall not be held liable or responsible for any damage that may be caused by its inability, after the exercise of due diligence, to make the supply of water available to PURCHASER due to any force majeure. LCRA shall use reasonable and timely diligence to repair or recondition the machinery, canals, or dams in the event such machinery, canals or dams are damaged or made unserviceable from any force majeure.

D. NO THIRD-PARTY BENEFICIARY.

The parties hereto are entering into this contract solely for the benefit of themselves and agree that nothing herein shall be construed to confer any right, privilege or benefit on any person or entity other than the parties hereto.

E. NO RIGHTS OR TITLE ACQUIRED.

PURCHASER agrees and acknowledges that it acquires by this contract no rights or title to the water that is the subject of this contract other than those rights explicitly set forth herein.

F. REPRESENTATIONS AND WARRANTIES.

Each of LCRA and PURCHASER represents and warrants to the other that this contract has been duly executed by an authorized officer and constitutes a valid and binding contract, enforceable against it in accordance with its terms (except as such enforceability may be limited by bankruptcy laws or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles).

G. DISPUTE RESOLUTION.

- (1) Settlement By Mutual Agreement. In the event any dispute, controversy or claim between or among the parties arises under this contract or is connected with or related in any way to this contract or any right, duty or obligation arising hereunder or the relationship of the parties hereunder (a "Dispute or Controversy"), including, but not limited to, a Dispute or Controversy relating to the effectiveness, validity, interpretation, implementation, termination, cancellation or enforcement of this contract, the parties shall first attempt in good faith to settle and resolve such Dispute or Controversy by mutual agreement in accordance with the terms of this subsection (1). In the event a Dispute or Controversy arises, any party shall have the right to notify the other party to such Dispute or Controversy that it has elected to implement the procedures set forth in this subsection (1). Within fifteen (15) days after delivery of any such notice by one party to the other regarding a Dispute or

Controversy, the designated representatives of the parties shall meet at a mutually agreed time and place to attempt, with diligence and good faith, to resolve and settle such Dispute or Controversy. Should a mutual resolution and settlement not be obtained at the meeting of the parties' designated representatives for such purpose or should no such meeting take place within such fifteen (15) day period, then any party may by notice to the other party, as the case may be, refer the Dispute or Controversy to senior management of the parties for resolution. Within fifteen (15) days after delivery of any such notice by one party to the other referring such Dispute or Controversy to senior management of the parties for resolution, representatives of senior management of each of the parties shall meet at a mutually agreed upon time and place to attempt, with diligence and good faith, to resolve and settle such Dispute or Controversy. Should mutual resolution and settlement not be obtained at the meeting of representatives of senior management of each of the parties for such purposes or should no such meeting take place within such fifteen (15) day period (unless extended by mutual agreement), then any party may by notice to the other party, as the case may be, submit the Dispute or Controversy to binding arbitration in accordance with the provisions of subsection (2) and "Exhibit F." Upon the receipt of notice of referral to arbitration hereunder, and except as otherwise expressly provided by this contract, the parties shall be compelled to arbitrate the Dispute or Controversy in accordance with the terms of this Section G and Exhibit F without regard to the justiciable character or executory nature of such Dispute or Controversy.

- (2) Arbitration. Except as otherwise expressly provided by this contract, each party hereby agrees that any Dispute or Controversy that is not resolved pursuant to the provisions of subsection (1) may be submitted to binding arbitration hereunder and, if submitted timely according to this contract, shall be resolved exclusively and finally through such binding arbitration. Except as otherwise expressly provided by this contract, this Section G and Exhibit F constitute a written agreement by the parties to submit to arbitration any Dispute or Controversy arising under or in connection with this contract within the meaning of Section 171.001 of the Texas Civil Practice and Remedies Code.
- (3) Emergency Relief. Notwithstanding the parties' agreement to arbitrate Dispute and Controversies, either party may seek injunctive relief or other form of emergency relief at any time from any state court of competent jurisdiction in Austin, Texas, the federal court for such district, or any state or federal regulatory agency of competent jurisdiction.
- (4) Survival. The provisions of this Section G shall survive expiration or earlier termination of this contract.

H. ACTUAL DAMAGES.

NEITHER PARTY SHALL BE LIABLE OR HAVE ANY RESPONSIBILITY TO THE OTHER FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE OR DELAY-RELATED OR PERFORMANCE-RELATED DAMAGES INCLUDING,

WITHOUT LIMITATION, LOST EARNINGS OR PROFITS. SUCH LIMITATION ON LIABILITY SHALL APPLY TO ANY CLAIM OR ACTION, WHETHER IT IS BASED IN WHOLE OR IN PART ON CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT, STATUTE OR ANY OTHER THEORY OF LIABILITY. The provisions of this Section IV.H. shall have no effect on the party's indemnity obligations, to the extent allowed by law, under Section IV.B.

I. AMENDMENT.

This contract may not be modified or amended except by an instrument in writing signed by authorized representatives of the parties.

J. BINDING EFFECT.

The terms of this contract shall be binding upon, and inure to the benefit of, the parties and their permitted successors and assigns.

K. COMPLETE CONTRACT.

This contract, together with all Exhibits attached hereto, constitutes the entire agreement of the parties relating to the subject matter of this contract and supersedes all prior contracts, agreements or understandings with respect to the subject matter hereof, both oral or written.

Each party agrees that the other party (and its agents and representatives) has not made, and has not relied upon, any representation, warranty, covenant or agreement relating to the transactions contemplated hereunder other than those expressly set forth herein.

L. COUNTERPARTS.

This contract may be executed by the parties in any number of separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts shall together constitute one and the same agreement. All signatures need not be on the same counterpart.

M. FURTHER ASSURANCES.

Each party agrees to do all acts and things and to execute and deliver such further written instruments, as may be from time to time reasonably required to carry out the terms and provisions of this contract.

N. GOVERNING LAW.

This contract and the rights and duties of the parties arising out of this contract shall be governed by, and construed in accordance with, the laws of the State of Texas, without reference to the conflict of laws rules thereof.

O. HEADINGS; TABLE OF CONTENTS.

The headings of the Articles and Sections of this contract and the Table of Contents are included for convenience only and shall not be deemed to constitute a part of this contract.

P. INCORPORATION OF RAW WATER SALE CONTRACT ADMINISTRATIVE RULES.

Purchaser acknowledges receipt of LCRA's Water Sale Contract Administrative Rules ("Rules"), and further acknowledges that, unless expressly stated otherwise in this Agreement, such Rules are incorporated herein by reference in their entirety and made a part hereof for all purposes.

Q. INCORPORATION OF EXHIBITS.

All Exhibits attached to this contract are incorporated herein by this reference in their entirety and made a part hereof for all purposes.

R. INTERPRETATION AND RELIANCE.

No presumption will apply in favor of any party in the interpretation of this contract or in the resolution of any ambiguity of any provisions thereof.

S. RELATIONSHIP OF PARTIES.

This contract and the transactions contemplated hereunder are based upon the active participation of all parties.

Neither the execution nor delivery of this contract, nor the consummation of the transactions contemplated hereunder, shall create or constitute a partnership, joint venture, or any other form of business organization or arrangement between the parties, except for the contractual arrangements specifically set forth in this contract. Except as is expressly agreed to in writing in this contract, no party (or any of its agents, officers or employees) shall be an agent or employee of the other party, nor shall a party (or any of its agents, officers or employees) have any power to assume or create any obligation on behalf of the other party. Nothing contained in this contract shall create or constitute a partnership, joint venture, or any other form of business organization or arrangement among LCRA on the one hand and the

Purchaser on the other hand, except for the contractual arrangements specifically set forth herein.

T. SEVERABILITY.

In the event that any provision of this contract is held to be unenforceable or invalid by any court of competent jurisdiction, the parties shall negotiate an equitable adjustment to the provisions of this contract with the view to effecting, to the extent possible, the original purpose and intent of this contract, and the validity and enforceability of the remaining provisions shall not be affected thereby.

U. NO ADDITIONAL WAIVER IMPLIED.

No waiver or waivers of any breach or default (or any breaches or defaults) of any term, covenant, condition or liability under this contract, or of performance by the other parties of any duty or obligation under this contract, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, under any circumstances.

V. SHORT TERM SALES OF FIRM WATER TO THIRD PARTIES.

In accordance with LCRA Board Policy 501, Water Resources Management, LCRA and PURCHASER agree that LCRA may market and re-sell any portion of PURCHASER'S Reserved Water to third parties on a limited term basis for a management fee and under terms mutually acceptable to LCRA and PURCHASER and in accordance with LCRA Board Policies.

LOWER COLORADO RIVER AUTHORITY

By: Karen Bondy
Karen Bondy, P.E.
Manager, River Management Services



CITY OF LEANDER, TEXAS

By: [Signature]
Name _____
Title _____

EXHIBIT "A"

EXHIBIT "B"

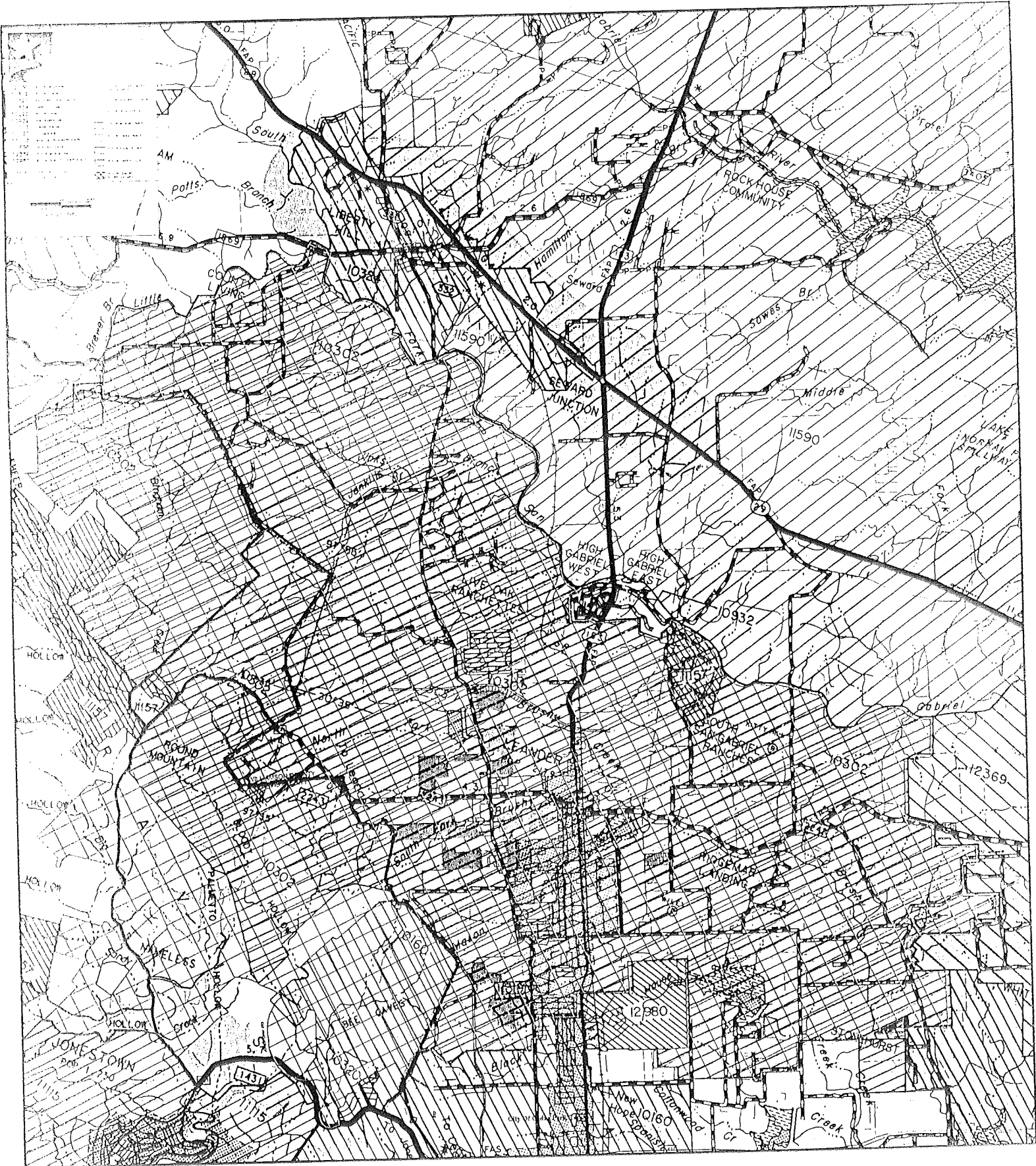


Exhibit B

EXHIBIT "C"

EXHIBITS "D" & "E"

RESOLUTION NO. 07-007-00

**A RESOLUTION OF THE CITY OF LEANDER, TEXAS;
ADOPTING A WATER CONSERVATION AND DROUGHT
CONTINGENCY PLAN AND FOR RELATED MATTERS.**

WHEREAS, water is a scarce resource and the City of Leander, Texas (the "City") desires to implement water conservation measures to help ensure adequate water supply for the current and future population of the City; and

WHEREAS, the implementation of a water conservation and drought contingency plan is reasonable and necessary for the public health, safety, and welfare;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEANDER, TEXAS, THAT:

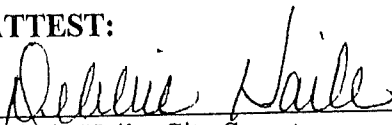
Section 1. Findings of Fact. The above and foregoing recitals are hereby found to be true and correct and are incorporated herein as findings of fact. The City Council hereby further finds and determines that the rules, regulations, terms, conditions, provisions and requirements of this resolution are reasonable and necessary to protect the public health, safety and quality of life.

Section 2. Water Conservation and Drought Contingency Plan Adopted. The City Council hereby adopts the "Water Conservation and Drought Contingency Plan 2007" to read as set forth in the attachment hereto, said attachment being incorporated in this resolution as though fully transcribed herein for all purposes.

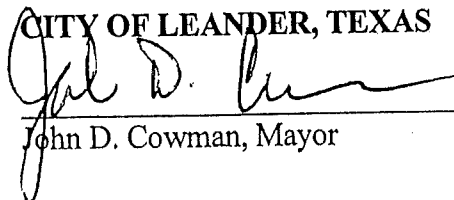
Section 3. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution is passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED on the 15th day of March, 2007.

ATTEST:


Debbie Haile, City Secretary

CITY OF LEANDER, TEXAS


John D. Cowman, Mayor

ORDINANCE NO. 07-016-00

AN ORDINANCE OF THE CITY OF LEANDER, TEXAS, AMENDING ARTICLE 13, SECTION 13.400 OF THE LEANDER CODE OF ORDINANCES TO ADOPT WATER CONSERVATION REGULATIONS; PROVIDING FOR ENFORCEMENT AND ESTABLISHING A PENALTY; SEVERABILITY, EFFECTIVE DATE AND OPEN MEETINGS CLAUSES; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, water is a scarce resource and the City of Leander, Texas (the "City") desires to implement water conservation measures to help ensure adequate water supply for the current and future population of the City;

WHEREAS, the implementation of water conservation regulations is reasonable and necessary for the public health, safety, and welfare;

WHEREAS, the City Council at a public hearing has had the opportunity to accept public comment regarding the water conservation regulations stated herein and finds the implementation of water conservation regulations is reasonable and necessary for the public health, safety, and welfare;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEANDER, TEXAS, THAT:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are incorporated into this Ordinance as findings of fact by the City Council of Leander, Texas. The City Council hereby further finds and determines that the provisions of this ordinance are reasonable and necessary to protect the public health, safety and quality of life.

Section 2. Amendment of Sec. 13.400. Article 13.000, Section 13.400 of the Leander Code of Ordinances is hereby amended in its entirety to read as set forth in Exhibit A, attached hereto and incorporated herein for all purposes.

Section 3. Savings Clause. All rights and remedies of the City of Leander are expressly saved as to any and all violations of the provisions of any ordinances affecting water conservation or the subject of this Ordinance within the City which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

Section 4. Amendment of Ordinances. Sections 13.400, Article 13.000, Leander Code of Ordinances is hereby amended as provided herein. All provisions of the Leander Code of Ordinances inconsistent with or in conflict with this ordinance are hereby amended to the extent of such inconsistency or conflict. In the event of a conflict or inconsistency between this ordinance and any other code or ordinance of the City, the terms and provisions of this ordinance shall govern.

Section 5. Severability. Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portion or portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

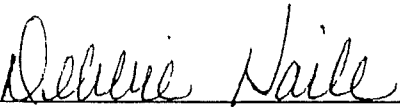
Section 6. Effective Date. This ordinance shall take effect immediately from and after its passage.

Section 7. Open Meetings. It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, *Chapt. 551, Tex. Gov't. Code.*

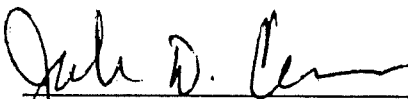
PASSED AND APPROVED on this 15th day of May, 2007.

Attest:

THE CITY OF LEANDER, TEXAS



Debbie Haile, City Secretary



John D. Cowman, Mayor

EXHIBIT A

ARTICLE 13.400 WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN

Sec. 13.401 Declaration of Policy, Purpose and Intent

(a) In order to conserve the available water supply and protect the integrity of water supply facilities, with particular regard for domestic water use, sanitation, and fire protection, and to protect and preserve public health, welfare, and safety and minimize the adverse impacts of extreme drought, periods of abnormally high water usage, system contamination, or extended reduction in ability to supply water due to equipment failure, water supply shortage or other water supply emergency conditions, the City of Leander hereby adopts the following regulations and restrictions on the delivery and consumption of water ("the Plan").

(b) When it appears that the city's system-wide water demand or water supply warrants the implementation of conservation measures, such measures shall be ordered within the city as provide in this article. The voluntary or mandatory conservation program will be implemented by the directive of the city manager as provided in this article.

(c) Water uses regulated or prohibited under this article are considered to be non-essential and continuation of such uses during times of water shortage or other emergency water supply condition are deemed to constitute a waste of water which subjects the offender(s) to penalties as defined in Section 13.409 of this article.

Sec. 13.402 Public Involvement

Opportunity for the public to provide input into the preparation of the Plan was provided by the City of Leander by means of scheduling and providing public notice of a public meeting to accept input on the Plan:

Sec. 13.403 Public Education

The City of Leander will periodically provide the public with information about the Plan, including information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information will be provided by means of public events, press releases or utility bill inserts.

Sec. 13.404 Coordination with Regional Water Planning Groups

The service area of the City of Leander, Texas, is located within the Regional Water Planning Group (RWPG) G Brazos River Authority; and the City of Leander has given this Plan to the Lower Colorado River Authority, Brazos River Authority, and the City of Cedar Park, Texas.

Sec. 13.405 Authorization

The city manager of the City of Leander or his/her designee, is hereby authorized and directed to implement the applicable provisions of this article upon determination that such implementation is necessary to protect public health, safety and welfare. The city manager or his/her designee shall have the authority to initiate or terminate drought or other water supply emergency response measures as described in this article.

Sec. 13.406 Application

The provisions of this Plan shall apply to all persons, customers, and property utilizing water provided by the City of Leander. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations and all other legal entities.

Sec. 13.407 Definitions

For the purposes of this Plan, the following definitions shall apply:

Aesthetic Water Use. Water use for ornamental or decorative purposes such as fountains, reflecting pools and water gardens.

Commercial and Institutional Water Use. Water use which is integral to the operations of commercial and non-profit establishments and governmental entities such as retail establishments, hotels and motels, restaurants and office buildings.

Conservation. Those practices, techniques, and technologies that reduce the consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water or increase the recycling and reuse of water so that a supply is conserved and made available for future or alternative uses.

Customer. Any person, company or organization using water supplied by the City of Leander.

Domestic Water Use. Water use for personal needs or for household or sanitary purposes such as drinking, bathing, heating, cooking, sanitation, or for cleaning a residence, business, industry or institution.

Even number address. Street addresses, box numbers, or rural postal route numbers ending in 0, 2, 4, 6, or 8 and locations without addresses.

Industrial Water Use. The use of water in processes designed to convert materials of lower value into forms having greater usability and value, including the development of power by means other than hydroelectric.

Landscape Irrigation Use. Water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, parks, and rights-of-way and medians.

Livestock water use. The use of water for the open-range watering of livestock, exotic livestock, game animals or fur-bearing animals. For purpose of this definition, the terms "livestock" and exotic "livestock" are to be used as defined in Section 142.001 of the Texas Agriculture Code, as amended, and the terms "game animals" and "fur-bearing animals" are to be used as defined in Section 63.001 and Section 71.001, respectively, of the Parks and Wildlife Code, as amended.

Non-Essential Water Use. Water uses that are not essential nor required for the protection of public, health, safety and welfare, including:

- (1) Irrigation of landscaped areas, including public and private parks, athletic fields, and street right-of-way/medians, except otherwise provided under this article;
- (2) Use of water to wash any motor vehicle, motorbike, boat, trailer, airplane or other vehicle;
- (3) Use of water to wash down any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas;
- (4) Use of water to wash down buildings or structures for purposes other than immediate fire protection;
- (5) Flushing gutters or permitting water to run or accumulate in any gutter or street;
- (6) Use of water to fill, refill, or add to any indoor or outdoor swimming pools, or Jacuzzi-type pools;
- (7) Use of water in a fountain or pond for aesthetic or scenic purposes except where necessary to support aquatic life;
- (8) Failure to repair a controllable leak(s) within a reasonable period after having been given notice directing the repair of such leak(s); and
- (9) Use of water from hydrants or flush valves for construction purposes or any other purposes other than fire fighting.

Odd numbered address. Street addresses, box numbers, or rural postal route numbers ending in 1, 3, 5, 7, or 9.

TAC. Texas Administrative Code.

Sec. 13.408 Permanent Water Conservation Measures

(a) A person may not:

- (1) fail to repair a controllable leak, including a broken sprinkler head, a leaking valve,

leaking or broken pipes, or a leaking faucet;

(2) operate a permanently installed irrigation system with:

(A) a broken head;

(B) a head that is out of adjustment and the arc of the spray head is over a street or parking lot; or

(C) a head that is misting because of high water pressure; or

(3) during irrigation, allow water:

(A) to run off a property and form a stream of water in a street for a distance of 50 feet or greater; or

(B) to pond in a street or parking lot to a depth greater than one-quarter of an inch.

(b) Irrigation of apartment common areas shall comply with the following requirements:

(1) Irrigation of common areas of apartments may only occur between the hours of 7:00 p.m. and 10:00 a.m. Irrigation of apartment common areas is allowed between the hours of 10:00 a.m. and 7:00 p.m. if irrigation of reclaimed water during that time is necessary to meet LCRA regulation requirements.

(2) Exceptions. The provision does not apply to the following:

(A) Hand watering.

(B) Irrigation of new lawns for a period of thirty days from planting or the date of installation.

(C) Irrigation by commercial gardens of licensed plant nurseries, provided the owner or licensee or his or her representative is personally on the premises at the time watering is taking place.

(D) Irrigation system testing after mowing to identify broken heads, after repairs to flush lines, to properly align sprinkler heads, or to locate a reported leak. A test run may not exceed two minutes and the individual conducting the test must be present to observe system performance.

(E) Syringing to cool down hot spots showing visible signs of stress. If syringing is performed by one station, syringing must be performed manually. On large irrigation projects, syringing may be performed by hand-held remote irrigation

controllers or computerized central control for no more than three minutes, with the individual running the controllers present and observing the controllers while they are running.

(F) Landscape irrigation audits, where the application rate and efficiency of an irrigation system is being tested by aligning heads and placing cups across the turf area and the amount of water caught in the cups is measured. Testing run times of pop-up spray heads are limited to five minutes. Testing run times of impact and rotor heads are limited to fifteen minutes. The auditor performing the test must be present and must observe sprinkle performance.

Sec. 13.409 Criteria for Initiation and Termination of Drought Response Stages

(a) The city manager or his/her designee shall monitor the water supply and/or demand conditions on a daily basis and shall determine when conditions warrant initiation or termination of each stage of the plan, that is, when the specified "triggers" are reached.

(b) The triggering criteria described below are based on information provided by the Lower Colorado River Authority, Brazos River Authority and/or the City of Cedar Park and are further based on known system capacity limits.

(c) Unless there is an immediate and extreme reduction in water production, or other absolute necessity to declare an emergency or severe condition, the city will initially declare Stage I restrictions. If, after a reasonable period of time, demand is not reduced enough to alleviate outages, reduce the risk of outages, or comply with restrictions required by a court, government agency or other authority, Stage II may be implemented with Stage III and Stage IV to follow if necessary.

(1) Stage I: Customer Awareness. The City will implement Stage I when the selected trigger is reached:

(A) Trigger and Target. As the City of Leander's limiting factor is water treatment capacity and water usage typically peaks during the summer months, Stage I of the Plan is in effect each year from May 1 through September 30. A reminder notice will be placed in the utility billing before May 1. Stage I follows a voluntary conservation measure to minimize the waste of water and reduce the peak demand on the water treatment and distribution system. Voluntary restrictions during Stage I do not implement mandatory provisions of the Plan. The target is a 5% reduction in daily peak production.

(B) Voluntary Water use Restrictions.

(1) Water customers are requested to voluntarily limit the use of water for non-essential purposes and to practice water conservation.

(2) Water customers are reminded to follow the year-round water waste restrictions.

(3) Water customers are requested to take steps to reduce all non-essential uses of water.

(C) Wholesale Water Restrictions. When Leander is utilizing water from a wholesale supplier, and wholesale supplier has declared Stage I restrictions under the wholesale supplier's Drought Contingency Plan, additional water use restrictions, which are mandatory, will also apply.

(D) Utility Measures. The announcement will be designed to increase customer awareness of water conservation and encourage the most efficient use of water. A copy of the current public announcement on water conservation awareness shall be kept on file and available for inspection by the TCEQ.

(E) Requirements for Termination. Stage I of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days.

(F) Notice. Upon initiation and termination of Stage I, the City will mail a public announcement to its customers. No notice to TCEQ is required.

(2) Stage II: Mandatory Water Conservation. The City will implement Stage II when any one of the selected triggers is reached:

(A) Triggers and Targets.

(i) Wholesale supplier's drought Stage II, as declared by wholesale supplier when utilizing water from such wholesale supplier;

(ii) Drinking water treatment at 85% of capacity of 8.18 MGD; or

(ii) Pump hours per day of 18 hrs.

Water use reduction target is $\leq 80\%$ of treatment capacity (6.54 MGD) and 17 pump hours per day.

(B) Restrictions.

(i) Restricted Days/Hours: Water customers are requested to voluntarily limit the irrigation of landscaped areas with hose-end sprinklers or automatic irrigation systems. An odd, even program will be utilized permitting those properties with an odd number address to water on Mondays and Thursdays and those properties with an even number address

to water on Tuesdays and Fridays.

(ii) Other uses that waste such running down the gutter are prohibited.

(iii) All year-round and stage I restrictions are in effect.

(C) Wholesale Water Use Restrictions. When Leander is utilizing water from a wholesale supplier, and wholesale supplier has declared Stage II restrictions under the wholesale supplier's Drought Contingency Plan, additional water use restriction, which are mandatory, will also apply.

(D) Utility Measures. The City will usually inspect lines and repair leaks on a daily basis. Monthly review of customer use records and follow-up on any that have unusually high usage.

(E) Requirements For Termination. Stage II of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage II, Stage I becomes operative.

(F) Notice. Upon initiation and termination of Stage II, the City will mail a public announcement to its customers. Notice to TCEQ is required.

(3) Stage III: Mandatory Water Conservation. The City will implement Stage III when any one of the selected triggers is reached:

(A) Triggers and Targets.

(i) Wholesale suppliers drought Stage III, as declared by the wholesale supplier when utilizing water from such wholesale supplier;

(ii) Drinking water treatment at 90% capacity of 8.18 MGD; or

(iii) Pump hours per day of 22 hours

Water use reduction target is \leq 85% of treatment capacity (6.95 MGD), and 18 pump hours per day.

(B) Restricted Day/Hours. Water customers are required to limit the irrigation of landscaped areas (both commercial and residential), car washing (other than commercial car washing) and limit commercial use utilizing the Seven Day Plan, described as follows:

Outside watering shall be allowed within the City or by any customer of the City between the hours of 7:00 a.m. to 11:00 a.m. and 6:00 p.m. to 10 p.m.

Using the LAST number of the property address, the owner of such property may outside water only on the calendar day(s) set forth below with **NO OUTSIDE WATERING** allowed on Saturdays or Sundays;

- 1 or 2 Monday
 - 3 or 4 Tuesday
 - 5 or 6 Wednesday
 - 7 or 8 Thursday
 - 9 or 0 Friday
-
- Buckets of five gallons or less or use of a drip irrigation system is allowed on any day at any time.
 - Car washing is allowed on the same day and during the same hours as lawn watering.
 - Other uses that waste water such as water running down the gutter are prohibited.

(C) Wholesale Water Use Restrictions. When Leander is utilizing water from a wholesale supplier, and wholesale supplier has declared Stage III restrictions under the wholesale supplier's Drought Contingency Plan, additional water use restriction, which are mandatory, will also apply.

(D) Utility Measures. The City will visually inspect lines and repair leaks on a regular basis. Flushing is prohibited except for dead end mains.

(E) Requirements For Termination. Stage III of the Plan may end when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage III, Stage II becomes operative.

(F) Notice. Upon initiation and termination of Stage III, the City will mail a public announcement to its customers. Notice to TCEQ is required.

(4) Stage IV: Critical Water Use Restrictions. The City will implement Stage IV when any one of the selected triggers is reached.

(A) Triggers and Targets.

(i) Wholesale supplier's drought Stage IV, as declared by the wholesale supplier when utilizing water from such wholesale supplier;

(ii) Drinking water treatments at 100% capacity of 8.18 MGD;

- (iii) Pump hours per day of 24 hours;
- (iv) Production or distribution limitations; or
- (v) System outage.

Water use reduction target is $\leq 90\%$ of treatment capacity (7.36 MGD) and 22 pump hours per day.

(B) Mandatory Water Use Restrictions: All Outdoor Use of Water is Prohibited

- (i) Irrigation of all landscaped areas is absolutely prohibited;
- (ii) Use of water to wash any motor vehicle, motorbike, boat trailer, airplane or other vehicle is absolutely prohibited;
- (iii) The filling, refilling, or adding of water to swimming pools, wading pools, and Jacuzzi-type pools is prohibited; and
- (iv) Operation of any ornamental fountain or pond for aesthetic or scenic purposes is prohibited except where necessary to support aquatic life or where such fountains or ponds are equipped with a re-circulation system.

(C) Wholesale Water Use Restrictions. When Leander is utilizing water from a wholesale supplier, and wholesale supplier has declared Stage IV restrictions under the wholesale supplier's Drought Contingency Plan, additional water use restriction, which are mandatory, will also apply.

(D) Utility Measures. The City shall visually inspect lines and repair leaks on a daily basis. Flushing is prohibited except for dead end mains and only between the hours of 9:00 p.m. and 3:00 a.m. Emergency interconnects or alternative supply arrangements shall be initiated. All meters shall be read as often as necessary to insure compliance with this program for the benefit of all the customers.

(E) Requirements For Termination. Stage IV of the Plan may be rescinded when all of the conditions listed as triggering events have ceased to exist for a period of three (3) consecutive days. Upon termination of Stage IV, Stage III becomes operative.

(F) Notice. Upon initiation and termination of Stage IV, the City will mail a public announcement to its customers. Notice to TCEQ is required.

Sec. 13.410 Enforcement; Penalty; Termination of Water Service

- (a) No person shall knowingly or intentionally allow the use of water from the City of Leander

for residential, commercial, industrial, agricultural, governmental or any other purpose in a manner contrary to any provision of this article, or in an amount in excess of that permitted by the drought response stage in effect at the time pursuant to action taken by the city manager, or his/her designee, in accordance with provisions of this Plan.

(b) Any person who shall violate any of the provisions of this article, or shall fail to comply therewith, or with any of the mandatory requirements thereof, within the City limits shall be deemed guilty of an offense and shall be liable for a fine not to exceed the sum of two thousand dollars (\$2000.00). Each day the violation exists shall constitute a separate offense. Such penalty shall be in addition to all the other remedies provided herein.

(c) The city manager, or his/her designee shall, upon due notice to the customer, be authorized to discontinue water service to the premises where such violations occur in accordance with this section. Services discontinued under such circumstances shall be restored only upon payment of a reconnection charge, hereby established at \$1,000.00 and any other costs incurred by the City of Leander in discontinuing service. In addition, suitable assurance must be given to the city that the same action shall not be repeated while the plan is in effect. Compliance with this article may also be sought through injunctive relief in the district court.

(1) Emergency Termination. If an officer charged with enforcement of this article determines that a violation of this Ordinance constitutes an immediate threat to the public health, safety and welfare, and the owner, occupant, or person in control of the property (the "responsible party") is absent or fails to immediately remedy the violation, the officer may terminate water services to such property. The City Manager shall hold a hearing within 72 hours after termination of service to determine whether the responsible party violated the ordinance, unless a later hearing date is requested by the responsible party or the responsible party is unable to be located, in which case the hearing shall be held as soon as possible. Promptly after terminating service, the officer charged with enforcement of this article shall give the responsible party written notice of the termination and hearing in compliance with TAC, Title 30, Section 291.88(b) by personal delivery or posting notice of the hearing on or near the front door of each building on the property. If it is determined at the hearing that the responsible party did not violate this article, the responsible party's utilities shall be immediately reconnected without charge to the responsible party.

(2) Nonemergency Termination. An officer charged with enforcement of this article who determines that a violation of this article is present may seek termination of wastewater service to the property at which the violation is present after notice and hearing as provided in this subsection. The officer charged with enforcement of this article shall give written notice of the violation of this article to the responsible party and the requirement that the violation be remedied within ten (10) days or water service will be disconnected, such notice to comply with TAC, Title 30, Section 291.88(a). If the responsible party fails to shall remedy the violation within the time specified in the notice, the officer charged with enforcement of this article may terminate water service. The responsible party may

request a hearing by the City Manager regarding termination of service. Written notice of the time and date of the hearing shall be given to the responsible party at least ten days before the hearing date. Notices required by this subsection shall be delivered to the responsible party by in person service, by letter addressed to the responsible party at his/her post office address.

(3) If the City Manager determines at a hearing held under subsections (1) or (2) above that the responsible party did not violate this article, the responsible party's utilities shall be immediately reconnected without charge to the responsible party. If it is determined that the responsible party violated this article, as appropriate, water service shall not be reconnected until the responsible party remedies the violation of this article and pays all required reconnection fees. The City Manager's decision may be appealed to the City Council in writing within ten days of the City Manager's decision.

(d) Any person, including a person classified as a water customer of the City of Leander, in apparent control of the property where a violation occurs or originates shall be presumed to be the violator, and proof that the violation occurred on the person's property shall constitute a rebuttable presumption that the person in apparent control of the property committed the violation, but any such person shall have the right to show that he/she did not commit the violation. Parents shall be presumed to be responsible for violations of their minor children and proof that a violation, committed by a child, occurred on property within the parents control shall constitute a rebuttable presumption that the parent committed the violation, but any such parent may be excused if he/she proves that he/she had previously directed the child not to use the water as it was used in violation of this article and that the parent could not have reasonably known of the violation.

Sec. 13.411 Variances

(a) The City Manager or his/her designee may in writing, grant temporary variance for existing water uses otherwise prohibited under this Plan if it is determined that failure to grant such variance would cause an emergency condition adversely affecting the health, sanitation, or fire protection for the public or the person requesting such variance and if one or more of the following conditions are met:

(1) Compliance with this Plan cannot be technically accomplished during the duration of the water supply shortage or other condition for which the Plan is in effect.

(2) Alternative methods can be implemented which will achieve the same level of reduction in water use.

(b) Persons requesting an exemption from the provisions of this article shall file a petition for variance with the City of Leander within 5 days after the Plan or a particular drought response stage has been invoked. All petitions for variances shall be reviewed by the City Manager, or his/her designee, and shall include the following:

- (1) Name and address of the petitioner(s);
- (2) Purpose of water use;
- (3) Specific provision(s) of the Plan from which the petitioner is requesting relief;
- (4) Detailed statement as to how the specific provision of the Plan adversely affects the petitioner or what damage or harm will occur to the petitioner or others if petitioner complies with the Plan;
- (5) Description of the relief requested;
- (6) Period of time for which the variance is sought;
- (7) Alternative water use restrictions or other measures the petitioner is taking or proposes to take to meet the intent of this Plan and compliance date; and
- (8) Other pertinent information.

(c) Variances granted by the City of Leander shall be subject to the following conditions, unless waived or modified by the City Manager, or his/her designee:

- (1) Variances granted shall include a timetable for compliance.
- (2) Variances granted shall expire when the Plan is no longer in effect, unless the petitioner has failed to meet specified requirements.

(d) No variance shall be retroactive or otherwise justify any violation of this Plan occurring prior to the issuance of the variance.

ORDINANCE NO. 07-015-00

AN ORDINANCE OF THE CITY OF LEANDER, TEXAS, AMENDING ARTICLE 3, SECTIONS 3.303(5)(A) AND 3.308 ESTABLISHING WATER FLUSHING CAPACITY REGULATIONS AND WATER CONSERVATION STANDARDS FOR CERTAIN BUSINESSES; ADDING SECTION 3.309 REQUIRING CONFORMITY WITH ZONING AND SUBDIVISION REGULATIONS; AMENDING SECTION 13.205(d) REQUIRING INDIVIDUAL WATER BILLING FOR MULTI-FAMILY AND MIXED USES; PROVIDING SEVERABILITY, EFFECTIVE DATE AND OPEN MEETINGS CLAUSES; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, water is a scarce resource and the City of Leander, Texas (the "City") desires to implement water conservation measures to help ensure adequate water supply for the current and future population of the City;

WHEREAS, the implementation of water conservation regulations is reasonable and necessary for the public health, safety, and welfare;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEANDER, TEXAS, THAT:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are incorporated into this Ordinance as findings of fact by the City Council of Leander, Texas. The City Council hereby further finds and determines that the provisions of this resolution are reasonable and necessary to protect the public health, safety and quality of life.

Section 2. Amendment of Sec. 3.303(5)(A). Article 3.000, Section 3.303(5)(A), Leander Code of Ordinances is hereby amended in its entirety to read as follows:

(A) Water closet tanks shall have a flushing capacity sufficient to properly flush the water closet bowl but shall not exceed one and six tenths (1.6) gallons per flush; provided that for toilets installed after January 1, 2008, water closet tanks shall have a flushing capacity sufficient to properly flush the water closet bowl but shall not exceed one and twenty-eight hundredths (1.28) gallons per flush; and shall have passed the EPA standard for an approved High-Efficiency Toilet (HET).

Section 3. Amendment of Sec. 3.308. Article 3.000, Section 3.308, Leander Code of Ordinances, is hereby amended in its entirety to read as follows:

Sec. 3.308 Water Conservations Standards

The following regulations shall govern the construction, installation, materials, erection, addition to, alteration, repair, replacement of buildings and structures not otherwise governed by Section 3.301(c) herein:

- (a) The use of liquid ring surgical vacuum pumps and liquid ring dental vacuum pumps is prohibited.
- (b) All steam boilers shall have approved conductivity controllers.
- (c) All cooling towers shall have approved conductivity controllers.
- (d) Public urinals shall have a flushing capacity sufficient to properly flush but shall not exceed five-tenths (0.5) gallon per flush.
- (e) Commercial dishwashers shall have a maximum capacity of ninth-tenths (0.9) gallons per rack or one hundred and eighty (180) gallons per hour.
- (f) Garbage grinders are prohibited in restaurants and cafeterias.
- (g) Car washes shall comply with the following standards:
 - (1) Conveyor washes 40 gallons per car or less
 - (2) In-bay washes 55 gallons per car or less
 - (3) Large vehicles 75 gallons per vehicle or less
(busses or large trucks)
 - (4) Hand wand nozzles shall have a maximum capacity of three (3) gallons per minute.
- (h) Commercial clothes washers shall have a maximum Water Factor of 8.0. A clothes washer's Water Factor is defined as the gallons of water used per cycle per cubic foot (for example, a 3.0 cubic foot washer using 24 gallons per cycle has a water factor of 8.0). This section does not apply to single-load soft mount machines. Coin-operated commercial clothes washers installed as of March 15, 2007 shall be brought into compliance with this section by March 15, 2011.
- (i) For all building permits issued on or after March 15, 2007, all multi-family and mixed used properties shall provide for the measurement of the quantity of water, if any, consumed by the occupants of each unit through the installation of:
 - 1. Submeters, owned by the property owner or manager, for each dwelling unit or rental unit.
 - 2. Individual meters for each dwelling unit or rental unit.

(j) The codes and regulations adopted under this Article are amended to the extent of any conflict with this Section 3.308.

Section 4. Amendment of Art. 3.000, Leander Code of Ordinances. Article 3.000 is hereby amended to add Section 3.309, to read as follows:

Sec. 3.309 Conformity With Zoning District and Subdivision Regulations Required

No building or structure shall be erected or installed and no existing building or structure shall be moved, structurally altered, added to or enlarged, nor shall any land, building or premises be used, or designated for use for any purpose or in any manner other than as provided for in the zoning district in which the building, land or premises is located and in compliance with the subdivision regulations; provided, however, that necessary structural repairs may be made where health and safety are endangered. Furthermore, no open space surrounding any building shall be encroached upon by a structure or reduced in any manner, unless the same shall conform to the zoning regulations and subdivision regulations designated for the district or lot within which such building or open space is located. The building official may, with notice as provided in this article, revoke the certificate of occupancy for properties not in compliance herewith.

Section 5. Amendment of Sec. 13.205(d), Art. 13.000, Leander Code of Ordinances. Article 13.000, Section 13.205(d) is hereby amended in its entirety to read as follows:

(d) Separate Meter Required. Every building, structure or customer in the city shall have a separate water meter. Multifamily and mixed use properties built after 2003 must bill tenants for individual water use. This provision may be waived for good cause upon written application by the water service customer, and subject to written approval by the city administrator.

Section 6. Savings Clause. All rights and remedies of the City of Leander are expressly saved as to any and all violations of the provisions of any ordinances affecting building codes and regulations and utilities within the City which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

Section 7. Amendment of Ordinances. Sections 3.305((5)(A), 3.308, and 13.205(d), Leander Code of Ordinances are hereby amended as provided herein. Section 13.205(d) is added to Article 13.000, Leander Code to read as provided herein. All provisions of the Leander Code of Ordinances inconsistent with or in conflict with this ordinance are hereby amended to the extent of such inconsistency or conflict. In the event of a conflict or inconsistency between this ordinance and any other code or ordinance of the City, the terms and provisions of this ordinance shall govern.

Section 8. Severability. Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portion or portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

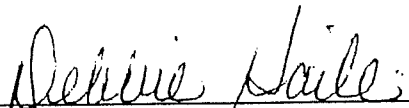
Section 9. Effective Date. This ordinance shall take effect immediately from and after its passage.

Section 10, Open Meetings. It is hereby officially found and determined that the meeting at which this ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, *Chapt 551, Tex. Gov't. Code.*

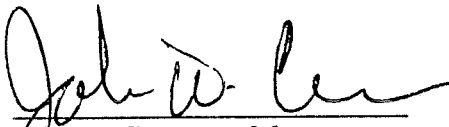
PASSED AND APPROVED on this 15th day of March, 2007.

Attest:

THE CITY OF LEANDER, TEXAS



Debbie Haile, City Secretary



John D. Cowman, Mayor

EXHIBIT F
ARBITRATION PROCEDURES

Section 1. Arbitration.

1.1. Binding Arbitration. Binding arbitration shall be conducted in accordance with the following procedures:

- (a) The party seeking arbitration hereunder shall request such arbitration in writing, which writing shall be delivered to the opposing party or parties and include a clear statement of the matter(s) in dispute. If a legal proceeding relating to the matter(s) in dispute has previously been filed in a court of competent jurisdiction (other than a proceeding for injunctive or ancillary relief) then such notice of election under this section shall be delivered within ninety (90) days of the date the electing party receives service of process in such legal proceeding. Otherwise, the legal proceeding shall be allowed to continue and binding arbitration shall not apply to the matter(s) in dispute in that legal proceeding.
- (b) Except to the extent provided in this Exhibit F, the arbitration shall be conducted in accordance with the commercial rules of the American Arbitration Association by a single arbitrator to be appointed as follows: (i) upon the issuance and receipt of a request for arbitration, the requesting and receiving party each shall designate a representative for the sole purpose of selecting, by mutual agreement with the other party's designee, the individual who shall arbitrate the Dispute or Controversy referred to arbitration hereunder; (ii) within twenty (20) days of their appointment, the two representatives shall designate a third individual who shall be the arbitrator to conduct the arbitration of the Dispute or Controversy; (iii) said individual shall be qualified to arbitrate the Dispute or Controversy referred to arbitration hereunder and have a schedule that permits him or her to serve as arbitrator within the time periods set forth herein. In order to facilitate any such appointment, the party seeking arbitration shall submit a brief description (no longer than two (2) pages) of the Dispute or Controversy to the opposing party. In the event the parties' two representatives are unable to agree on a single arbitrator of the Dispute or Controversy within the twenty (20) day period, then the arbitrator shall be appointed by the then-serving chief administrative district judge of Travis County, Texas, or any successor thereto within the next ten (10) day period. The party seeking arbitration shall make the parties' request for appointment of an arbitrator and furnish a copy of the aforesaid description of the Dispute or Controversy to said judge. Each party may, but shall not be required to, submit to said judge a list of up to three (3) qualified individuals as candidates for appointment as the arbitrator whose schedules permit their service as arbitrator within the time periods set forth herein. The arbitrator appointed by the judge need not be from such lists.
- (c) Within thirty (30) days of the date the arbitrator is appointed, the arbitrator shall notify the parties in writing of the date of the arbitration hearing, which hearing date shall be not less than one-hundred twenty (120) days from the date of the arbitrator's appointment. The arbitration hearing shall be held in Austin, Texas. Except as otherwise provided herein, the proceedings shall be conducted in accordance with the procedures of the Texas General Arbitration Act, Tex. Civ. Prac. & Remedies Code § 171.001 et seq. (the "Texas General

Arbitration Act"). Depositions may be taken and other discovery may be made in accordance with the Texas Rules of Civil Procedure, provided that (i) depositions and other discovery shall be completed within ninety (90) days of the appointment of the arbitrator, (ii) there shall be no evidence by affidavit allowed, and (iii) each party shall disclose a list of all documentary evidence to be used and a list of all witnesses and experts to be called by the party in the arbitration hearing at least twenty (20) days prior to the arbitration hearing. The arbitrator shall issue a final ruling within thirty (30) days after the arbitration hearing. Any decision of the arbitrator shall state the basis of the award and shall include both findings of fact and conclusions of law. Any award rendered pursuant to the foregoing, which may include an award or decree of specific performance hereunder, shall be final and binding on, and not appealable by, the parties, and judgment thereon may be entered or enforcement thereof sought by either party in a court of competent jurisdiction. The foregoing deadlines shall be tolled during the period that no arbitrator is serving until a replacement is appointed in accordance with this Exhibit F.

- (d) Notwithstanding the foregoing, nothing contained herein shall be deemed to give the arbitrator appointed hereunder any authority, power or right to alter, change, amend, modify, waive, add to or delete from any of the provisions of the contract.

Section 2. Further Qualifications of Arbitrators; Conduct. All arbitrators shall be and remain at all times wholly impartial and, upon written request by any party, shall provide the parties with a statement that they can and shall decide any Dispute or Controversy referred to them impartially. No arbitrator shall be employed by any party, the State of Texas, or have any material financial dependence upon a party, the State of Texas, nor shall any arbitrator have any material financial interest in the Dispute or Controversy.

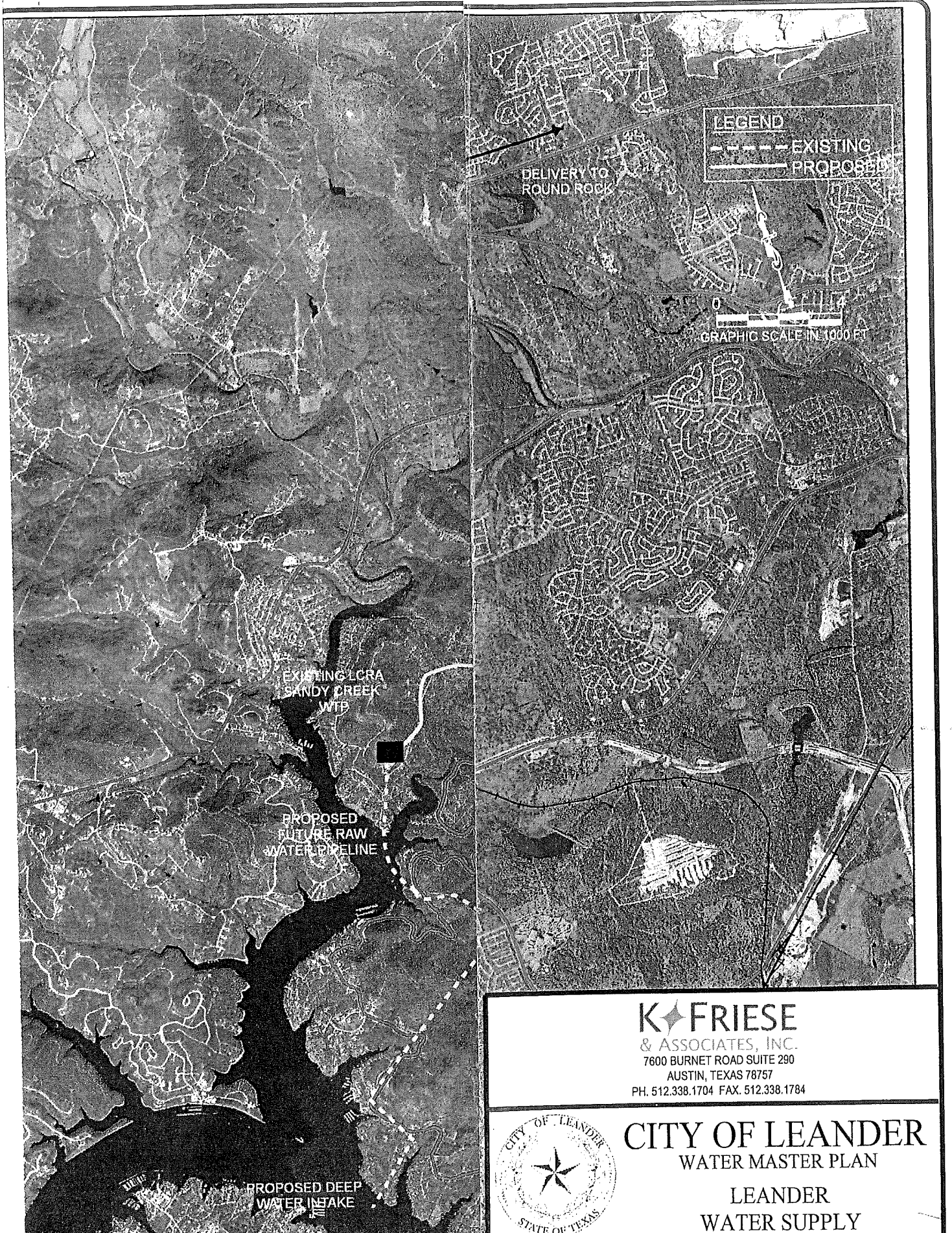
Section 3. Applicable Law and Arbitration Act. The agreement to arbitrate set forth in this Exhibit shall be enforceable in either federal or state court. The enforcement of such agreement and all procedural aspects thereof, including the construction and interpretation of this agreement to arbitrate, the scope of the arbitrable issues, allegations of waiver, delay or defenses as to arbitrability and the rules (except as otherwise expressly provided herein) governing the conduct of the arbitration, shall be governed by and construed pursuant to the Texas General Arbitration Act. In deciding the substance of any such Dispute or Controversy, the arbitrator shall apply the substantive laws of the State of Texas. The arbitrator shall have authority, power and right to award damages and provide for other remedies as are available at law or in equity in accordance with the laws of the State of Texas, except that the arbitrator shall have no authority to award incidental or punitive damages under any circumstances (whether they be exemplary damages, treble damages or any other penalty or punitive type of damages) regardless of whether such damages may be available under the laws of the State of Texas. The parties hereby waive their right, if any, to recover punitive damages in connection with any arbitrated Dispute or Controversy.

Section 4. Consolidation. If the parties initiate multiple arbitration proceedings, the subject matters of which are related by common questions of law or fact and which could result in conflicting awards or obligations, then the parties hereby agree that all such proceedings may be consolidated into a single arbitration proceeding.

Section 5. Pendency of Dispute; Interim Measures. The existence of any Dispute or Controversy eligible for referral or referred to arbitration hereunder, or the pendency of the dispute settlement or resolution procedures set forth herein, shall not in and of themselves relieve or excuse either party from its ongoing duties and obligations under the contract or any right, duty or obligation arising therefrom; provided, however, that during the pendency of arbitration proceedings and prior to a final award, upon written request by a party, the arbitrator may issue interim measures for preservation or protection of the status quo.

Section 6. Complete Defense. The parties agree that compliance by a party with the provisions of this Exhibit shall be a complete defense to any Action or Proceeding instituted in any federal or state court, or before any administrative tribunal by any other party with respect to any Dispute or Controversy that is subject to arbitration as set forth herein, other than a suit or action alleging non-compliance with a final and binding arbitration award rendered hereunder.

Section 7. Costs. Each party shall bear the costs of its appointed representative to select the arbitrator of the Dispute or Controversy and its own attorneys' fees, while the costs of the arbitrator of the Dispute or Controversy incurred in accordance with the foregoing shall be shared equally by the parties. Additional incidental costs of arbitration shall be paid for by the nonprevailing party in the arbitration; provided, however, that where the final decision of the arbitrator is not clearly in favor of either party, such incidental costs shall be shared equally by the parties.



K FRIESE
 & ASSOCIATES, INC.
 7600 BURNET ROAD SUITE 290
 AUSTIN, TEXAS 78757
 PH. 512.338.1704 FAX. 512.338.1784



CITY OF LEANDER
 WATER MASTER PLAN
 LEANDER
 WATER SUPPLY

Exhibit A

FIRST AMENDMENT TO WATER CONTRACT FOR MUNICIPAL USES
BETWEEN LCRA AND CITY OF LEANDER, TEXAS

This First Amendment ("Amendment") to that certain Water Sale Contract for Municipal Use, dated August 21, 2007 (the "Agreement"), is made by and between the Lower Colorado River Authority (hereinafter, together with its successors and assigns, called "LCRA") and City of Leander, Texas (hereinafter, together with its successors and assigns as provided herein, "Purchaser"), who, in mutual consideration of the provisions herein contained agree as follows:

1. The Agreement is hereby amended in section "I. WATER SUPPLY," subsection "A. INTERBASIN TRANSFER PERMIT AND MAXIMUM ANNUAL QUANTITY," paragraph "2)," so that the last sentence of that paragraph is deleted and the following is added in its place:

"Prior to that date, and in accordance with the current IBTP, PURCHASER shall have the right to divert: (a) up to a maximum of 24,000 acre-feet (7,820,424,000 gallons) of raw water per annum from Lake Travis in Travis County, Texas, at the Point of Diversion for use in that portion of the Service Area located in the Colorado River basin; and, (b) up to a maximum of 6,400 acre-feet (2,085,446,400 gallons) of raw water per annum from Lake Travis in Travis County, Texas, at the Point of Diversion for use in that portion of the Service Area located in Brazos River basin, provided that any water used in the Brazos River basin shall be subtracted from the MAQ available for use in the Colorado River basin. In addition, PURCHASER shall develop a method for verifying compliance with the limitations set forth above if PURCHASER intends to use more than 6,400 acre-feet per annum prior to issuance of the amended IBTP, which such method shall be reviewed and approved by the LCRA's Manager of River Services prior to any such water use. Upon approval, PURCHASER shall be solely responsible for operating its facilities in such manner as to comply with this paragraph and the IBTP. PURCHASER further agrees to provide LCRA and its representatives access to all property and facilities of PURCHASER during normal business hours for purposes of inspection to ensure compliance with this paragraph."

2. The Agreement is hereby amended in section "II. CONTRACT ADMINISTRATION," subsection "B. PAYMENT," paragraph "(8)," to insert prior to the "." at the end of that paragraph: ", in accordance with Texas Local Government Code section 271.159."
3. The Agreement is hereby amended in section "II. CONTRACT ADMINISTRATION," subsection "F. EQUITABLE REMEDIES," to insert the following sentence at the end of that section: "In the event LCRA prevails in a legal action seeking equitable remedies in accordance with this section, LCRA shall be entitled to receive its reasonable and necessary court costs and attorney fees in accordance with Texas Local Government Code section 271.159. PURCHASER ACKNOWLEDGES AND AGREES THAT THIS CONTRACT IS SUBJECT TO THE TERMS OF CHAPTER 271, INCLUDING SUBCHAPTER I, TEXAS LOCAL GOVERNMENT CODE, AS THAT CHAPTER IS IN EFFECT AS OF THE EFFECTIVE DATE. LCRA ACKNOWLEDGES AND

AGREES THAT THIS CONTRACT IS SUBJECT TO THE TERMS OF CHAPTER 271, INCLUDING SUBCHAPTER I, TEXAS LOCAL GOVERNMENT CODE, AS THAT CHAPTER IS IN EFFECT AS OF THE EFFECTIVE DATE.”

4. Except as amended hereby, the Agreement remains in full force and effect and is ratified and affirmed by LCRA and the City.

IN WITNESS WHEREOF, the parties hereto acting under authority of their respective governing bodies caused this Amendment to be duly executed in several counterparts, each of which shall constitute an original, all as of the 18th day of January, 2008 (“Effective Date”).

CITY OF LEANDER

By: John D. Cowman
John Cowman, Mayor

ATTEST:

By: Debbie Haile
Name: Debbie Haile
Title: City Secretary

LOWER COLORADO RIVER AUTHORITY

By: Karen Bondy
Karen Bondy, P.E.
Manager, River Services



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



THE STATE OF TEXAS
COUNTY OF TRAVIS

I hereby certify that this is a true and correct copy of a
Texas Commission on Environmental Quality document,
which is filed in the permanent records of the Commission.
Given under my hand and the seal of office on

AMENDMENT TO
A WATER USE PERMIT

Bridget C. Bohac NOV 29 2012

Bridget C. Bohac, Chief Clerk
Texas Commission on Environmental Quality

PERMIT NO. 5677B	APPLICATION NO. 5677B	TYPE: 11.122, 11.085
Permittee:	Lower Colorado River Authority	Address: 3700 Lake Austin Blvd. Austin, Texas 78703
Filed:	August 22, 2012	Granted: November 16, 2012
Purposes:	Municipal	Counties: Travis and Williamson
Watercourse:	Colorado River	Watershed: Colorado and Brazos River Basins

WHEREAS, Water Use Permit No. 5677 authorizes the Lower Colorado River Authority (LCRA or Permittee) an exempt interbasin transfer of 6,400 acre-feet of water per year diverted from Lake Travis on the Colorado River, Colorado River Basin, Travis County for municipal use within the service area of the City of Leander in Travis and Williamson Counties within the Colorado and Brazos River Basins; and

WHEREAS, the time priority of this right is February 2, 2000; and

WHEREAS, LCRA seeks to amend Water Use Permit No. 5677 to increase the amount of water authorized for exempt interbasin transfer from 6,400 acre-feet to 24,000 acre-feet of water per year, and specify that the water may come from any source of supply available for use in Travis County, including Certificates of Adjudication Nos. 14-5478 and 14-5482; and

WHEREAS, the Texas Commission on Environmental Quality (Commission) finds that jurisdiction over the application is established; and

WHEREAS, the Executive Director recommends that special conditions should be included in the amendment; and

WHEREAS, no requests for a contested case hearing were received for this application; and

WHEREAS, the Commission has complied with the requirements of the Texas Water Code and Rules of the Texas Commission on Environmental Quality in issuing this amendment;

NOW, THEREFORE, this amendment to Water Use Permit No. 5677, designated Water Use Permit No. 5677B, is issued to Lower Colorado River Authority subject to the following terms and conditions:

1. USE

In lieu of the previous authorization to transfer 6,400 acre-feet of water per year from Lake Travis, Colorado River Basin, under Permittee's Certificates of Adjudication Nos. 14-5478 and 14-5482, Permittee is now authorized to transfer 24,000 acre-feet of water per year from Lake Travis for municipal use within the service area of the City of Leander in Travis and Williamson counties within the Colorado and Brazos River Basins. The 24,000 acre-feet authorized for transfer under this permit may be water authorized in LCRA's Certificates of Adjudication Nos. 14-5478 and 14-5482, or any water rights or authorizations LCRA has obtained at the time of this permit or in the future.

2. CONSERVATION

Permittee shall implement water conservation plans that provide for the utilization of those practices, techniques, and technologies that reduce or maintain the consumption of water, prevent or reduce the loss or waste of water, maintain or improve the efficiency in the use of water, increase the recycling and reuse of water, or prevent the pollution of water, so that a water supply is made available for future or alternative uses. Such plans shall include a requirement that in every water supply contract entered into, on or after the effective date of this amendment, including any contract extension or renewal, that each successive wholesale customer develop and implement conservation measures. If the customer intends to resell the water, then the contract for resale of the water shall have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures.

3. SPECIAL CONDITION

Prior to the diversion and use of other sources of water legally available to the Permittee, for municipal use within the service area of the City of Leander in Travis and Williamson Counties within the Brazos River Basin, under the terms and conditions of this amendment, Permittee must apply for and be granted the necessary authorization for those sources pursuant to TWC §11.085.

This amendment is issued subject to all terms, conditions and provisions contained in Water Use Permit No. 5677, as amended, except as specifically amended herein.

This amendment is issued subject to all superior and senior water rights in the Colorado River Basin.

Permittee agrees to be bound by the terms, conditions and provisions contained herein and such agreement is a condition precedent to the granting of this amendment.

All other matters requested in the application which are not specifically granted by this amendment are denied.

This amendment is issued subject to the Rules of the Texas Commission on Environmental Quality and to the right of continuing supervision of State water resources exercised by the Commission.



For the Commission

ISSUED: November 16, 2012