

**BRUSHY CREEK REGIONAL UTILITY AUTHORITY, INC.  
BOARD OF DIRECTORS WORK SESSION  
TUESDAY, NOVEMBER 10, 2009, 9:00 A.M.  
UNITED HERITAGE CENTER  
3400 E. PALM VALLEY BOULEVARD  
ROUND ROCK, TX 78664**

**DIRECTORS**

Mitch Fuller, President  
George White, Vice-President  
John D. Cowman, Secretary/Treasurer

**APPROVED MINUTES**

**1. CALL MEETING TO ORDER – 9:00 A.M.**

President Fuller called the meeting to order at 9:15 A.M.

**2. ROLL CALL**

Present:           President Mitch Fuller  
                      Vice-President George White

Absent/Late Arrival:   Secretary John Cowman arrived at 9:45 a.m.

Other attendees include Mayor Alan McGraw – City of Round Rock, Mayor Bob Lemon – City of Cedar Park, Michael Thuss–BCRUA Program Manager, Chris Lippe-BCRUA General Manager, City Manager, Biff Anthony – City of Leander, City Manager, Brenda Eivens - City of Cedar Park, and City Manager, Jim Nuse – City of Round Rock.

**3. CITIZEN COMMUNICATION**

None

**4. RESOLUTIONS:**

**4A. Consider a resolution approving an amendment to the BCRUA Administrative Operating Budget for Fiscal Year 2009-2010, subject to the approval of the Participating Cities.**

MOTION:           Vice-President White moved to approve the resolution. President Fuller seconded the motion.

ACTION:           Ayes:   President Fuller  
                      Vice-President White  
                      Nays:   None  
                      Absent: Secretary Cowman

VOTE:             Approved by unanimous vote

**4B. Consider a resolution authorizing the President to execute an Engagement Letter with Brockway, Gersbach, Franklin & Niemeier, P.C. for annual audit services.**

MOTION: Vice-President White moved to approve the resolution. President Fuller seconded the motion.

ACTION: Ayes: President Fuller  
Vice-President White  
Nays: None  
Absent: Secretary Cowman

VOTE: Approved by unanimous vote

**5. CONSIDER PRESENTATION AND DISCUSSION REGARDING THE FOLLOWING TOPICS:**

**5A. Opening remarks from General Manager and/or City Managers**

Chris Lippe welcomed everyone to the meeting. George White did not have any comment. President Fuller expressed his appreciation to be able to talk to each other about the challenges faced by the participating cities. He also stated that the first phase of the construction is starting under budget. Mayor Lemon mentioned the recent CAMPO meeting recognizing that water is a precious resource that drives other vital related issues such as transportation so the work of this board is extremely important. Mayor McGraw agreed with his comments. President Fuller introduced Michael Thuss and mentioned that he has significant amount of water experience. He also introduced Herb Marlowe who served as a facilitator for this work session.

**5B. Project update**

Chris Lippe reported that the project is \$30 million under budget with the three recent bids that were recently submitted. The bids are in the process of being awarded and staff is requesting reimbursement from Texas Water Development Board.

Chris Lippe introduced Michael Thuss who began his presentation with outlining the BCRUA organizational chart. He also reviewed draft financial reports and provided a current status of the project. Mr. Thuss defined and discussed the importance of the various program controls of the project specifically listing construction inspectors, financial committee, design engineers, and the construction team. President Fuller was pleased to know that the inspectors report to the owner and not the contractor. Mr. Thuss explained that there will be a total of twelve contracts to manage and the reporting mechanisms that are in place in order must be followed in order to have due diligence on this project.

Mr. Thuss continued with explaining that the monthly submittals will be reviewed by the inspectors, contractors, and design engineers, program manager, general manager and the operating committee to ensure that it meets the contract specifications. He continued with his presentation explaining the importance of maintaining crucial documents such as a daily inspection report. Mr. Thuss then reported on his plan to maintain project status reports on the BCRUA's website. He provided a sample of the report and outlined the details that can be included.

President Fuller asked about the recent meet the contractor meeting and Mr. Thus reported that there was a composed atmosphere and it was agreed that three valid complaints per week is the average acceptable amount for complaints. Mr. Thus reported that he also informed the meeting attendees that he will be the point of contact for all complaints and make sure to track and respond to all of the complaints.

He would like to keep the property damage under \$10,000 for the entire project and not have any claims. The contractor will be responsible for any property damage done during the duration of the project but BCRUA must ensure that residents are treated responsively and paid appropriately, if necessary. At this point Mr. Lippe noted that staff is currently reviewing the need for liability insurance. Mayor Lemon asked about construction entrances during the project. Mr. Thus responded that there will be two lanes of traffic opened the majority of the time. However, there may be minimal times when there would be only one lane of traffic or when driveways must be blocked. This should occur only a few hours at a time and during these instances sufficient notice will be given to the residents. Emergency vehicles will always have access. The contractor is responsible for traffic control but BCRUA will observe to ensure adequate traffic control. Weekly meetings will be scheduled with the contractors. President Fuller discussed the opportunity for dialogue and the importance of leaving property in a better state if at all possible. Mr. Thus explained that pictures will be taken of affected properties and owners are encouraged to do so as well.

Mayor Cowman asked if firms or people are being hired to manage this project. There was also a question on the role the program manager from Mayor Cowman. He wanted to be able to communicate the program manager's role to the rest of the Council (Leander). Mr. Thus responded that firms are hired as controlled groups. Mr. Thus explained that he is responsible for the construction phase of the project and a small percentage of his time is spent on program management.

Finally, Mr. Thus reiterated that minor issues must not be overlooked in order for the project to be successful.

**5C. Discussion of the current and future role of BCRUA**

**5D. Role of Board Members**

Jim Nuse introduced Herb Marlowe explaining his recent involvement with the City of Round Rock's strategic plan, evaluation process, and development process.

Mr. Marlowe led the discussion by asking the attendees to summarize their opinion of the current and future role of the BCRUA with the understanding that the board was essentially set up as a financial mechanism. Some of the remarks included to focus on the construction project, only deal with the specific needs in which the board was created and not look for things to do. Remarks regarding the future role of the board include expanding the board for better communication and acting as one voice on topics such as water conservation and have a comprehensive communication strategy. Some communication guidelines included a no surprise policy, coordinated communication, compatibility of interests of each entity, and the development of shared interests. The general manager will coordinate a unified strategy and effort. Herb summarized three different roles of this body – oversight, advocacy, and public engagement.

*The meeting was recessed for a ten minute break.*

**5E. Governance structure of BCRUA**

The discussion then focused on several options to determine the most appropriate board structure. It was agreed to expand the board to a six member board with two representatives from each city, one in which must be an elected official, the second member would be appointed at the discretion of the appointing body. There was discussion about the added value of the second member having a related professional background such as city manager, finance director or engineer. The members can continue to serve two year terms. Chris Lippe was charged with developing a course of action in order to amend the by-laws and take appropriate action.

**5F. Authority of BCRUA**

Herb continued with facilitating the discussion regarding the authority of the BCRUA board. It was acknowledged that the city councils must continue to approve all contracts and any other amendments can be approved by the BCRUA board. Chris Lippe was charged with creating a list of recommendations and procedures for review of each of the city councils in order to give the board proper level of authority.

**5G. Public engagement and communication strategies of BCRUA**

**5H. Work of BCRUA**

**5I. Managing the BCRUA**

The group then discussed the role of a spokesperson and determined that the general manager will be able to provide basic public information and project related updates. The general manager is able to communicate with appropriate staff members, such as city managers, communication directors, or board members to formulate an appropriate response. The board president was identified as the official spokesperson to respond to any policy related issues or board actions. President Fuller expressed his desire to have the board members speak on behalf of the board in front of other official bodies, especially when dealing with legislative issues. He wanted to be aggressive with legislative issues and have a good political strategy. The discussion also covered specific project details regarding due diligence with determining the best location for the intake site, drought of record analysis, and the additional costs involved for other water sources.

**5J. Legislative update**

Herb led the next topic of discussion by asking the meeting attendees to identify any future issues faced by Board. Some issues include a proper location of the deep water intake site, additional water sources, and identify the costs associated with these issues. Some legislative issues include actions of the BRA & LCRA, drought contingency land, proportional water assignments, Texas Water Plan, reuse & discharge, water conservation policy, interbasin transfer, financing, and groundwater issues.

**6. DIRECTOR CLOSING COMMENTS REGARDING ITEMS OF COMMUNITY INTEREST**

Secretary Cowman did not have any comments.

Vice-President White noted the importance of expanding the board and was glad to make progress in determining the proper direction of this board.

President Fuller emphasized the importance and value in having a political strategy in place and thanked everyone for participating in the discussion.

**7. ADJOURNMENT**

The meeting was adjourned at 12:17 P.M.

Minutes respectfully submitted by Monique Adams