



LOWER BRUSHY CREEK WCID
Regular Called Meeting of the Board of Directors

Edmond S Komandosky, President
Scott Ging, Vice President
Monica P Masters, Secretary/Treasurer
Allen R David, Director
Laine Holman, Director

AGENDA

Notice is hereby given for a regular called meeting of the Board of Directors of the Lower Brushy Creek WCID to be held on **Monday January 27, 2024 at 7:30 am** at the Greater Taylor Chamber of Commerce, 1519 North Main Street, Taylor, Texas 76574 for the purpose of considering the following agenda items. The Board of Directors will meet, consider, deliberate and may take action on all agenda items.

AGENDA

- 1. WELCOME, CALL TO ORDER, and DETERMINATION OF A QUORUM**
- 2. CITIZENS COMMUNICATIONS:** *Citizen Communications is an opportunity for the public to address the Board on agenda items or concerns not on the agenda (limited to 3 minutes each);*
- 3. CONSENT AGENDA:** *The items on the consent agenda are considered routine by the District and will be enacted by one motion. There will be no separate discussion of the items unless requested by a Board member, in which event the item will be removed from the consent agenda and considered during the meeting.*
 - 3a. Consider approval of the Minutes for the *Regular Called Meeting of November 18, 2024;*
 - 3b. Consider approval of the Financial Reports
 - 3c. Consider approval of the first quarter FY25 Investment Report
- 4. ACTION ITEMS:**
 - 4a. Consideration and Approval of the Financial Statement, Supplemental Information and Audit for the fiscal year ending September 30, 2024 by Maxwell Locke and Ritter, LP;

at 12:11 FILED P o'clock M
JAN 22 2025 mb
Nancy E. Ritter
County Clerk, Williamson Co., TX

- 4b. Consideration and approval of the "Manual for Operation and Maintenance of Dams", including Exhibit D, prepared by K Friese and Associates
- 4c. Consideration and approval of the "Manual for Encroachments", prepared by K Friese and Associates;
- 4d. Consideration and approval of the lease agreement with North Forest Office Space;

5. AGENCY REPORTS:

6. GENERAL MANAGERS REPORT AND UPDATE:

7. EXECUTIVE SESSION PURSUANT TO CHAPTER 551, TITLE 5, TEXAS

GOVERNMENT CODE: Executive Session as authorized by Section 551.072 (Deliberations regarding Real Property) of Chapter 551, Title 5 of the Texas Local Government Code: proposed easement acquisition and land values associated with the LBC Site 18 Upgrade Project;

8. RECONVENE TO OPEN SESSION TO TAKE ACTION, IF ANY, ON MATTERS DISCUSSED IN EXECUTIVE SESSION:

9. DIRECTOR'S COMMENTS

10. ADJOURNMENT

"The Lower Brushy Creek Water Control & Improvement District Board of Directors reserves the right to adjourn into executive session at any time during the meeting to discuss any of the matters listed above, as authorized by Texas Local Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations regarding Real Property), 551.073 (Deliberations regarding Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations regarding Security Devices), and 551.087 (Deliberations regarding Economic Development Negotiations)."

CERTIFICATION

I certify that a copy of the January 27, 2025 agenda of items to be considered by the Board of Directors of the Lower Brushy Creek WCID was posted on/or before 5:00 pm on January 22, 2025.

Sue Lilly

Sue Lilly, District Clerk

Lower Brushy Creek WCID

Regular Called Meeting of the Board of Directors

January 27, 2025

**Item 3a: Minutes for the Regular Called Meeting of
November 18, 2024**



LOWER BRUSHY CREEK

Water Control Improvement District

MINUTES OF THE REGULAR CALLED MEETING OF THE BOARD OF DIRECTORS
November 18, 2024

CALL TO ORDER & DETERMINATION OF A QUORUM: President Ed Komandosky called the Regular Meeting of the Board of Directors of the Lower Brushy Creek WCID to order at 7:30am on Monday November 18, 2024 and announced that a Quorum was present.

ATTENDANCE: Board members present included Vice President Scott Ging, Secretary/Treasurer Monica Masters, and Director Laine Holman. Others present included, General Manager Jim Clarno, Communication Consultant Richard Stone, District Clerk Sue Lilly, Allen Douthitt with Bott & Douthitt, PLLC, Board Attorney Mark Schroeder, and citizens Kay Pavlicek and Jeff Sciarretta.

CITIZENS COMMUNICATIONS: Citizen Kay Pavlicek asked questions regarding easement updates and Jeff Sciarretta introduced himself, no actions were taken.

CONSENT AGENDA: General Manager, Jim Clarno, presented for consideration and approval the Consent Agenda items:
a. Minutes for the Regular Called Meeting of the Board of Directors for October 21, 2024 and
b. Financial Reports for October 2024.

A motion to approve item a. Minutes for the Regular Called Meeting of the Board of Directors for October 21, 2024 as presented was made by Vice President Scott Ging. The motion was seconded by Director Laine Holman and was carried unanimously.

(Director Allen Ray David joined the meeting at 7:36am)

A motion was made to approve item b. Financial Reports for October 2024 as presented was made by Director Holman. The motion was seconded by Director Allen David and was carried unanimously.

ACTION ITEMS:

4. Clarno presented for consideration and discussion of the Williamson Central Appraisal District's proposal to obtain an outside appraisal of the Samsung project and the additional cost to the WCID. The Williamson Central Appraisal District Board did not approve the proposal therefore **No action was taken.**
5. Clarno presented for consideration and discussion of adopting an Interim Employee Benefits Package, effective January 1, 2025. **No action was taken.**
6. Clarno presented for consideration and discussion of approving a contract with Texas Counties and Districts Retirement System, effective January 1, 2025. **No action was taken.**

AGENCY REPORTS: There were no agency reports.

GENERAL MANAGERS REPORT: Clarno presented the General Manager's Report and Update. **No actions were taken.**

EXECUTIVE SESSION PURSUANT TO CHAPTER 551, TITLE 5, TEXAS GOVERNMENT CODE: President Komandosky opened an Executive Session at 8:08am, as authorized by Section 551.072 (Deliberations regarding Real Property) and Section 551.074 (Deliberations regarding Personal Matters) of Chapter 551, Title 5 of the Texas Local Government Code: easements and land values associated with the LBC Site 18 Upgrade Project

RECONENE TO OPEN SESSION TO TAKE ACTION, IF ANY, ON MATTERS DISCUSSED IN EXECUTIVE SESSION:

The board adjourned from executive session at 8:17a. **No action was taken.**

DIRECTORS COMMENTS: There were no other director's comments.

ADJOURNMENT: There being no further business, the meeting was adjourned without objection at 8:30 am.

Respectfully submitted

Monica P Masters/ Secretary

Lower Brushy Creek WCID

Regular Called Meeting of the Board of Directors

January 27, 2025

Item 3b: Financial Reports

Lower Brushy Creek WCID

Regular Called Meeting of the Board of Directors

January 27, 2025

Item 3c: First Quarter FY25 Investment Report

Lower Brushy Creek WCID

January 27, 2025

- Review Cash Activity Report, including Receipts and Expenditures
 - ☑ Action Items:
 - Review November 30, 2024 Financial Statements.

**Lower Brushy Creek WCID
Cash Activity Report
September 30, 2024 - November 30, 2024**

			<u>City National Bank</u>
			Operating Account
Reconciled Cash Balance - September 30, 2024			113,272.09
Subsequent Activity			(105,191.03)
<u>Vendor</u>	<u>Memo</u>	<u>Amount</u>	
Georgetown Office Credit		20.56	
Ancira Strategic Partners LLP	Consulting Services - October 2024	(1,000.00)	
Clarno Consulting LLC	General Manager Services - October 2024	(6,500.00)	
Heritage Office Suites	Rent - October 2024	(1,028.00)	
RTS Connect	Consulting Services - October 2024	(1,200.00)	
Allen Ray David	Director Fees - Q4 2024	(200.00)	
Bott & Douthitt, PLLC	Accounting Services - September 2024	(2,200.00)	
Edmond Komandosky	Director Fees - Q4 2024	(200.00)	
Freese & Nichols	Dam Maintenance - April, June, & July 2024	(62,578.57)	
Greater Taylor Chamber of Commerce	Rent - October 2024	(1,700.00)	
Hejl & Schroeder, P.C.	Legal Fees - May - September 2024	(4,450.00)	
K Friese & Associates	Engineering Fees - September 2024	(4,464.04)	
Kokel-Oberrender-Wood Appraisal, LTD	Appraisal Services - September 2024	(1,000.00)	
Laine Holman	Director Fees - Q4 2024	(200.00)	
Lilly, Sue	District Clerk Services - September 2024	(374.00)	
Mathews & Freeland, LLP	Legal Fees - June & July 2024	(2,400.00)	
Monica Masters	Director Fees - Q4 2024	(200.00)	
Ross, Molina, Oliveros, PC	Professional Services - September 2024	(125.00)	
Scott Ging	Director Fees - Q4 2024	(100.00)	
Taylor Press	Public Hearing - Tax Rate September 2024	(356.50)	
TML Intergovernmental Risk Pool	Insurance 2024	(3,324.16)	
United States Geological Survey	Data Collection Fees - 7/1/2024 - 9/30/2024	(10,312.50)	
Debit Card Purchases	Debit Card Purchases - October 2024	(1,298.82)	
Total Bookkeeper's Account Expenditures		<u>(105,191.03)</u>	
Reconciled Balance - October 31, 2024			\$ 8,081.06
Subsequent Activity			20,571.68
<u>Vendor</u>	<u>Memo</u>	<u>Amount</u>	
Ancira Strategic Partners LLP	Consulting Services - November 2024	(1,000.00)	
Clarno Consulting LLC	General Manager Services - November 2024	(6,500.00)	
Heritage Office Suites	Rent - November 2024	(1,028.00)	
RTS Connect	Consulting Services - November 2024	(1,200.00)	
Ancira Strategic Partners LLP	Consulting Services - December 2024	(1,000.00)	
Bott & Douthitt, PLLC	Accounting Services - October 2024	(2,200.00)	
Clarno Consulting LLC	General Manager Services - December 2024	(6,500.00)	
Hejl & Schroeder, P.C.	Legal Fees - October 2024	(6,567.91)	
Heritage Office Suites	Rent - December 2024	(1,079.40)	
K Friese & Associates	Engineering Fees - September 2024	(1,312.50)	
Larry Gaddes, CTA	Entity Collection Fees 2024	(8,651.17)	
Lilly, Sue	District Clerk Services - October 2024	(1,325.00)	
Mathews & Freeland, LLP	Legal Fees - August & September 2024	(2,680.00)	
RTS Connect	Consulting Services - December 2024	(1,200.00)	
Debit Card Purchases	Debit Card Purchases - November 2024	(184.34)	
Texpool Transfer		30,000.00	
Texpool Transfer		33,000.00	
Total Bookkeeper's Account Expenditures		<u>20,571.68</u>	
Reconciled Balance - November 30, 2024			\$ 28,652.74

Lower Brushy Creek WCID Cash/Investment Activity Report September 30, 2024 - November 30, 2024

	Interest Rates	Balance 9/30/2024	Subsequent		Subtotal 11/30/2024	Projected Balance 11/30/2024
			Receipts	Disbursements		
General Fund -						
City Nat on Bank Account	n/a	\$ 113,272.09	\$ 63,020.56	\$ (147,639.91)	\$ 28,652.74	\$ 28,652.74
TexPool - General Operat ng	4.3762%	701,458.51	62,312.70	(63,000.00)	\$ 700,771.21	\$ 700,771.21
TexPool - Ra ny Day Fund	4.3762%	222,253.50	1,795.10	-	224,048.60	\$ 224,048.60
Total - General Fund		1,036,984.10	127,128.36	(210,639.91)	953,472.55	953,472.55
Total - All Funds		\$ 1,036,984.10	\$ 127,128.36	\$ (210,639.91)	\$ 953,472.55	\$ 953,472.55

Recap & Standings Report

Cycles: All Taxing Units: Coupland ISD... Deposit Date Range: 10/01/2024 to 11/30/2024 Sorted By: By Year, Descending Options: Separate Rollbacks, Include

Property Tax

W13 (Lower Brushy Cr WC&ID)

2024 Fiscal Year: 10/01/2024 - 09/30/2025

Taxing Unit Totals (IS,MO,SA)

	Original Roll	Beg. Uncollected	Adjustments	Adjusted Uncollected	Collections	P&I Collected	Credits / Discounts Allowed	Atty. Fee Collected	Variance	Uncollected Balance	YTD Collections
2026	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2025	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2024	1,023,634.61	0.00	1,023,668.24	1,023,668.24	55,174.05	0.00	1.32	0.00	0.38	968,493.25	55,174.99
2023	841,540.38	7,921.97	-315.69	7,606.28	1,123.83	283.85	0.00	313.10	0.00	6,482.45	1,123.83
2022	758,373.38	1,998.44	-33.86	1,964.58	29.57	16.25	0.00	9.75	0.00	1,935.01	29.57
2021	577,067.74	1,043.33	0.00	1,043.33	0.76	0.37	0.00	0.17	0.00	1,042.57	0.76
2020	484,724.15	1,012.52	0.00	1,012.52	0.00	0.00	0.00	0.00	0.00	1,012.52	0.00
2019	440,890.17	981.71	0.00	981.71	0.00	0.00	0.00	0.00	0.00	981.71	0.00
2018	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2017	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2016	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2010	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2009	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2008	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2007	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2006 & prior	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Summary

Total Current	1,023,634.61	0.00	1,023,668.24	1,023,668.24	55,174.05	0.00	1.32	0.00	0.38	968,493.25	55,174.99
Total Delinquent	3,102,595.82	12,957.97	-349.55	12,608.42	1,154.16	300.47	0.00	323.02	0.00	11,454.26	1,154.16
Rollbacks		1,934.42	0.00	1,934.42	0.00	0.00	0.00	0.00	0.00	1,934.42	0.00
Taxing Unit Total	4,126,230.43	14,892.39	1,023,318.69	1,038,211.08	56,328.21	300.47	1.32	323.02	0.38	981,881.93	56,329.15

Percentages

% of Roll Collected - 2024 - 5.39%	Adjusted Original Roll -- \$1,023,668.24	Current YTD Collected -- \$55,174.99
Tax Collections Compared to Current Taxes Billed 0% Collected		
All Collections Compared to Current Taxes Billed 0% Collected		
Combined Collections (Collections + P&I Collected) -- 56,628.68		

Lower Brushy Creek WCID

**Accountant's Compilation Report
November 30, 2024**

The District is responsible for the accompanying financial statements of the governmental activities of Lower Brushy Creek WCID, as of and for the 2 months ended November 30, 2024, which collectively comprise the District's basic financial statements – governmental funds in accordance with the accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The District has omitted the management's discussion and analysis, the Statement of Net Assets, and Statement of Activities that the Governmental Accounting Standards Board required to be presented to supplement the basic financial statements. Such missing 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 historic context.

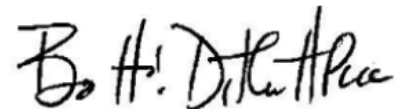
In addition, the District has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows and the components required by GASB 34 were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require that budgetary comparison information be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Supplementary Information

The supplementary information contained in the schedules described in the Supplementary Information Index is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Lower Brushy Creek WCID.



January 27, 2025
Round Rock, TX

Bott & Douthitt, PLLC

Lower Brushy Creek WCID Governmental Funds Balance Sheet 11/30/2024

	Governmental Funds
	General Fund
Assets	
Cash and Cash Equivalents	
Cash	\$ 28,652.74
Cash Equivalents	924,819.81
Receivables	
Property Taxes	981,881.93
Total Assets	\$ 1,935,354.48
 Liabilities	
Accounts Payable	\$ 16,984.75
Total Liabilities	16,984.75
 Deferred Inflows of Resources	
Property Taxes	981,881.93
Total Deferred Inflows of Resources	981,881.93
 Fund Balance	
Fund Balances:	
Unassigned	936,487.80
Total Fund Balances	936,487.80
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 1,935,354.48

**Lower Brushy Creek WCID
Statement of Revenues,
Expenditures & Changes in Fund Balance-Governmental Funds
October 1, 2024 - November 30, 2024**

	Governmental Funds
	General Fund
Revenues:	
Property Tax Revenue, including penalties	\$ 56,628.68
Interest & Other Income	7,479.12
Total Revenues	64,107.80
 Expenditures:	
Current-	
Operating Expenses -	
Insurance	3,324.16
Meals & Entertainment	33.34
Office Supplies	1,176.53
Travel & Mileage	1,000.00
Tax Collection Fees	8,651.17
Office Contract Labor	2,550.00
Postage/Delivery Charges	177.29
Rent Expense	2,035.44
Miscellaneous Expense	96.00
Professional Fees -	
Legal Fees	13,287.91
Accounting Fees	4,400.00
Engineering Fees	4,536.44
General Manager	12,000.00
Other Consulting Fees	4,400.00
Total Expenditures	57,668.28
Excess/(Deficiency) of Revenues over Expenditures	6,439.52
 Fund Balance, October 1, 2024	 930,048.28
Fund Balance, November 30, 2024	\$ 936,487.80

Supplementary Information
Index

General Fund

- Budgetary Comparison Schedule
- Revenue & Expenditures: Actual + Budgeted

Lower Brushy Creek WCID
Budgetary Comparison Schedule-General Fund
November 30, 2024

	Current Month			Year to Date		
	Actual	Budget	Difference	Actual	Budget	Difference
Revenues:						
Property Taxes, including penalties	\$ 39,066.05	\$ 39,066.05	\$ -	\$ 56,628.68	\$ 56,628.68	\$ -
Grant Income	-	-	-	-	-	-
Interest Income	3,618.32	2,500.00	1,118.32	7,479.12	5,000.00	2,479.12
Miscellaneous	-	1,250.00	(1,250.00)	-	2,500.00	(2,500.00)
Total Revenues	42,684.37	42,816.05	(131.68)	64,107.80	64,128.68	(20.88)
Expenditures:						
Administrative Expenses						
General Manager	6,000.00	6,500.00	500.00	12,000.00	13,000.00	1,000.00
District Clerk	1,225.00	2,166.67	941.67	2,550.00	4,333.33	1,783.33
Director Fees	-	935.00	935.00	-	1,870.00	1,870.00
Accounting Fees	2,200.00	2,417.00	217.00	4,400.00	4,833.33	433.33
Consulting fees	2,200.00	2,200.00	-	4,400.00	4,400.00	-
Other Professional Fees	-	333.33	333.33	-	666.67	666.67
Legal Fees	4,040.00	4,000.00	(40.00)	13,287.91	8,000.00	(5,287.91)
Advertising/Legal Notices	-	833.33	833.33	-	1,666.67	1,666.67
Bonds/Insurance	-	-	-	3,324.16	2,800.00	(524.16)
Dues/Subscriptions/Professional Development	-	166.67	166.67	-	333.33	333.33
Meals/Entertainment	33.34	166.67	133.33	33.34	333.33	299.99
Rent	1,028.00	1,125.00	97.00	2,035.44	2,250.00	214.56
Office Supplies	-	166.67	166.67	1,176.53	333.33	(843.20)
Postage/PO Box/Delivery Charges	103.00	41.67	(61.33)	177.29	83.33	(93.96)
Travel/Mileage	500.00	541.67	41.67	1,000.00	1,083.33	83.33
Website	-	100.00	100.00	-	200.00	200.00
Williamson County Tax Collector	-	-	-	8,651.17	9,000.00	348.83
Miscellaneous	48.00	1,208.33	1,160.33	96.00	2,416.67	2,320.67
Engineering Expenses						
Engineering/Surveying	962.50	30,833.33	29,870.83	4,536.44	61,666.67	57,130.23
Operating Expenses						
Dam Maintenance	-	12,083.33	12,083.33	-	24,166.67	24,166.67
Total Expenditures	18,339.84	65,818.65	47,478.81	57,668.28	143,436.66	85,768.38
Excess/(Deficiency) of Revenues over Expenditures	\$ 24,344.53	\$ (23,002.60)	\$ 47,347.13	\$ 6,439.52	\$ (79,307.98)	\$ 85,747.50

**Lower Brushy Creek WCID
Revenues & Expenditures - General Fund: Actual + Budgeted
Fiscal Year 2024-2025**

	FY 2025 Budget Approved 9/09/24	Actual Oct-24	Actual Nov-24	Budget Dec-24	Budget Jan-25	Budget Feb-25	Budget Mar-25	Budget Apr-25	Budget May-25	Budget Jun-25	Budget Jul-25	Budget Aug-25	Budget Sep-25	Actual + Budgeted	Variance
Revenues:															
Property Taxes	\$ 900,000	\$ 17,563	\$ 39,066	\$ 543,371	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,000	\$ -
Grant Income	113,400	-	-	-	-	-	-	-	-	-	-	-	113,400	113,400	-
Interest Income	30,000	3,861	3,618	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	32,479	2,479
Other Income	15,000	-	-	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	12,500	(2,500)
Total Revenues	1,058,400	21,423	42,684	547,121	303,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	117,150	1,045,879	(21)
Expenditures:															
Administrative Expenses -															
General Manager	78,000	6,000	6,000	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	77,000	1,000
District Clerk	26,000	1,325	1,225	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	24,217	1,783
Director Fees	11,220	-	-	935	935	935	935	935	935	935	935	935	935	9,350	1,870
Accounting Fees	29,000	2,200	2,200	2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,417	2,417	28,567	433
Audit Fees	11,500	-	-	-	11,500	-	-	-	-	-	-	-	-	11,500	-
Consulting fees	26,400	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	26,400	-
Other Professional Fees	4,000	-	-	333	333	333	333	333	333	333	333	333	333	3,333	667
Legal Fees	48,000	9,248	4,040	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	53,288	(5,288)
Advertising/Legal Notices	10,000	-	-	833	833	833	833	833	833	833	833	833	833	8,333	1,667
Bonds/Insurance	2,800	3,324	-	-	-	-	-	-	-	-	-	-	-	3,324	(524)
Dues/Subscriptions/Prof. Dev.	2,000	-	-	167	167	167	167	167	167	167	167	167	167	1,667	333
Meals/Entertainment	2,000	-	33	167	167	167	167	167	167	167	167	167	167	1,700	300
Rent	13,500	1,007	1,028	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	1,125	13,285	215
Office Supplies	2,000	1,177	-	167	167	167	167	167	167	167	167	167	167	2,843	(843)
Postage/PO Box/Delivery Charges	500	74	103	42	42	42	42	42	42	42	42	42	42	594	(94)
Travel/Mileage	6,500	500	500	542	542	542	542	542	542	542	542	542	542	6,417	83
Website	1,200	-	-	100	100	100	100	100	100	100	100	100	100	1,000	200
Appraisal Fees	5,600	-	-	1,400	-	-	1,400	-	-	1,400	-	-	1,400	5,600	-
Williamson County Tax Collector	9,000	8,651	-	-	-	-	-	-	-	-	-	-	-	8,651	349
Miscellaneous	14,500	48	48	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	1,208	12,179	2,321
Engineering Expenses -															
Engineering/Surveying	370,000	3,574	963	30,833	30,833	30,833	30,833	30,833	30,833	30,833	30,833	30,833	30,833	312,870	57,130
USGS	42,000	-	-	10,500	-	-	10,500	-	-	10,500	-	-	10,500	42,000	-
Operating Expenses -															
Dam Maintenance	145,000	-	-	12,083	12,083	12,083	12,083	12,083	12,083	12,083	12,083	12,083	12,083	120,833	24,167
Dam Repairs	521,000	-	-	-	-	-	-	-	-	-	-	-	521,000	521,000	-
Dam Rehabilitation	270,000	-	-	-	-	-	-	-	-	-	-	-	270,000	270,000	-
Total Expenditures	1,651,720	39,328	18,340	77,718	77,318	65,818	77,718	65,818	65,818	77,718	65,818	65,818	868,718	1,565,952	85,768
Excess/(Deficiency) of Revenues over Expenditures															
	\$ (593,320)	\$ (17,905)	\$ 24,345	\$ 469,403	\$ 226,432	\$ (62,068)	\$ (73,968)	\$ (62,068)	\$ (62,068)	\$ (73,968)	\$ (62,068)	\$ (62,068)	\$ (751,568)	\$ (520,072)	\$ 85,748

Lower Brushy Creek WCID

Regular Called Meeting of the Board of Directors

January 27, 2025

Item 4a. FY24 Audit

Lower Brushy Creek Water Control and Improvement District

**Financial Statements and
Supplemental Information
as of and for the
Year Ended September 30, 2024 and
Independent Auditors' Report**

Lower Brushy Creek Water Control and Improvement District

Table of Contents

	<u>Page</u>
Annual Filing Affidavit	1
Independent Auditors' Report	2-4
Management's Discussion and Analysis	5-9
Basic Financial Statements:	
Statement of Net Position and Governmental Fund Balance Sheet	10
Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance	11
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	12
Notes to Basic Financial Statements	13-20
Texas Commission on Environmental Quality Supplementary Information:	
Index of Supplemental Schedules Required by the Texas Commission on Environmental Quality	21
Supplemental Schedules Required by the Texas Commission on Environmental Quality	22-27
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 <i>Government Auditing Standards</i>	28-29

Annual Filing Affidavit

The State of Texas

County of Williamson

I, _____
(Name of Duly Authorized District Representative)

of the Lower Brushy Creek Water Control and Improvement District

hereby swear, or affirm, that the District named above has reviewed and approved at a meeting of the Board of Directors of the District on the 27th day of January, 2025, its annual audit report for the fiscal year ended September 30, 2024, and that copies of the annual audit report have been filed in the District's office, located at 601 Quail Valley Drive, Suite 112, Georgetown, Texas, 78626.

The annual filing affidavit and the attached copy of the annual audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of all annual filing requirements within Section 49.194 of the Texas Water Code and to the Texas Comptroller of Public Accounts in satisfaction of the annual filing requirements of Section 140.008 of the Texas Local Government Code.

Date: January 27, 2025.

By: _____
(Signature of District Representative)

Edmond S. Komandosky, Board President
(Typed Name and Title of District Representative)

Sworn to and subscribed to before me this 27th day of January, 2025.

(Signature of Notary)

(SEAL)

(Printed Name of Notary)

My Commission Expires On: _____
Notary Public in and for the State of Texas.

Independent Auditors' Report

To the Board of Directors of
Lower Brushy Creek Water Control and Improvement District:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the General Fund of Lower Brushy Creek Water Control and Improvement District (the "District"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the District as of September 30, 2024, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplemental information required by the Texas Commission on Environmental Quality (the "TCEQ") listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplemental information required by the TCEQ listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2025 on our consideration of the District'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 solely 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 the effectiveness of the District's 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 the District's internal control over financial reporting and compliance.

Austin, Texas
January 27, 2025

Lower Brushy Creek Water Control and Improvement District

Management's Discussion & Analysis For the Year Ended September 30, 2024

In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 34, the management of Lower Brushy Creek Water Control and Improvement District (the "District") offers the following narrative on the financial performance of the District for the year ended September 30, 2024. Please read it in connection with the District's financial statements that follow.

For purposes of GASB Statement No. 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the "General Fund" column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities.

Financial Highlights

- The assets of the District at September 30, 2024 were \$12,285,536, and exceeded liabilities by \$12,178,599.
- Total net position increased \$113,476 for the year ended September 30, 2024.
- The General Fund had fund balance of \$930,048 at September 30, 2024, an increase of \$388,210 from the prior year.

Overview of the Basic Financial Statements

The District's reporting is comprised of two parts:

- *Management's Discussion and Analysis* (this section)
- *Basic Financial Statements*
 - *Statement of Net Position and Governmental Fund Balance Sheet*
 - *Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance*
 - *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund*
 - *Notes to Basic Financial Statements*

Other supplementary information is also included.

The *Basic Financial Statements* are designed to provide readers with an overview of the District's finances, in a manner similar to the private sector business.

The *Statement of Net Position and Governmental Fund Balance Sheet* presents information on all the District’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as net position. The statement of net position can be found on page 11 of the report and includes a column (titled “General Fund”) that represents a balance sheet prepared using the modified accrual basis of accounting. The adjustments column converts those balances to a balance sheet that more closely reflects a private-sector business. Over time, increases or decreases in the District’s net position will indicate financial health.

The *Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance* represents information showing how the District’s net position changed during the most recent fiscal year which and a column (titled “General Fund”) that derives the change in fund balance resulting from current year revenues, expenditures, and other financing sources or uses. These amounts are prepared using the modified accrual basis of accounting. The adjustments column converts those activities to full accrual, a basis that more closely represents the income statement of a private-sector business. 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 and some expenses are resulting from cash flows from prior periods. The increase or decrease in net position may serve as an indicator of the effect of the District’s current year operations on its financial position. The *Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance* can be found on page 12 of this report.

The *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund* presents a comparison statement between the District’s adopted budget to its actual results.

The *Notes to Basic Financial Statements* provide additional information that is essential to a full understanding of the information presented in the *Statement of Net Position and Governmental Fund Balance Sheet* and the *Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance*.

Other supplementary information schedules required by the Texas Commission on Environmental Quality are presented immediately following the *Notes to Basic Financial Statements*.

Statement of Net Position

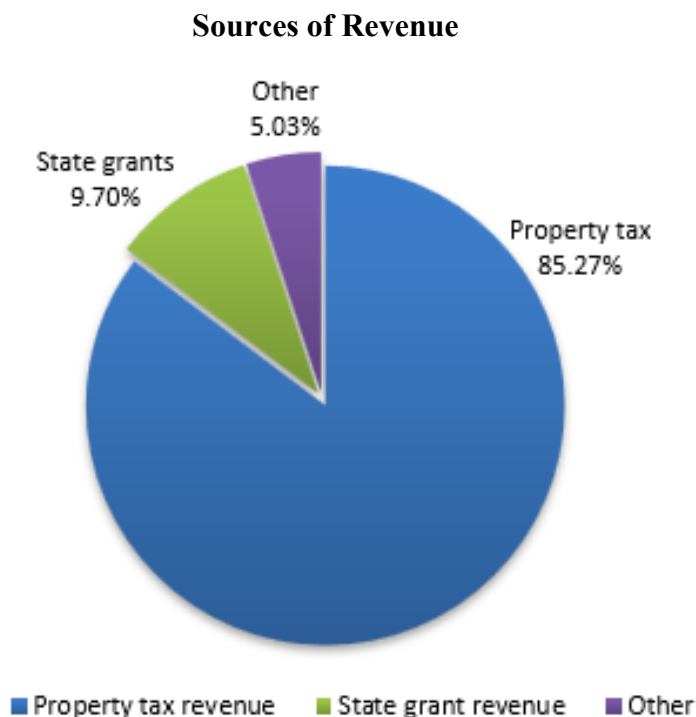
	Governmental Activities		
	2024	2023	% Change
Current assets	\$ 1,051,877	\$ 692,520	52%
Capital assets	11,233,659	11,512,040	(2%)
Total assets	\$ 12,285,536	\$ 12,204,560	1%
Current liabilities	\$ 106,937	\$ 139,437	(23%)
Total liabilities	106,937	139,437	(23%)
Net investment in capital assets	11,233,659	11,512,040	(2%)
Unrestricted	944,940	553,083	71%
Total net position	\$ 12,178,599	\$ 12,065,123	1%

The District's total assets were \$12,285,536 as of September 30, 2024. Of this amount, \$11,233,659 was accounted for by capital assets. The District had outstanding liabilities of \$106,937 as of September 30, 2024, which represent current liabilities.

The District's primary source of revenue are property taxes and state grant revenues. The Statement of Activities for the years ended September 30, 2024 and 2023 are summarized as follows:

	Governmental Activities		
	2024	2023	% Change
Revenues:			
Property taxes	\$ 840,526	\$ 759,610	11%
State grant revenue	95,597	124,051	(23%)
Other	49,599	36,796	35%
Total revenues	985,722	920,457	7%
Expenses:			
Operating expenses	593,865	695,565	(15%)
Depreciation	278,381	258,706	8%
Total expenses	872,246	954,271	(9%)
Change in net position	113,476	(33,814)	436%
Beginning net position	12,065,123	12,098,937	(<1%)
Ending net position	\$ 12,178,599	\$ 12,065,123	1%

Operating revenues were \$985,722 for the fiscal year ended September 30, 2024, of which property taxes provided \$840,526 and state grants provided \$95,597. Total expenses were \$872,246 for the fiscal year ended September 30, 2024. Net position increased \$113,476 primarily due to a decrease in operating expenses during the fiscal year.



Financial Analysis of Governmental Fund

	2024	2023
Cash	\$ 113,272	\$ 4,040
Temporary investments	923,713	677,235
Taxes receivable	14,892	11,245
Total assets	\$ 1,051,877	\$ 692,520
Total liabilities	\$ 106,937	\$ 139,437
Total deferred inflows of resources	\$ 14,892	\$ 11,245
Assigned fund balance	484,200	217,250
Unassigned fund balance	445,848	324,588
Total fund balance	930,048	541,838
Total liabilities, deferred inflows of resources, and fund balance	\$ 1,051,877	\$ 692,520

The *General Fund* pays for daily operating expenditures. At September 30, 2024, the District's governmental fund reported a fund balance of \$930,048, which is an increase of \$388,210 from the prior year. When comparing actual to final budget, actual revenues were higher than budgeted by \$51,075 due to state grant revenue and other revenue being higher than expected. Actual expenditures were less than budgeted by \$336,585 primarily due to no capital outlay expenditures and maintenance and repairs expenditures being less than expected. More detailed information about the District's budgetary comparison is presented in the *Basic Financial Statements*.

Capital Assets Activity

At September 30, 2024 and 2023, the District had the following capital assets in operation:

	2024	2023
Earthen dams	\$ 14,558,083	\$ 14,558,083
Accumulated depreciation	(3,324,424)	(3,046,043)
Total	\$ 11,233,659	\$ 11,512,040

More detailed information about the District's capital assets is presented in the *Notes to Basic Financial Statements*.

Currently Known Facts, Decisions, or Conditions

The adopted budget for 2025 projects a decrease in the fund balance of the General Fund of \$484,200. When compared to the 2024 final budget, revenues and expenditures are expected to increase by approximately 26% and 79%, respectively, in fiscal year 2025.

Requests for Information

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District at P.O. Box 467, Georgetown, Texas 78627.

Lower Brushy Creek Water Control and Improvement District

Statement of Net Position and Governmental Fund Balance Sheet September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Net Position
Assets:			
Cash	\$ 113,272	\$ -	\$ 113,272
Temporary investments	923,713	-	923,713
Taxes receivable	14,892	-	14,892
Capital assets (net of accumulated depreciation)- Earthen dams	-	11,233,659	11,233,659
Total assets	<u>\$ 1,051,877</u>	11,233,659	12,285,536
Liabilities-			
Current liabilities-			
Accounts payable	106,937	-	106,937
Total liabilities	<u>106,937</u>	-	<u>106,937</u>
Deferred Inflows of Resources-			
Deferred revenue - property taxes	14,892	(14,892)	-
Total deferred inflows of resources	<u>14,892</u>	<u>(14,892)</u>	<u>-</u>
Fund Balance/Net Position:			
Fund balance:			
Assigned for subsequent year budget deficit	484,200	(484,200)	-
Unassigned	445,848	(445,848)	-
Total fund balance	<u>930,048</u>	<u>(930,048)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,051,877</u>		
Net position:			
Net investment in capital assets		11,233,659	11,233,659
Unrestricted		944,940	944,940
Total net position		<u>\$ 12,178,599</u>	<u>\$ 12,178,599</u>

The notes to the financial statements are an integral part of this statement.

Lower Brushy Creek Water Control and Improvement District

Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance Year Ended September 30, 2024

	General Fund	Adjustments (Note 2)	Statement of Activities
Revenues:			
Property taxes	\$ 836,879	\$ 3,647	\$ 840,526
State grant revenue	95,597	-	95,597
Other	49,599	-	49,599
Total revenues	<u>982,075</u>	<u>3,647</u>	<u>985,722</u>
Expenditures/expenses:			
Current:			
Maintenance and repairs	144,815	-	144,815
Professional fees	81,416	-	81,416
General manager	72,000	-	72,000
Engineering fees	243,373	-	243,373
Administrative	11,368	-	11,368
Tax collection	7,913	-	7,913
Directors' fees	3,900	-	3,900
Tax appraisal	5,029	-	5,029
Insurance	2,367	-	2,367
Other	21,684	-	21,684
Depreciation	-	278,381	278,381
Total expenditures/expenses	<u>593,865</u>	<u>278,381</u>	<u>872,246</u>
Excess of revenues over expenditures	388,210	(388,210)	-
Change in net position	-	113,476	113,476
Fund balance/net position:			
Beginning of year	<u>541,838</u>	<u>11,523,285</u>	<u>12,065,123</u>
End of year	<u>\$ 930,048</u>	<u>\$ 11,248,551</u>	<u>\$ 12,178,599</u>

The notes to the financial statements are an integral part of this statement.

Lower Brushy Creek Water Control and Improvement District

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance
Revenues:				
Property taxes	\$ 825,000	\$ 825,000	\$ 836,879	\$ 11,879
State grant revenue	76,000	76,000	95,597	19,597
Other	30,000	30,000	49,599	19,599
Total revenues	931,000	931,000	982,075	51,075
Expenditures:				
Current:				
Maintenance and repairs	515,000	275,000	144,815	130,185
Professional fees	66,900	87,100	81,416	5,684
General manager	72,000	72,000	72,000	-
Engineering fees	259,250	259,250	243,373	15,877
Administrative	30,200	30,200	11,368	18,832
Tax collection	6,000	8,000	7,913	87
Directors' fees	7,500	7,500	3,900	3,600
Tax appraisal	4,500	4,500	5,029	(529)
Insurance	2,000	2,000	2,367	(367)
Other	59,900	59,900	21,684	38,216
Capital outlay	125,000	125,000	-	125,000
Total expenditures	1,148,250	930,450	593,865	336,585
Excess (deficiency) of revenues over (under) expenditures	(217,250)	550	388,210	387,660
Fund balance:				
Beginning of year	541,838	541,838	541,838	-
End of year	\$ 324,588	\$ 542,388	\$ 930,048	\$ 387,660

The notes to the financial statements are an integral part of this statement.

Lower Brushy Creek Water Control and Improvement District

Notes to Basic Financial Statements Year Ended September 30, 2024

1. Summary of Significant Accounting Policies

Brushy Creek Water Control and Improvement District No. 1 of Williamson and Milam Counties was created November 1, 1956 by the State Board of Engineers (predecessor to the Texas Water Rights Commission) and operated pursuant to Chapters 49 and 51 of the Texas Water Code. In a November 2001 election, the voters of the district approved a proposal to split the district into two entities: Brushy Creek Water Control and Improvement District No. 1A of Williamson and Milam Counties and Brushy Creek Water Control and Improvement District No. 1B of Williamson and Milam Counties. The assets of the former district were allocated among the new entities. The Board of Directors of Brushy Creek Water Control and Improvement District No. 1B of Williamson and Milam Counties held its first meeting on February 4, 2002. On September 7, 2010, the Texas Commission on Environmental Quality approved a request by Brushy Creek Water Control and Improvement District No. 1B of Williamson and Milam Counties to change its name to Lower Brushy Creek Water Control and Improvement District (the “District”).

The reporting entity of the District encompasses those activities and functions over which the District’s elected officials exercise significant oversight or control. The District is governed by a five member Board of Directors (the “Board”) which has been elected by District residents or appointed by the Board. The District is not included in any other governmental “reporting entity” as defined by the Governmental Accounting Standards Board (“GASB”), since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no component units which are included in the District’s reporting entity.

Government-Wide and Fund Financial Statements

For purposes of GASB Statement No. 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the “General Fund” column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the statement of net position and the statement of activities.

The statement of activities demonstrates the degree to which the expenses are offset by program revenues. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the District. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Major revenue sources considered susceptible to accrual includes interest income. No accrual for property taxes collected within sixty days of year end has been made as such amounts are deemed immaterial; delinquent property taxes at year end are reported as deferred inflows of resources.

The District reports the following major governmental fund-

The General Fund includes financial resources used for general operations. It is a budgeted fund, and any unassigned fund balance is considered resources available for current operations.

Budgets and Budgetary Accounting

Formal budgetary integration is employed as a management control device for the General Fund. The budget is proposed by the District's General Manager for the fiscal year commencing the following October 1, and is adopted on a basis consistent with generally accepted accounting principles.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Investments - Investments throughout the year consisted of investments in an external local government investment pool. The external local government investment pool is recognized at amortized cost as permitted by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The District is entitled to invest any and all of its funds in obligations of, or guaranteed by, the United States of America or its agencies, certificates of deposit, and certain public fund investment pools. The District's investment policies and types of investments are governed by Section 2256 of the Government Code ("Public Funds Investment Act"). The District's management believes that it complied with the requirements of the Public Funds Investment Act and the District's investment policies. The District accrues interest on temporary investments based on the terms and effective interest rates of the specific investments.

Capital Assets - Capital assets, which include earthen dams, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of at least \$5,000. Such assets are recorded at historical cost if purchased or estimated acquisition value at the date of donation if donated. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Capital assets are depreciated using the straight line method over the following estimated useful lives: earthen dams - fifty years.

Ad Valorem Property Taxes - Property taxes, penalties, and interest are reported as revenue in the fiscal year in which they become available to finance expenditures of the District. Allowances for uncollectibles within the General Fund are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Fund Balance - The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental fund. See Note 8 for additional information on those fund balance classifications.

Deferred Outflows and Inflows of Resources - The District complies with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which provides guidance for reporting the financial statement elements of deferred outflows of resources, which represent the consumption of the District's net position that is applicable to a future reporting period, and deferred inflows of resources, which represent the District's acquisition of net position applicable to a future reporting period.

The District complies with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which 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.

Fair Value Measurements - The District complies with GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.
- Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
- Level 3 inputs are unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

- Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities
- Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost)
- Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations

Use of Estimates - The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

2. Reconciliation of Government-Wide and Fund Financial Statements

Amounts reported for governmental activities in the statement of net position are different because:

Governmental fund total fund balance	\$ 930,048
Capital assets used in governmental activities are not current financial resources and are therefore not reported in the governmental fund balance sheet	11,233,659
Deferred tax revenue is not available to pay for current-period expenditures and, therefore, is deferred in the governmental fund balance sheet	<u>14,892</u>
Total net position	<u><u>\$ 12,175,599</u></u>

Amounts reported for governmental activities in the statement of activities are different because:

Excess of revenues over expenditures	\$ 388,210
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense-	
Depreciation expense	(278,381)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds-	
Change in deferred tax revenue	<u>3,647</u>
Change in net position	<u><u>\$ 113,476</u></u>

3. Cash and Temporary Investments

The District's deposits are required to be secured in the manner provided by law for the security of the funds. At September 30, 2024, such deposits were not entirely covered by Federal Deposit Insurance Corporation insurance or secured by collateral pledged by the depository and were exposed to custodial credit risk.

The Public Funds Investment Act authorizes the District to invest in funds under a written investment policy. The District's deposits and investments are invested pursuant to the investment policy, which is approved annually by the Board. The primary objectives of the District's investment strategy, in order of priority, are safety, liquidity, and yield.

The District is entitled to invest in obligations of the United States, the State of Texas and their agencies, or any state, county, city and any other political subdivisions of any state rated by a nationally recognized investment rating firm with a rating not less than A or its equivalent, certificates of deposit of state or national banks or savings and loan associations within the State, prime domestic bankers' acceptances, commercial paper with a stated maturity of 270 days or less from the date of its issuance, fully collateralized repurchase agreements, no-load money market mutual funds regulated by the United States Securities and Exchange Commission, and eligible public funds investment pools.

At September 30, 2024, the District had investments in an external local governmental investment pool, Texas Local Governmental Investment Pool ("TexPool"), totaling \$923,713. The funds invested in TexPool have a weighted average maturity of one day and a Standard & Poor's rating of AAAM.

Although TexPool is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. These investments are stated at amortized cost in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

TexPool is overseen by the Texas State Comptroller of Public Accounts, who is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool. TexPool also has an advisory board to advise on TexPool's investment policy. This board is made up equally of participants and nonparticipants who do not have a business relationship with TexPool. Federated Hermes, Inc. manages daily operations of TexPool under a contract with the Comptroller and is the investment manager for the pool. TexPool's investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

In accordance with GASB Statement No. 79, the external local government investment pool does not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. This pool does not impose any liquidity fees or redemption gates.

Credit Risk - At September 30, 2024, investments were included in an external local governmental investment pool with a rating from Standard & Poor's in compliance with the District's investment policy.

Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the District, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

Interest Rate Risk - The District considers the holdings in the external local governmental investment pool to have a one day weighted average maturity due to the fact that the share position can usually be redeemed each day at the discretion of the shareholders, unless there has been a significant change in value. At September 30, 2024, the District was not exposed to significant interest rate risk.

4. Property Taxes

The Texas Water Code authorizes the District to levy a tax each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located within its boundaries. Assessed values are established annually by the Williamson Central Appraisal District. District property tax revenues are recognized when levied to the extent that they are collected in the current year. The uncollected balance is reported as deferred revenue. Taxes receivable are due January 1 and are delinquent if received after January 31 and are subject to penalty and interest charges.

In September 2023, the District levied a tax rate of \$0.016265 per \$100 of assessed valuation to finance the operating expenditures of the District. The total 2023 tax levy was \$834,528 based on a taxable valuation of \$5,232,545,878.

5. Capital Assets

Capital assets activity for the year ended September 30, 2024 was as follows:

	Balance September 30, 2023	Additions	Deletions/ Transfers	Balance September 30, 2024
Capital assets, being depreciated-				
Earthen dams	\$ 14,558,083	-	-	14,558,083
Total capital assets, being depreciated	<u>14,558,083</u>	<u>-</u>	<u>-</u>	<u>14,558,083</u>
Less accumulated depreciation for-				
Earthen dams	<u>(3,046,043)</u>	<u>(278,381)</u>	<u>-</u>	<u>(3,324,424)</u>
Total accumulated depreciation	<u>(3,046,043)</u>	<u>(278,381)</u>	<u>-</u>	<u>(3,324,424)</u>
Total capital assets, being depreciated, net	<u>11,512,040</u>	<u>(278,381)</u>	<u>-</u>	<u>11,233,659</u>
Capital assets, net	<u>\$ 11,512,040</u>	<u>(278,381)</u>	<u>-</u>	<u>11,233,659</u>

This document is a draft for internal review and discussion and is not intended for external distribution.

6. Risk Management

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained coverage from commercial insurance companies and the Texas Municipal League Intergovernmental Risk Pool (“TML Pool”) to effectively manage its risk. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The TML Pool was established by various political subdivisions in Texas to provide self-insurance for its members and to obtain lower costs for insurance. TML Pool members pay annual contributions to obtain the insurance. Annual contribution rates are determined by the TML Pool board. Rates are estimated to include all claims expected to occur during the policy including claims incurred but not reported. The TML Pool has established claims reserves for each of the types of insurance offered. Although the TML Pool is a self-insured risk pool, members are not contingently liable for claims filed above the amount of the fixed annual contributions. If losses incurred are significantly higher than actuarially estimated, the TML Pool adjusts the contribution rate for subsequent years. Members may receive returns of contributions if actual results are more favorable than estimated.

7. Commitments and Contingencies

The District participates in federal and state financial assistance programs and these programs are subject to financial and compliance audits. The amounts, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

8. Fund Balances

The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. Those fund balance classifications are described below.

Nonspendable - Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to approval by formal action by the Board.

Assigned - For the General Fund, amounts that are appropriated by the Board that are to be used for specific purposes. For all other governmental funds, any remaining positive amounts not previously classified as nonspendable, restricted or committed.

Unassigned - Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

The detail of the fund balance is included in the Governmental Fund Balance Sheet on page 11.

Fund balance of the District may be committed for a specific purpose by formal action of the Board, the District's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through a resolution approved by the Board. The Board may also assign fund balance for a specific purpose.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

Lower Brushy Creek Water Control and Improvement District

Index of Supplemental Schedules Required by the Texas Commission on Environmental Quality Year Ended September 30, 2024

Schedule Included		
Yes	No	
<u> X </u>	<u> </u>	TSI-0 Notes Required by the Water District Accounting Manual
<u> </u>	<u> X </u>	TSI-1 Schedule of Services and Rates
<u> X </u>	<u> </u>	TSI-2 Schedule of General Fund Expenditures
<u> X </u>	<u> </u>	TSI-3 Schedule of Temporary Investments
<u> X </u>	<u> </u>	TSI-4 Analysis of Taxes Levied and Receivable
<u> </u>	<u> X </u>	TSI-5 Long-Term Debt Service Requirements by Years
<u> </u>	<u> X </u>	TSI-6 Analysis of Changes in Long-Term Bonded Debt
<u> X </u>	<u> </u>	TSI-7 Comparative Schedule of Revenues and Expenditures - General Fund - Five Years Ended September 30, 2024
<u> X </u>	<u> </u>	TSI-8 Board Members, Key Personnel and Consultants

Lower Brushy Creek Water Control and Improvement District

TSI-0 Notes Required by the Water District Accounting Manual Year Ended September 30, 2024

The notes which follow are not necessarily required for fair presentation of the audited basic financial statements of the District which are contained in the preceding section of this report. They are presented in conformity with requirements of the Texas Commission on Environmental Quality to assure disclosure of specifically required facts.

(A) Creation of District

See Note 1 to basic financial statements.

(B) Contingent Liabilities

See Note 7 to basic financial statements.

(C) Pension Coverage

Not applicable.

(D) Pledge of Revenues

Not applicable.

(E) Compliance with Debt Service Requirements

Not applicable.

(F) Redemption of Bonds

Not applicable.

Lower Brushy Creek Water Control and Improvement District

TSI-2 Schedule of General Fund Expenditures Year Ended September 30, 2024

Personnel Expenditures (including benefits)	\$	-
Professional Fees:		
Auditing		10,500
Legal		27,073
Engineering		243,373
Other Professional Fees		-
Purchased Services For Resale-		
Bulk Water and Wastewater Service Purchases		-
Contracted Services:		
Bookkeeping		16,400
General Manager		72,000
Appraisal District		5,029
Tax Collector		7,913
Other Contracted Services		27,443
Utilities		-
Repairs and Maintenance		144,815
Administrative Expenditures:		
Directors' Fees		3,900
Office Supplies		472
Insurance		2,367
Other Administrative Expenses		32,580
Capital Outlay:		
Capitalized Assets		-
Expenditures not Capitalized		-
Tap Connection Expenditures		-
Solid Waste Disposal		-
Fire Fighting		-
Parks and Recreation		-
Other Expenditures		-
Total expenditures	\$	<u>593,865</u>

Number of persons employed by the District: 0 Full-Time 5 Part-Time
(Does not include independent contractors or consultants)

This document is a draft for internal review and discussion and is not intended for external distribution.

Lower Brushy Creek Water Control and Improvement District

TSI-3 Schedule of Temporary Investments September 30, 2024

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at 9/30/24	Accrued Interest Receivable at 9/30/24
General Fund- TexPool	7968100001	Variable	N/A	\$ 923,713	\$ -
Total				<u>\$ 923,713</u>	<u>\$ -</u>

Lower Brushy Creek Water Control and Improvement District

TSI-4 Analysis of Taxes Levied and Receivable Year Ended September 30, 2024

	Maintenance Taxes
Taxes receivable, September 30, 2023	\$ 11,245
2023 Original tax levy	834,528
Adjustments	1,348
Total to be accounted for	847,121
Tax collections:	
Current year	828,153
Prior years	4,076
Total collections	832,229
Taxes receivable, September 30, 2024	<u>\$ 14,892</u>
Taxes receivable, by years:	
2023	\$ 9,856
2022	1,998
2021	1,043
2020	1,013
2019	982
Taxes receivable, September 30, 2024	<u>\$ 14,892</u>

	2023	2022	2021	2020
Property valuations-				
Land, improvements, and personal property	\$ 5,232,545,878	\$ 4,391,223,275	\$ 2,998,986,220	\$ 2,482,549,033
Tax rates per \$100 valuation:				
Maintenance tax rates	0.016265	0.017374	0.019139	0.020000
Debt service tax rates	-	-	-	-
Total tax rates per \$100 valuation	<u>\$ 0.016265</u>	<u>\$ 0.017374</u>	<u>\$ 0.019139</u>	<u>\$ 0.020000</u>
Original tax levy	<u>\$ 834,528</u>	<u>\$ 752,501</u>	<u>\$ 575,650</u>	<u>\$ 484,742</u>
Percent of taxes collected to taxes levied	<u>98.8%</u>	<u>99.7%</u>	<u>99.8%</u>	<u>99.8%</u>

Lower Brushy Creek Water Control and Improvement District

TSI-7 Comparative Schedule of Revenues and Expenditures - General Fund Five Years Ended September 30, 2024

	Amounts					Percent of Fund Total Revenues				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
General fund revenues:										
Property taxes	\$ 836,879	765,146	574,660	485,925	440,284	85.2 %	82.6	13.7	17.7	35.1
Federal grant revenue	-	-	-	323,437	428,856	-	-	-	11.9	34.2
State grant revenue	95,597	124,051	3,575,927	1,919,482	384,263	9.7	13.4	86.1	70.3	30.6
Other	49,599	36,796	4,833	190	1,400	5.1	4.0	0.2	0.1	0.1
Total revenues	982,075	925,993	4,155,420	2,729,034	1,254,803	100.0	100.0	100.0	100.0	100.0
General fund expenditures:										
Current:										
Maintenance and repairs	144,815	170,253	120,696	193,244	163,348	14.7	18.4	2.9	7.1	13.0
Professional fees	81,416	103,925	35,430	31,767	30,230	8.3	11.2	0.9	1.2	2.4
General manager	72,000	72,000	72,000	40,676	36,000	7.3	7.8	1.7	1.5	2.9
Engineering fees	243,373	300,949	167,727	155,686	55,478	24.8	32.5	4.0	5.7	4.4
Administrative	11,368	10,183	10,048	11,529	9,612	1.2	1.1	0.2	0.4	0.8
Tax collection	7,913	9,420	3,066	6,995	6,573	0.8	1.0	0.1	0.3	0.5
Directors' fees	3,900	4,500	6,000	4,400	3,800	0.4	0.5	0.1	0.2	0.3
Tax appraisal	5,029	-	-	-	-	0.5	-	-	-	-
Insurance	2,367	1,331	1,331	964	963	0.2	0.1	0.1	0.1	0.1
Election expenses	-	3,479	-	-	536	-	0.4	-	-	0.1
Other	21,684	19,525	23,507	9,062	4,110	2.2	2.1	0.6	0.3	0.3
Capital outlay	-	305,441	3,515,279	2,113,068	659,778	-	33.0	84.6	77.4	52.6
Total expenditures	593,865	1,001,006	3,955,084	2,567,391	970,428	60.4	108.1	95.2	94.2	77.4
Excess (deficiency) of revenues over (under) expenditures	\$ 388,210	(75,013)	200,336	161,643	284,375	39.6 %	(8.1)	4.8	5.8	22.6

This document is a draft for internal review and discussion and is not intended for external distribution.

Lower Brushy Creek Water Control and Improvement District

TSI-8 Board Members, Key Personnel and Consultants

September 30, 2024

Complete District Mailing Address:

P.O. Box 467

Georgetown, Texas 78627

District Business Telephone Number:

n/a

Submission date of the most recent
District Registration Form:
(TWC Sections 36.054 and 49.054)

June 5, 2024

Limit on fees of office that a director
may receive during a fiscal year:

\$7,200

(Set by Board Resolution - TWC Sections 49.060)

Name	Term of Office Elected & Expires or Date Hired	Fees of Office Paid 9/30/2024	Expense Reimbursements 9/30/2024	Title at 9/30/2024
Board Members:				
Edmond S. Komandosky	Elected 6/24 - 5/28	\$ 1,100	\$ 192	President
Scott A. Ging	Elected 6/22 - 5/26	\$ 800	\$ -	Vice President
Monica P. Masters	Elected 6/24 - 5/28	\$ 600	\$ -	Secretary
Allen R. David	Elected 6/22 - 5/26	\$ 700	\$ -	Treasurer
Jeffrey Holman	Appointed 2/23 - 5/26	\$ 1,000	\$ 185	Director
Consultants:				
Clarno Consulting, LLC	2010	\$ 72,000	\$ 6,000	General Manager
Freese-Nichols, Inc.	2019	\$ 4,358	\$ -	Engineer
Hejl & Schroeder, P.C.	2012	\$ 8,443	\$ -	Attorney
Clark L. Jackson, CPA, P.C.	2002	\$ 3,200	\$ -	Former Bookkeeper
Bott & Douthitt, PLLC	2024	\$ 11,279	\$ -	Bookkeeper
Maxwell Locke & Ritter LLP	2018	\$ 10,500	\$ -	Auditor
Williamson County Tax Assessor Collector	2019	\$ 6,003	\$ -	Tax Collector

**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***

To the Board of Directors of
Lower Brushy Creek Water Control and Improvement District:

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 governmental activities and the General Fund of Lower Brushy Creek Water Control and Improvement District (the "District"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 27, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 financial statements. 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.

Austin, Texas
January 27, 2025

Lower Brushy Creek WCID

Regular Called Meeting of the Board of Directors

January 27, 2025

**Item 4b. “Manual for Operation and Maintenance of
Dams” and Exhibit D**



**MANUAL FOR OPERATIONS
AND MAINTENANCE
OF DAMS**

**LOWER BRUSHY CREEK
WATER CONTROL AND IMPROVEMENT DISTRICT**

CREATED
JANUARY 2025



***Lower Brushy Creek WCID
Manual for Operations and
Maintenance of Dams***

Approval and Implementation

The Manual for the Operations and Maintenance of Lower Brushy Creek Dams is hereby approved.

This plan is effective immediately and supersedes all previous editions.

Additionally, information contained in the various Appendices are subject to federal and state confidentiality laws and are not to be made available.

Edmond S. Komandosky -LBC Board of Directors -President

Date

Monica Masters - LBC Board of Directors - Secretary/Treasurer

Date

Mark J Schroeder - LBC Board of Directors - Board Attorney

Date



*Lower Brushy Creek WCID
Manual for Operations
and Maintenance of Dams*

Version Information

This document is intended to be updated periodically as the data and procedures revisions are being made to the operation and maintenance of the Dams. The table below provides the published version dates for the Lower Brushy Creek Manual for Operations and Maintenance of Dams.


May 2024	 K·FRIESE + ASSOCIATES <small>A LOCHNER COMPANY</small>	Initial Manual for Operations and Maintenance of Dams in collaboration with Lower Brushy Creek Staff. Effort led by Carolina Lara, P.E. with K Friese + Associates.



Table of Contents

Version Information	ii
Table of Contents	0
Section 1: Introduction.....	1
Section 2: Overall Maintenance	2
Section 3: Vegetation Management	3
Section 4: Dam Inspections	5
Section 5: Intake Structures	6
Section 6: USGS Operations Activities.....	8
Section 7: Instrumentation and Monitoring	9
Section 8: References.....	10



Section 1: Introduction

The purpose of this Manual is to list and describe the operations and maintenance needs and processes for management of the dams within the Lower Brushy Creek Water Control and Improvement District (the District) with assistance from K Friese + Associates (District's Consultant). There are twenty-three dams in total located within the District, which lies within Williamson and Milam Counties. **Figure 1** below shows the District boundary and the dam locations. This manual will cover the subjects of vegetation management, dam inspections, intake structures inspections, and USGS inspections of the District dams.

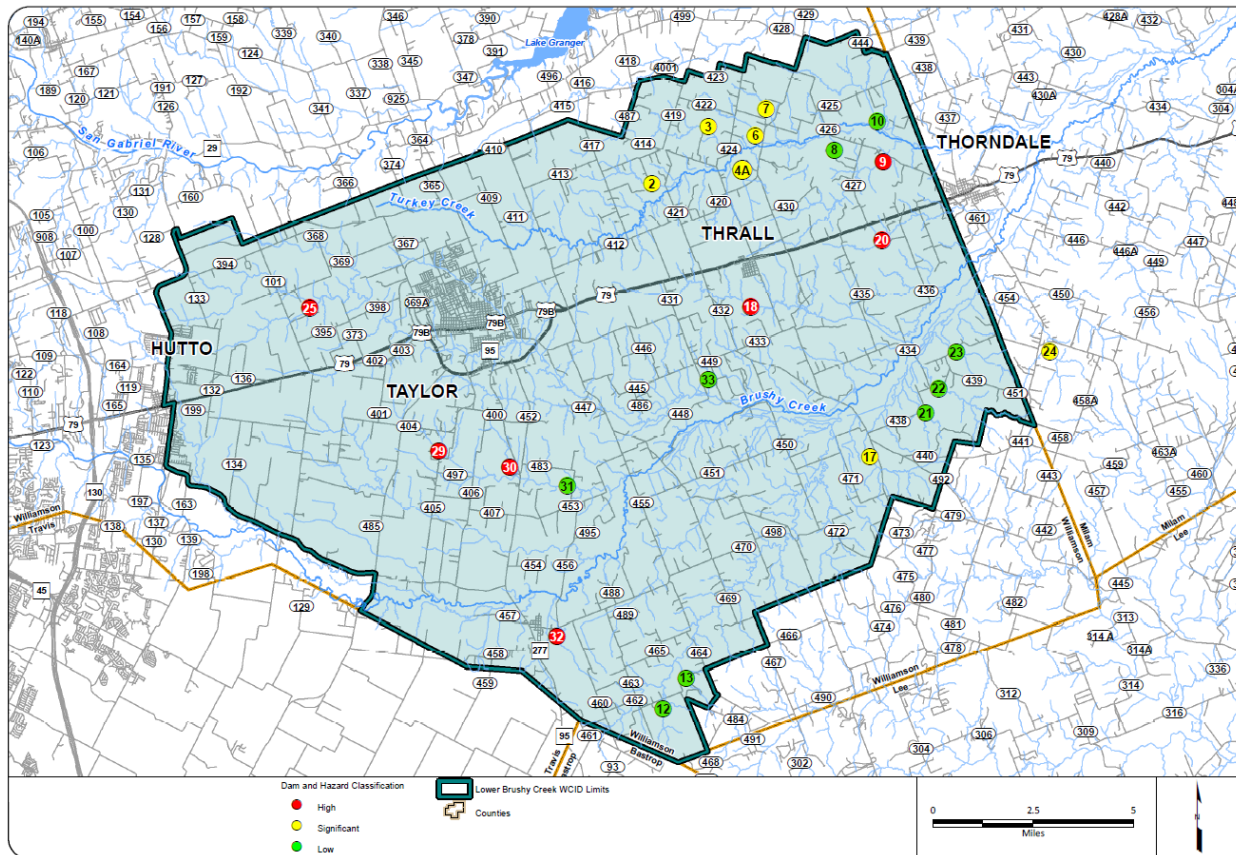


Figure 1: LBCWCID Boundary



Section 2: Overall Maintenance

Regular ongoing maintenance will be performed by the District's maintenance contractor(s) and include the following:

- Shredding grass embankments and primary structure easement area.
- Brush and tree removal from embankments, auxiliary spillway, and principal spillway inlet and outlet works.
- Vegetation removal from crest access roads.

Other maintenance items will be performed on an as-needed basis (based on maintenance contractor input, informal observations, maintenance inspections, and technical dam inspections):

- Maintaining adequate grass cover.
- Fence, gate and lock repairs and replacements.
- Eliminating animal burrows.

Recurring items:

- The dam trash racks and valves will be inspected and valves exercised annually.
- USGS operations, including inspections and maintenance of USGS owned equipment.

Please note:

1. Confirmation with the District is required before carrying out any maintenance activities to ensure that there are no conflicts with any Repair, Rehabilitation and Development Projects.
2. Entry to District easements on some dams requires advance property owner notifications. Contact information for dams with property owners requiring notifications for access can be found in **Appendix A**.
3. Access routes for each dam site are provided in **Appendix A** and upon request in KMZ format.
4. Although the Dam Access Summary is provided in **Appendix A**, the District must be notified of the advance notice and the intent for any access other than routine vegetation maintenance and USGS inspections. The District (or District's Consultant) will coordinate the access request with the property owners.



Section 3: Vegetation Management

Shredding

Beginning in October each year, shredding is done along the earthen dam embankments, auxiliary spillways, and additional open areas within the structure easement areas of the dams. There are typically two shredding cycles a year per dam. The shredding boundary for each dam is depicted by the green boundaries included in **Appendix B**.

For shredding, the grass should not be cut to a height of less than 6". Weeds are removed through shredding and herbicide programs that take place each spring.

To combat future vegetation growth, broadcast applications of fertilizers and herbicides are used in the areas as depicted by the green shredding boundaries shown in **Appendix B** and, where necessary, spot spray applications are used for any resilient brush or weeds. Along riprap areas shown as the red boundaries in **Appendix B**. After shredding at each dam is complete, it is required for the entity hired to send pictures for confirmation. When applying herbicides, extreme caution should be taken to not impact adjacent crops due to wind or overspray.

Some District dams have rip rap on the dam embankments including dam sites 4A, 9, 12, 20, 22, 31, and 32. Spot spray applications are used for any resilient brushes or weeds.

There are locations where there is minimal grass growth due to the cattle on the property which may not require shredding twice a year. Some locations don't require shredding or other maintenance on the embankments and auxiliary spillway since they are maintained by the property owners.

Table 1 lists shredding anticipated for the District dams.

Brush and Tree Removal

In addition to vegetation maintenance, it is important to prevent the growth of brush and trees on the dam embankment and auxiliary spillway. Existing tree and brush growth may be removed mechanically or by hand as appropriate. Trees growing in open areas and along fence lines should be cut off as close to the ground level as possible and the stump chemically treated. Trees and brush on or near the embankments should be cut off and chemically treated. It is not recommended to remove the stump as it can damage the embankments.

When chemically treating trees and brush near houses in urban settings, extreme caution should be taken to not accidentally treat anything that has roots extending within dam easement boundaries. Similar caution should be taken to accidentally treat surrounding fields and/or crops.



*Lower Brushy Creek WCID
Manual for Operations
and Maintenance of Dams*

Table 1: Shredding for District Dams
(Updated as of May 2024)

Dam No.	Upstream Dam Embankment (SHRED)	Downstream Dam Embankment (SHRED)	Auxiliary Spillway (SHRED)	Notes
2	Yes	Yes	Yes	Check with property owner before shredding.
3	Yes	Yes	NO	Do not use herbicide or spot spray in auxiliary spillway in spring.
4A	Yes	Yes	NO	Check with property owner before shredding.
6	Yes	Yes	Yes	
7	Yes	Yes	Yes	
8	Yes	Yes	Yes	
9	Yes	Yes	Yes	
10	Yes	Yes	Yes	
12	Yes	Yes	Yes	
13	Yes	Yes	Yes	
17	Yes	Yes	Yes	
18	Yes	Yes	NO	
20	Yes	Yes	NO	
21	Yes	Yes	Yes	
22	Yes	Yes	Yes	
23	NO	NO	NO	Owner maintains site.
24	Yes	Yes	NO	Call before entering the Smith property.
25	Yes	Yes	Yes	
29	Yes	Yes	Yes	
30	Yes	Yes	NO	Shred only berms of auxiliary spillway. Property owner maintains flat areas.
31	Yes	Yes	NO	Shred only berms of auxiliary spillway. Property owner maintains flat areas.
32	Yes	Yes	Yes	Call before entering the Schmidt property.
33	Yes	Yes	Yes	



Section 4: Dam Inspections

Inspection Program

(1) Periodic Maintenance Inspections (2-year rotation)

The District will typically inspect 11 or 12 dams per year, resulting in each dam being inspected every other year. See **Appendix C** for the Dam Inspection Calendar.

Maintenance inspections will consist of:

- Visual inspection of the dam embankment, inlet, and outlet structures.
- Report any abnormal conditions and problematic vegetation.
- Document any observations with photographs and recommendations.

(2) Periodic Technical Inspections (5-year rotation):

Per the Texas Administrative Code, *Technical Inspections* of dams are required every 5 years. The United States Department of Agriculture (USDA), The District (or District's consultant) will typically inspect five to six dams per year resulting in each dam being inspected on average every 5 years. See **Appendix C** for the Dam Inspection Calendar.

Technical Inspections will consist of:

- Detailed visual inspection of the dam
- Report documenting observations in TCEQ format, including photo documentation and recommendations of corrective actions and maintenance/monitoring actions
- Signed and sealed by Texas Registered Professional Engineer

(3) Periodic Post Storm Event Inspections

Post Storm Event Inspections will be performed after major floods and/or the spillways engage. For additional information, the Emergency Action Plan can be provided upon request.

(4) Informal Observations

This will be a continuing effort performed by the District (or District's consultant or contractors) when they visit the dam sites, and by the landowners. The purpose of regular observation is to identify and report abnormal conditions.

(5) Principal Spillway Conduits

Principal spillway conduits inspections will be performed on an as needed basis.

Triggers for Extra Activity

For more information regarding the events that would cause follow-up inspections and investigation outside of the regular schedule, see the Lower Brushy Creek Emergency Action Plan, which can be provided upon request.



Section 5: Intake Structures

The dam valves will be inspected annually, and the inspections typically take place during late summer months (August-September), since a lower lake level is ideal to accurately inspect the intake structure. To ensure that the valves are properly working, they are operated during the inspection.

The following should be checked (and if possible, immediately resolved) during valve inspections:

- Debris blocking the port entrances or covering the trash racks.
- Signs of restricted flow
- Gathering of silt in and around the riser
- Structural damage
- Securing the intake structure and manhole covers with locks if lock is present.

If deficiencies are found that cannot be immediately remedied, the District shall be notified to determine a plan and timeline to resolve the issue. **Table 2** is included to indicate which of the District dams have valves, the wheel sizes, locks on the riser structure, and low ports. This table will be updated to include more information as it is gathered (for any blank cells).



Table 2: Presence of Valves for District Dams
 (Updated as of May 2024)

DAM NO.	LOCK PRESENT	VALVE PRESENT	WHEEL SIZE	LOW PORTS
2	NO	YES		
3	NO	YES		
4A	NO	YES*		
6	NO	YES		
7	NO	YES		
8	NO	YES		
9	NO	YES		
10	NO	YES		
12	NO	YES*		
13	NO	YES		
17	NO	YES		
18	Y - 0245	YES*		
20	NO	YES*		
21	NO	YES		
22	NO	YES*		
23	NO	YES		
24	NO	YES		
25	NO	YES		
29	NO	YES		
30	NO	YES		
31	NO	YES		
32	NO	YES*		
33	NO	YES		
*	These valves are inspected and operated annually. The rest are the original construction valves, and these are not inspected or operated. These will be added to the maintenance list once repair projects are performed at each site.			



Section 6: USGS Operations Activities

Types of Activities:

USGS is contracted by the District and performs the following activities:

- Daily visual inspection of gage hydrographs and automated reports
- Short notice checks if a stage gage is determined to be offline
- Frequent rain gage inspections
- Operations and maintenance inspection every 8 weeks:
 - Download data
 - Instrumentation verification
 - General upkeep of site
 - Discharge measurements at discharge sites
- On an as needed basis:
 - Discharge measurements to ensure stage-discharge rating curve is accurate
 - Rain-gage visits prior to forecasted large precipitation to ensure operability during storm events
 - Post rainfall checks are done to gather additional data
- 1-, 3-, and 5-yr Intervals:
 - Differential levels to reference marks and reference gage to ensure stability. The time interval is dictated by historic stability of the site.

There is USGS equipment on sites 18, 20, 25, 29, and 32.

The contact information for the USGS Personnel is provided in **Appendix A**.



Section 7: Instrumentation and Monitoring

At this time, there are no active piezometers at any District dam. If in the future, piezometers are installed, they are not regularly monitored as part of the inspection programs. If an issue is noted on a dam, the existing piezometers may be utilized as needed. If lids are ever observed to be missing due to a site visit, the District must be notified immediately so that temporary cover or crest road closure can be implemented.



Section 8: References

TCEQ Guidelines for Operation and Maintenance of Dams in Texas, GI-357, November 2006.

UBCWCID Manual for Operations and Maintenance of Dams, November 2022.

Manual for Operation and Maintenance of Dams

Exhibit D - Access Within District's Easements

Background:

1. Previously, the Brushy Creek Water Control and Improvement District No. 1 of Williamson and Milam Counties (the "Original District") entered into a series of Easements for the design, installation, operation, maintenance, inspection, repair and rehabilitation of a series of Floodwater Retarding Structures in the Brushy Creek watershed. These Easements were subsequently filed with the Williamson and Milam County Clerks and are available in the Official Public Records of the county.
2. The Easements included property for (1) a Floodwater Retarding Structure including the dam, the emergency spillway and a plunge pool and for (2) the temporary storage of floodwaters upstream of the dam.
3. The Easements also included the right of ingress and egress at any time over and upon Property owned by the original grantor of the Easement.
4. The Lower Brushy Creek Water Control and Improvement District (the "District") is the successor to the original District and holds the Easements.

Access Within District's Easements

1. The District shall make all reasonable efforts to give current Landowner of the Easement at least 48-hour notice before any District employee, contractor, subcontractor, or representative enters onto the Property of the Landowner. In the event of an emergency as determined by the District or a force majeure event, the District, its employees, contractors, subcontractors, or representatives shall have the right to enter onto the Easement without prior notice.
2. The District shall access the Easement through reasonable ingress and egress points designated by Landowner, but the Easement allows the District to have the right to use Landowner's adjacent and adjoining land if the designated ingress or egress points are impassable. The District shall be responsible for incurring the cost and installation of any new gates at the access points designated by the Landowner.
3. All gates along the Easement boundary shall be closed immediately upon entering and exiting the Property. Interior gates shall be closed immediately upon entering and exiting if such gates were closed when crossing. Interior gates which are open when crossing shall remain open.
4. The District shall not remove or alter existing fences along the boundary of the Property.
5. In the event an employee, representative, contractor, or subcontractor of District causes any damage or loss to the Property, District shall, as soon as reasonably practicable, restore any affected areas on the Easement to their prior conditions or otherwise pay any actual and proven damages caused by District in the exercise of its easement rights under the

original Easement or any amendment thereto, including but not limited to, actual and proven damage to roads, fences, ditches, culverts, terraces, growing crops, livestock, buildings and other structural improvements. The District shall notify Landowner, as soon as reasonably practicable of any damages to the Property, including damages affecting livestock.

6. In the event of an emergency involving the Property, the District shall notify Landowner as soon as reasonably practicable, Emergency situations shall include, but are not limited to, fire, personal injury, death, flooding and any situation requiring the presence of law enforcement any governmental agency, emergency medical personnel and/or rescue.
7. These Guidelines shall not pertain or apply to those areas that are outside of the Property.

Lower Brushy Creek WCID

Regular Called Meeting of the Board of Directors

January 27, 2025

Item 4c. Manual for Encroachments



**POLICY FOR ENCROACHMENTS
WITHIN DISTRICT EASEMENTS OF FLOODWATER
RETARDING STRUCTURES**

**LOWER BRUSHY CREEK
WCID**

ADOPTED: JANUARY 2025

EFFECTIVE: MARCH 1, 2025

The Policy for Encroachment Within District Easements and Property of Lower Brushy Creek Dams is hereby approved and adopted on this the 27 day of January 2025.

This policy is effective on March 1, 2025 and supersedes all previous versions.

Approval and Implementation

The Policy for Encroachments within District easements of Floodwater Retarding Structures of Lower Brushy Creek Dams is hereby approved.

This plan is effective immediately and supersedes all previous editions.

Edmond S. Komandosky – LBC Board of Directors - President

Date

Monica P. Masters – LBC Board of Directors - Secretary/Treasurer

Date

Mark J Schroeder – LBC Board of Directors - Board Attorney

Date

Table of Contents

Section 1	Introduction	1
Section 2	Inundation Area Policy and Procedures	5
Section 3	Access Area Policy and Procedure	13
Section 4	Structure Area Policy and Procedure.....	15
Section 5	Fees	17
Section 6	Glossary of Terms.....	18

Section 1 Introduction

1.1 – General

The Lower Brushy Creek Water Control Improvement District (District) is a governmental subdivision of the State of Texas and a public body corporate and politic.

The United States Congress passed the Flood Control Act of 1936 and directed US Department of Agriculture - Soil Conservation Service to develop their national, small watershed concept. In 1944 Congress passed Public Law 76-534 that authorized eleven watershed projects in the nation, and the construction of the small watershed dams began. The US Department of Agriculture - Natural Resources Conservation Service (NRCS), formerly the Soil Conservation Service (SCS), oversaw the design and construction of earthen flood control dams in Williamson and Milam Counties, Texas, and is considered the “Engineer-of-Record” for the structures. The District is the local sponsor of these dams.

These floodwater retarding structures, or dams, were constructed on private lands through easements held by the District. Most easements were prepared in the 1950’s through the 1970’s and are considered blanket easements, although some easements have been modified, partially released, or more clearly defined by metes and bounds descriptions and filed under separate instruments or on plats. Easements are perpetual. All easements are filed with the Williamson or Milam County Clerk’s office.

As part of a national inventory of dams, all the District’s structures are regulated by the Texas Commission on Environmental Quality (TCEQ), the agency that oversees dam safety in the state. Texas Administrative Code (TAC) Title 30, Part 1, Chapter 299: DAMS AND RESERVOIRS contains regulations pertaining to structures that satisfy specific size or hazard criteria.

When activity is contemplated which will impact a District Easement, the District shall be contacted to review the plans and their impact on the easement. All activities within District Easements are prohibited without an executed agreement with the District, reviewed on a case-by-case basis. District approval is at the discretion of the District Board of Directors. The District’s approval of any request for modification of any easement area will be contingent on the concurrence of the USDA-NRCS and/or TCEQ (as applicable).

The District will use the following Manual to control encroachments within the District Easements to preserve the functionality of the structures and maintain the flood storage as originally designed to protect residents upstream and downstream of the dams.

a. District Authority to Regulate Encroachments

The District has review and permitting authority associated with regulating Encroachments in the District’s easements to ensure its rights are fully protected or are otherwise remediated for the benefit of the District. The District easements authorize the District to utilize the land for the installation, operation, maintenance

and inspection of the dams and to prohibit Encroachments that limit the District's full enjoyment of the easement conveyed.

The District permit review also ensures compliance with the regulatory rules of the Texas Commission on Environmental Quality (TCEQ), including Title 30, Part 1, Chapter 299 of the Texas Administrative Code (TAC) as currently administered by the Dam Safety Section.

All activities that encroach in the District Easement Areas are prohibited without a permit or an executed agreement with the District. Such activities are reviewed on a case-by-case basis and approval is at District discretion. This includes, but is not limited to, activities of fill, excavation, trenching, aerial and sub-terranean Encroachments.

This policy is adopted by the Board of Directors in **January 2025** and is effective as of **March 1, 2025**. All new permit applications submitted after the effective date shall be subject to the new policy. Any permits submitted before the effective date may request to move forward under the new policy.

- b. Reservoir Water Levels:** Reservoir water levels naturally fluctuate depending on weather (e.g. floods and droughts). The water level can also be lowered by the Dam Owner at its discretion for any reasons deemed necessary, including for maintenance purposes.

1.2 – Easement Areas

The original “blanket” easements (typically granted before dam construction) generally grant the District the right to access the inundation and structure areas, the right to impound water (temporarily or permanently), and the right to construct, operate, and maintain the dam. The Easement Areas are subdivided for clarity and purpose and are defined below. (Subsequent easements may be specific to only one or multiple easement areas and contain specific language unique to that dam.)

a. Access Area

- i. An Access Area is an area where the District has the right to access, inspect, operate, maintain, repair, and modernize all elements related to the dam and associated Flood Pool. The original easements typically included rights to access across all lands abutting the parent Tract.
- ii. A newer site-specific easement typically has field notes, sketch descriptions, and specific language defining the easement.

b. Inundation (Flood Pool) Area

- i. An Inundation Area is defined by elevation which is provided in **Section 2.7** Dam Elevations Summary Table or as defined in the site-specific inundation easement. *(Note: This is not the 1% AEP floodplain, which is determined by the Federal Emergency Management Agency (FEMA)).*
- ii. Inundation Areas preserve the District's detention volume, permanent pools, sediment storage and ability to temporarily impound flood water during rain events. The dam may detain flood water beyond the Inundation Area limits in extreme rain events.
- iii. The newer site-specific Inundation Area easements typically have field notes, sketch descriptions, and specific language confirming the area restriction of the Inundation Area (typically based on an as-built elevation defined by survey). The dam may still detain flood water beyond the site-specific Inundation Area easement boundaries in extreme rain events.

c. Structure Area

- i. A Structure Area is an area preserving the District's rights and ability to operate, maintain, repair, and modernize all elements of the dam including the embankment, Spillways, and inlet / outlet works.
- ii. For original blanket easements, the Structure Area is the portion of the Tract encompassing the dam, Auxiliary Spillway (to the outlet channel), and Principal Spillway, including inlet and outlet works. The limits of the Structure Area are

defined as follows (see **Figure in Section 4**):

- (1) Fifty (50) foot offset from the toe of the dam embankments;
 - (2) Fifty (50) foot offset from the outermost edge of the Spillway embankments (top or toe of slope, whichever is furthest); and
 - (3) Fifty (50) foot offset from all sides of the Principal Spillway, inlet and outlet works.
- iii. Newer site-specific easements (or fee title property) are defined by field notes, sketch descriptions (or platted lot), and specific language defining the limits of the structure area.

1.3 – District Authority to Regulate Construction Activity Beyond Easements

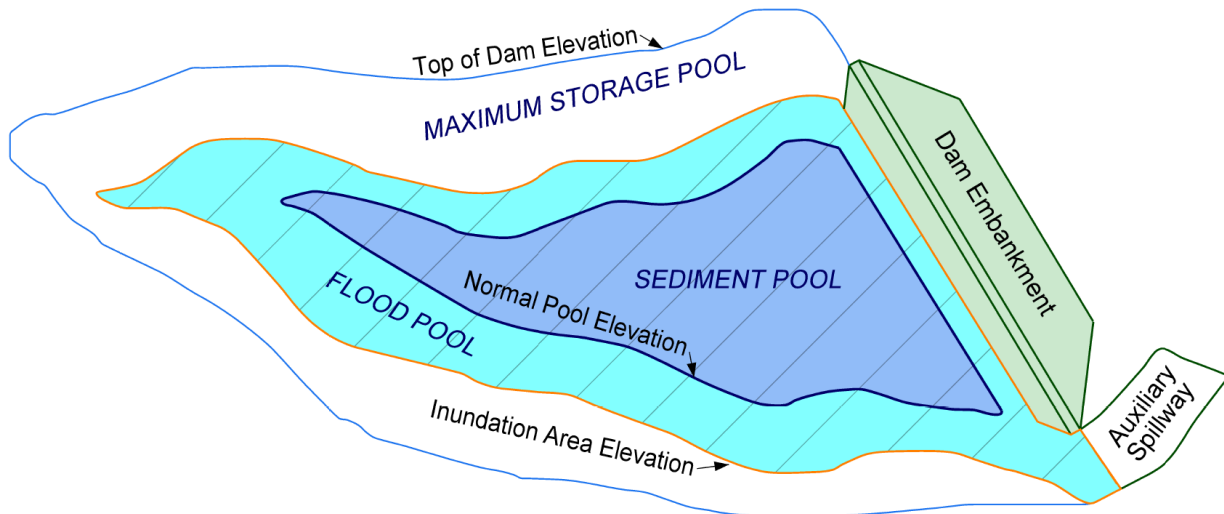
30 Tex. Admin. Code § 299.16(d), as amended, identifies activities near dams that may warrant evaluation by a professional engineer, registered in the State of Texas, at the request of the Dam Owner or the executive director of the TCEQ. The District reserves the right to request such an evaluation for all work that falls within the criteria listed below. Activities may be subject to any changes or amendments to Section 299.16(d), or any other law or regulation applicable to the District.

30 TAC § 299.16(d) (as of the Effective Date):

When a person proposes one of the following activities near the owner's dam, the owner or the executive director may request that the person have a professional engineer perform an evaluation to determine if the integrity of the dam would be compromised. If the person has a report prepared by a professional engineer, the person shall submit the evaluation report to the executive director and the owner for review and approval before any work is performed for a proposal to:

- (1) dredge the reservoir within 200 feet of the dam;*
- (2) install a utility line or pipeline in the dam or in the Spillways that requires significant excavation in the dam or Spillways;*
- (3) construct a road across the dam or Spillways or within 200 feet of the dam;*
- (4) drill oil or gas wells, perform horizontal drilling or fracturing, or perform oil or gas exploration within 500 feet of the dam and Spillways; or*
- (5) blast within 1/2 mile of the dam.*

Section 2 Inundation Area Policy and Procedures



2.1 – Policy

Inundation Areas preserve the District's detention volume, permanent pools, and ability to temporarily impound flood water during rain events. The dam may detain flood water beyond the Inundation Area limits in extreme rain events.

- a. Any Encroachment or fill within the Inundation Area including aerial and subterranean utilities requires the District's written approval before any activity starts (see **Section 2.2**).
- b. Construction of habitable structures within the Flood Pool Area, to top of dam elevations, is prohibited. All habitable structures must have first floor finished elevations above the top of dam elevation, at a minimum. In cases where dams need to be upgraded to meet TCEQ high hazard standards, first floor finished elevations may need to be higher.
- c. The District requires that fill and/or Encroachments of any kind be offset to preserve the flood storage capacity.
 - i. Compensatory Cut - required excavation of at least 25% greater volume than that of any fill and/or Encroachment placed in the Inundation Area.
 - ii. Compensatory Cut excavations must be made within the Flood Pool (between the Normal Pool and Inundation Area elevations). Reference **Section 2.7** for the Dam Elevations Summary Table.
 - iii. Cut and fill volume calculations shall consider any ponds in the Inundation Area as full (including water quality and/or detention) to either the Inundation Area elevation or the top of pond embankment, whichever is the highest.

- iv. Improvements and any minor structure or facility may be allowed within the Inundation Area (e.g. benches) at the discretion of the District. Any authorized minor structure or facility shall be anchored in place (with details provided in plan set) to prevent these from being carried away during storm events.
- d. The Normal Pool (non-flood water level) is controlled by the dam structure. Landowner(s) desiring an adjustment to the Normal Pool level must obtain written approval from all other Landowners who own land within the Normal Pool and submit written concurrence showing unanimous agreement before the District will consider the request.
- e. Landowner shall provide a recordable indemnification document in a form approved by the District's legal counsel, to be recorded with any platting or subdivision activity for property that is included within any of the District's easement rights.
 - i. The Applicant agrees that no construction of Habitable Structures will be allowed within the easement area. Construction outside the easement area will be under the authority of the appropriate City or County floodplain regulations.

2.2 – Encroachments in Inundation Areas

Approval of Encroachments in the Inundation Areas is authorized through an Encroachment Permit or Minor Encroachment Permit. Encroachment Permits are for projects that propose an Encroachment into the Inundation Area with more than 100 CY (cubic yards) of total fill (not net fill), see Encroachment Permit Application Procedures in **Section 2.3**. If the Encroachment into the District's Inundation Area is equal to or less than 100 CY of total fill (not net fill), please refer to the Minor Encroachment Permit Application Procedures in **Section 2.4**.

Submittal should take place as soon as practicable, usually in conjunction with other jurisdictional review processes. Note that District reserves the right to reject additional easements and/or any encroachments proposed within the Inundation Area if they limit the District's full enjoyment of the District easement or property.

For cut and fill projects within the inundation area, approval from both the WCID and the County will be required. For cut and fill projects outside (above) the inundation easement elevation, approval will only be required from the County.

2.3 – Inundation Encroachment Permit Procedures

Encroachment Permits are for projects that propose more than 100 CY of total fill (not net fill) within the District’s Inundation Area.

- a. **Contact District:** The Applicant should send an initial email to District providing project location, description, and any questions to verify permit type. Most topics can be handled via email; however, a District representative can meet to discuss the unique needs and special accommodations for an application that does not appear to conform with the standard Inundation Encroachment Permit process. Contact the District at info@lowerbrushycreekwcid.org.
- b. **Permit Application Submittal:** Each complete submittal package requires an Encroachment Permit Application Form and all documents listed in the Submittal Checklist (see the **District Forms** on the District’s website: www.lowerbrushycreekwcid.org). For reference, a sample project submittal package is provided in the **District Forms**. Applications shall be submitted via email at info@lowerbrushycreekwcid.org. Files larger than 20 MB cannot be emailed. The Applicant shall provide a link for downloads of larger files.
- c. **Fee Submittal:** The Applicant must pay the application fee within seven (7) business days from original submittal date. See **Section 5** for a breakdown of all fees. Payment remittance information can be found in the **District Forms**. Fees are non-refundable and non-transferrable.
- d. **Completeness Check:** The District representative(s) will review the application for completeness and notify the Applicant within seven (7) business days of either (1) outstanding submittal items or (2) complete submittal acknowledgement. Comments or acknowledgment will be released to the Applicant after the fee has been received.
- e. **Review and Approval:** The formal review of the permit application submittal will begin when the Encroachment Permit Application fees are received, and the submittal has been deemed complete.
 - i. The District representative(s) will review the permit application submittal and provide any comments within fifteen (15) business days.
 - ii. The Applicant should address the District’s comments and provide any additional information within thirty (30) calendar days.
 - iii. Upon resolution of all comments (or determination that there are no comments), the Applicant will be notified of Encroachment Permit approval.
- f. **Application Expiration:** If the District’s comments are not addressed in a timely manner, the permit application will expire six (6) months after initial submittal date or after three (3) rounds of comments, whichever comes first. After expiration, a new permit application and application fee will be required.
- g. **Construction Phase and Close Out:** After a permit is issued, improvements within the District’s Inundation Area may start construction. See **Sections 2.5 and 2.6** for construction and close out requirements, respectively.

2.4 – Minor Inundation Encroachment Permit Procedures

Minor Encroachment Permits are reserved for projects that propose 100 CY or less total fill within the District’s Inundation Area. Minor permit applications target smaller projects such as park trails, floating elements, flat work, and underground utilities. In these cases, compensatory cut is considered negligible and will be waived. Although the Minor Encroachment Permit Application is an expedited permit process with fewer requirements than a full Encroachment Permit, the application process should still take place as soon as practicable, usually in conjunction with other jurisdictional review processes.

- a. **Contact District:** The Applicant should send an initial email to the District providing project location, description, and any questions. A meeting may not be necessary as most topics can be handled via email; however, a District representative can be available as needed. Contact the District at info@lowerbrushycreekwcid.org.
- b. **Minor Permit Application Submittal:** The Applicant should submit the documentation listed in the Minor Encroachment Permit Submittal Checklist (see the **District Forms** on the District’s website: www.lowerbrushycreekwcid.org). Each submittal will be treated on a case-by-case basis, and additional information may be required. Application shall be submitted via email at info@lowerbrushycreekwcid.org.
- h. **Fee Submittal:** The Applicant must pay the application fee within ten (10) business days from original submittal date. See **Section 5** for a breakdown of all fees. Payment remittance information can be found in the **District Forms**. Fees are non-refundable.
- c. **Review and Approval:** The review of the Minor Encroachment Permit Application submittal will begin after fee payment has been received and the submittal is deemed complete.
 - i. The District will review the permit application submittal and provide comments within ten (10) business days. Comments will not be released to the Applicant until the fee has been received.
 - ii. The Applicant should address the District’s comments and provide any additional information within thirty (30) calendar days.
 - iii. Upon resolution of all comments (or determination that there are no comments), the Applicant will be notified of Minor Encroachment Permit approval.
- d. **Application Expiration:** If the District’s comments are not addressed in a timely manner, the permit application will expire four (4) months after initial submittal date or after two (2) rounds of comments, whichever comes first. After expiration, a new permit application and fee will be required.
- e. **Construction Phase and Close Out:** Upon resolution of all comments, the application will be approved, the District will issue a Minor Encroachment Permit approval letter, and improvements within District’s Inundation Area can start construction. See **Sections 2.5 and 2.6** for construction and close out requirements, respectively.

2.5 – Construction Requirements and Procedures:

When the Encroachment Permit is approved, the Applicant shall:

- a. Notify the District at least three (3) business days prior to initiating any construction work, including installation of erosion and sedimentation controls, within the District Inundation Area or Property. Applicant must provide an anticipated construction completion date within this communication and provide contractor contact information. Notification shall be made via email at info@lowerbrushycreekwcid.org.
- b. Provide a written Construction Progress Report (format template available in the **District Forms** on the District’s website: www.lowerbrushycreekwcid.org) including at least three (3) construction progress photos shall be emailed to the District. The report should also provide any construction schedule updates.
 - i. Based on the duration of the encroaching construction, Construction Progress Reports must be provided in the following frequency:
 - (1) Quarterly: If project duration is longer than 1 year.
 - (2) Every 2 months: if project duration is 6 months to 1 year.
 - (3) Monthly: if project duration is shorter than 6 months.
 - ii. If Construction Progress Reports are not provided, the District reserves the right to perform a construction site visit at the expense of the Applicant. See Fee table in **Section 5**.
 - iii. The District reserves the right to request the Applicant to provide additional status updates during construction. The Applicant must provide a response within five (5) business days or the District will perform a construction site visit at the expense of the Applicant. See Fee table in **Section 5**.
- c. Provide all-weather access to the dam Structure Area at all times during construction.
 - i. If access points are temporarily altered or blocked during construction, an access plan shall be provided and approved by the District in writing prior to initiating construction. The District shall be provided:
 - (1) One (1) week notice for any access road closure lasting more than one day (24 hours)
 - (2) One (1) month notice for any road closure lasting more than one week
 - ii. Access point(s) may not be altered without prior District written approval. If an access path is going to be permanently altered by construction, refer to Access Area Policy (**Section 3**).
- d. **Permit expiration:** Construction must start within twelve (12) months of the effective date of the Encroachment Permit. The Applicant may request one twelve (12) month extension. The extension must be requested thirty (30) calendar days prior to the expiration date, but no further extensions will be granted. After expiration, a new permit application and application fee will be required.

2.6 – Construction Close-out Procedures:

After construction within the Inundation Area is completed, the Applicant must close out the permit with the District. To do so, the Applicant will provide all documents listed in the Permit Close-Out checklist available in the **District Forms** on the District's website: www.lowerbrushycreekwcid.org. In addition:

- a. Applicant must completely restore and revegetate the land affected by the construction. Vegetation coverage must be at least 80% for District's final acceptance.
- b. A final site inspection of the Encroachment area can be requested by the District. This will be handled on a case-by-case basis.
- c. The District will review the close-out documentation submittal and provide comments within ten (10) business days.
- d. The Applicant should address the District's comments and provide any additional information within 30 calendar days.
- e. After all information and final documentation is reviewed by the District and confirmed it meets policy requirements, the District will issue an official permit close-out letter.

2.7 – Dam Elevations Summary Table

Structure ID	Normal Pool / Principal Spillway Elevation (ft-msl)	Auxiliary Spillway Elevation (ft-msl)	Inundation Area Elevation (ft-msl)	Top of Dam Elevation (ft-msl)
Dam 2	511.6	521.7	523.7	526.7
Dam 3	490.8	505.6	507.6	511.8
Dam 4A	473.4	485.2	487.2	491.2
Dam 6	464.2	478.0	480.0	484.0
Dam 7	481.5	492.2	494.2	497.0
Dam 8	465.6	477.8	479.8	483.2
Dam 9	433.8	446.8	448.8	453.4
Dam 10	454.6	465.5	467.5	471.7
Dam 12	559.7	566.4	568.4	569.4
Dam 13	545.3	554.2	556.2	559.5
Dam 17	458.4	467.7	469.7	473.6
Dam 18*	496.4	510.0	512.0	514.8
Dam 20*	480.5	490.8	492.8	496.5
Dam 21	452.1	460.2	462.2	464.5
Dam 22	450.3	462.3	464.3	468.2
Dam 23	443.1	452.8	454.8	458.6
Dam 24	482.6	492.8	494.8	498.3
Dam 25*	596.8	609.8	611.8	614.0
Dam 29	560.2	572.1	574.1	577.4
Dam 30	519.0	529.2	531.2	534.5
Dam 31	493.6	507.1	509.1	513.6
Dam 32	520.8	529.4	531.4	535.2
Dam 33	476.2	485.6	487.6	490.9

* Indicates that the elevation is based on the original AS elevation and was not changed as a result of the rehabilitation.

2.8 – Inundation Area: Easement Release or Modification Procedure

Notification that the Landowner wants to pursue an Easement Release and/or Modification request should occur as soon as practicable, usually in conjunction with other jurisdictional review processes. All cut and fill activities must be completed within the Inundation Area prior to District approval and filing new easements / release of easements; therefore, typically the Application for an Inundation Easement Release or Modification takes place during (or after) the close out process of the Encroachment Permit. The new Inundation easement/area must be defined by metes and bounds and sketch developed by a licensed surveyor.

- a. **Contact District:** The Applicant should send an initial email to the District providing notification of the easement release and/or modification request and any questions. A preapplication meeting with District representatives is mandatory. Contact the District at info@lowerbrushycreekwcid.org.
- b. **Inundation Easement Release or Modification Request:** The Applicant should submit the documentation listed in the Application Form and Submittal Checklist, using either the “Blanket Easement Release or Modification Request” or the “Site-Specific Easement Release or Modification Request” from the **District Forms** (on the District’s website: www.lowerbrushycreekwcid.org). Each submittal will be evaluated on a case-by-case basis, and additional information may be required. Application shall be submitted via email at info@lowerbrushycreekwcid.org.
- c. **Fee Submittal:** The Applicant must pay the application fee within ten (10) business days from application date. See **Section 5** for a breakdown of all fees. Payment remittance information can be found the **District Forms**. Fees are non-refundable.
- d. **Review and Approval:** The review of the easement modification and/or release application will begin after fee payment has been received, and the submittal is deemed complete.
 - i. The District will review the application and provide comments within ten (10) business days. Comments will not be released to the Applicant until the fee has been received.
 - ii. The Applicant should address the District’s comments and provide any additional information within 30 calendar days. If the District’s comments are not addressed in a timely manner, the application will expire six (6) months after initial submittal date or after two (2) rounds of comments, whichever comes first.
- e. After application approval, District will draft all easement and release documents. After execution, new easements must be filed with land records in the office of the County Clerk of Williamson or Milam County. An electronic copy of the filed documents will be provided to the Applicant.

Section 3 Access Area Policy and Procedure

3.1 Policy

Access area portion of easements preserve the District's rights and ability to inspect, operate, maintain, repair and modernize all elements related to the dam and associated Flood Pool. Any modification, temporary or permanent, of District's access is regulated as follows:

- a. Any activity within District Easements or Property that will restrict access, in any way, to the District dams, Spillways, and/or pipe outlet works, either temporarily or permanently, requires District approval. Both ends of all dams must always be accessible.
- b. Access area and/or easement modification and/or release requests are reviewed on a case-by-case basis and approval is at the District 's discretion.
- c. If Landowner proposes to permanently modify an access point or path, a new access pass (and in some cases a new easement) must be provided at a location acceptable to the District:
 - i. Any new access easement must be defined by metes and bounds and sketch sealed by a licensed Texas surveyor.
 - ii. The new access path must be passable, provide all-weather access, be cleared of any vegetation, and be at least twenty (20) feet wide.
 - iii. New access easements will use the District standard access easement language.

3.2 Access Easement Release or Modification Procedure

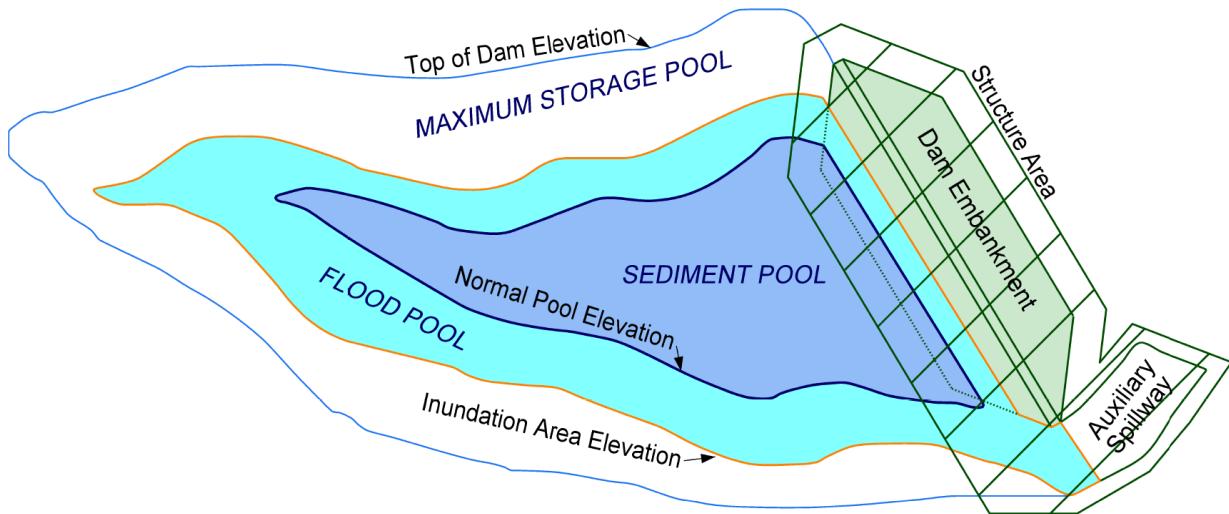
The Easement Release and/or Modification request should occur as soon as practicable, usually in conjunction with other jurisdictional review processes or changes to the Inundation Area. This section also covers partial releases of the District's blanket easement on non-adjacent or non-involved Tracts that have been previously subdivided from the original easement properties.

- a. **Contact District:** The Applicant should send an initial email to the District providing notification of the easement release and/or modification request and any questions. A preapplication meeting with District representatives is mandatory. Contact the District at info@lowerbrushycreekwcid.org.
- b. **Access Area Easement Release or Modification Request:** After the meeting, the Applicant should submit the documentation listed in the Application Form and Submittal Checklist using either the "Blanket Easement Release or Modification Request" or the "Site-Specific Easement Release or Modification Request" from the **District Forms** (on the District's website: www.lowerbrushycreekwcid.org). Each submittal will be evaluated on a case-by-case basis, and additional information may be required. Application shall be submitted via email at

info@lowerbrushycreekwcid.org.

- c. **Fee Submittal:** The Applicant must pay the application fee within ten (10) business days from application date. See **Section 5** for a breakdown of all fees. Payment remittance information can be found in the **District Forms**. Fees are non-refundable.
- d. **Review and Approval:** District will review the application package and provide any comments within ten (10) business days. Comments will not be released to the Applicant until the fee has been received. Applicant must address comments within thirty (30) calendar days. After all comments are addressed, the approval will require Board action.
- e. After application approval, District will draft all new easement and release documents. After execution, new easements must be filed with land records in the office of the County Clerk of Williamson or Milam County. An electronic copy of the filed documents will be provided to the Applicant.

Section 4 Structure Area Policy and Procedure



4.1 – Policy

Structure Areas and District-owned property preserve the District's rights and ability to operate, maintain, repair and modernize all elements of the dam including the embankment, Spillways, and outlet works.

- a. Activity within the Structure Area and/or District Property is **prohibited** without an executed agreement with the District.
- b. Requests for activity and/or Encroachments within the Structure Area or Property will be reviewed on a case-by-case basis as approved by the District Board of Directors.
- c. No dam (or its elements) shall be modified in any form for any reason without prior Board action and concurrence from TCEQ Dam Safety, as applicable.
- d. No new utilities or trenching operations of any kind are allowed within Structure Easements or District Property.
- e. Contact the District at info@lowerbrushycreekwcid.org for more information.

4.2 – Structure Easement Area Conversion to Fee Title

The District prefers to convert all Structure Easement Areas to fee title ownership conveyed to the District. To encourage this activity, no application fee is required for conversion from easement to fee title ownership.

- a. **Contact District:** The Applicant should send an initial email to the District indicating a desire to convert the easement along with any related questions. A meeting with District representatives is mandatory before proceeding. Contact the District at info@lowerbrushycreekwcid.org.

- b. **Conversion to Fee Title Request:** The Applicant should submit the documentation as requested by the District (see the **District Forms** on the District's website: www.lowerbrushycreekwcid.org). Each submittal will be evaluated on a case-by-case basis, and additional information may be required. All requested documentation shall be submitted via email at info@lowerbrushycreekwcid.org.
- c. **No fee is required.**
- f. **Review and Approval:** The District will review the application and provide comments within fifteen (15) business days. The District will also verify landownership information (note that verification may take longer than the review period). The Applicant should address the District's comments and provide any additional information within 30 calendar days. After all comments are addressed, the approval will require Board action.
- g. For Board approval, District will draft all new fee title and release documents. After approval and execution by the District, new fee title documents will be filed with the Official Real Property Records of the County by the District as necessary prior to any releases being filed. An electronic copy of the filed documents will be provided to the Applicant.

Section 5 Fees

The fees help the District recover expenses associated with the review and management of the activity impacting District Easements and Property. See **District Forms** on the District’s website: www.lowerbrushycreekwcid.org for payment remittance instructions and details.

Application Type / Fee Category	Description	Payment Due	Fee (\$)
Encroachment Permit (Inundation Area)	Encroaching into District’s easements with more than 100 CY of total fill	Within seven (7) business days from original submittal date	\$7,500
Minor Encroachment Permit (Inundation Area)	Encroaching into District’s easements with equal to or less than 100 CY of total fill	Within ten (10) business days from original submittal date	\$2,000
Inundation Easement Release or Modification	Survey field notes and sketch provided by Applicant	Within ten (10) business days from application date	\$6,000
Access Easement Release or Modification	Survey field notes and sketch provided by Applicant	Within ten (10) business days from application date	\$2,000
Partial Easement Release	Release of blanket easement on non-adjacent or non-involved Tracts	Prior to easement release	\$1,000
Structure Easement Area Conversion to Fee Title	Case-by-case	No payment due	\$0
Construction Inspection site visit (each time)	Site visit performed by the District when the Applicant fails to provide Construction Progress Reports	Within ten (10) business days from District’s site visit date	\$800

Administrative fees collected by the District in no way determines the amount of time NRCS has to review the proposed plan impacting the District Easements., nor do they have any bearing on the operations of NRCS or any other partner agency that may need to review the application. Administrative fees do not guarantee approval of the application.

Section 6 Glossary of Terms

The following terms will be used throughout this District Encroachment Policy:

1. Activity

Any manmade change, manipulation and/or modification to improved or unimproved real estate, including but not limited to, adding buildings or other structures, utilities, dredging, filling, grading, paving, excavation, solar farms or drilling operations. Temporary activities, including the storage of spoils, are also controlled. Also see **Encroachment**.

2. Applicant

The individual or company that has applied for the Encroachment on District Property or easements, or authorized representative thereof.

3. Compensatory Cut

The compensatory cut is defined as the required excavation of at least 25% greater volume than that of any fill and/or Encroachment placed in the Inundation Area. All excavations must be made within the Flood Pool (between the Normal Pool and Inundation Area elevations).

4. Conservation Pool Level

Principal Spillway elevation or low flow port elevation, whichever is lower. The Conservation Pool area is considered the permanent or normal pool elevation (before evaporation) or the maximum sedimentation area. In these structures, the conservation pool level is equal to the sediment pool elevation and typically the same as the principal spillway crest elevation. This area refers to water that lies below the maximum normal operating level. For reservoirs with a flood storage function, the maximum normal operating level also corresponds to the bottom of the flood pool.

5. Construction Progress Report

A written document that is provided to the District to inform on construction status and schedule. The document should a) certify that erosion control logs are in place per approved plans; b) list effort being performed inside the inundation area in the reported period; c) list effort anticipated to be performed inside the inundation area in the next reporting period; d) include pictures of the construction site as reference.

6. Dam Owner

Per Texas Administrative Code Chapter 299, the District is the owner of the dam embankment and related facilities.

7. District Forms

Available on the District’s website and includes, but is not limited to, application forms, submittal checklists, templates and payment remittance instructions.

8. District Property

A Tract which the District has fee-title ownership typically described by field notes and sketch or a platted lot.

9. Encroachment

Any changes to improved or unimproved Tracts, including but not limited to, adding buildings or other structures, utilities, roadways, trails, dredging, tilling, grading, paving, excavation, trenching or drilling operations. Temporary activities, including the storage of spoils, are also regulated. Also see **Activity**.

10. Flood Pool

Volume above the Normal Pool Elevation up to the Inundation Area Elevation. See figure (b) at the end of glossary.

11. Habitable Structure

Per TAC Title 16 Part 2, Chapter 25, Subchapter E, Rule 25.101(a)(3). *Structures normally inhabited by humans or intended to be inhabited by humans on a daily or regular basis. Habitable structures include, but are not limited to: single-family and multi-family dwellings and related structures, mobile homes, apartment buildings, commercial structures, industrial structures, business structures, churches, hospitals, nursing homes, and schools. Restroom facilities are not considered habitable structures.*

12. Normal Pool Elevation

Principal Spillway or low flow port elevation, whichever is lower. See figures (a) and (b) at the end of glossary.

13. Landowner

The individual or company that has land ownership rights to the underlying property the Dam and/or District Easements are located on.

14. Sediment Pool

Volume below Conservation Pool Elevation that is allocated for storage of sediment expected to be deposited over a certain period of time. Sediment reserve pool and conservation pool are not mutually exclusive. See Vertical Zones of a Dam figure (b).

15. Spillway

a. Principal Spillway

The main outlet (typically a riser structure combined with an outlet conduit) over or through which most impounded water releases past a dam. Some dams have more than one principal Spillway. See figures (a) and (b) at the end of glossary.

b. Auxiliary Spillway

A secondary outlet that typically consists of an earthen channel through the embankment and only engages during extreme rain events when the capacity of the Principal Spillway is exceeded. See figures (a) and (b) at the end of glossary.

16. Tract

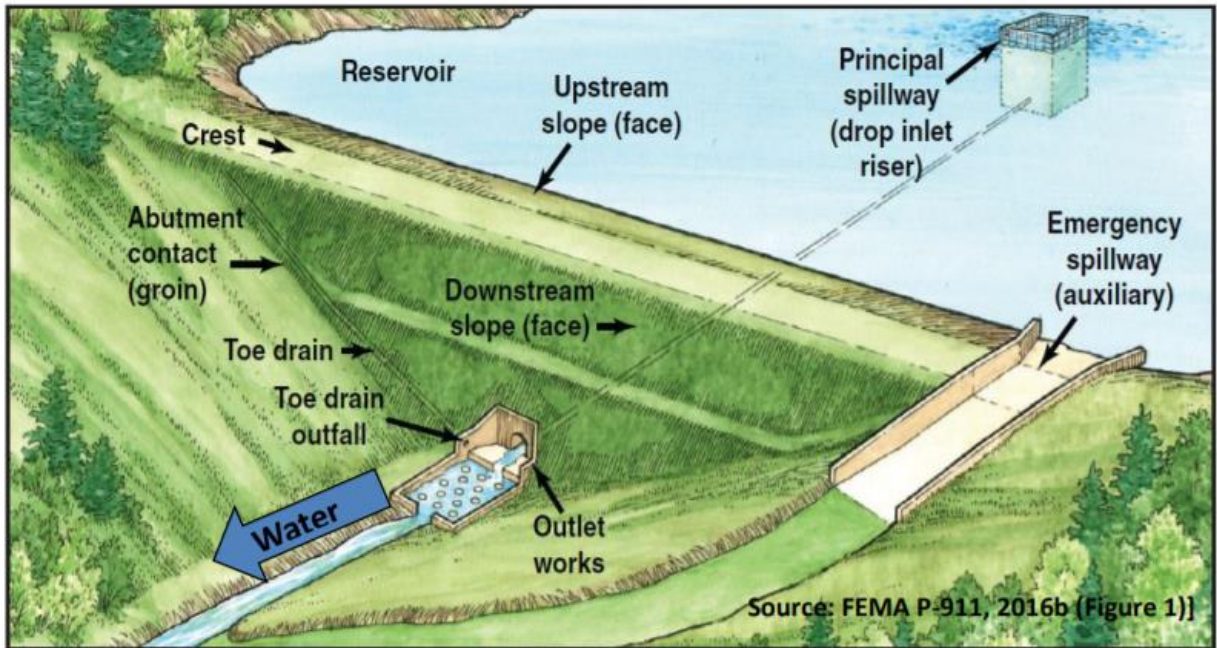
A piece of land that is designated or identified as a distinct unit for legal, administrative, or surveying purposes.

17. Top of Dam Elevation

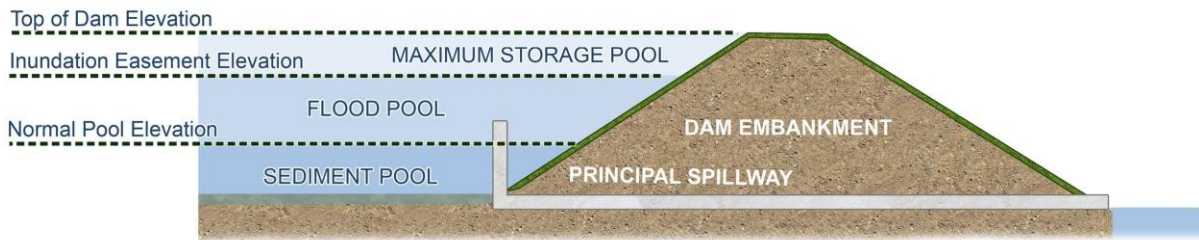
Elevation at the top of the dam embankment. See Vertical Zones of a Dam figure (b).

Figures

a. Typical Dam Cross-Section



b. Vertical Zones of a Dam Figure



VERTICAL ZONES OF A DAM

Lower Brushy Creek WCID

Regular Called Meeting of the Board of Directors

January 27, 2025

Item 4d. Lease Agreement with North Forest Office Space

NORTH FOREST OFFICE SPACE STANDARD PLAN LEASE - 01/17/25

This lease is made between North Forest Office Space - Austin, LLC ("Landlord"), with a corporate mailing address of 2829 Wehrle Drive, Suite 1, Williamsville, NY 14221, and Lower Brushy Creek WCID ("Customer"), with a mailing address of 351 Exchange Blvd Bldg 2, Suite 230, Hutto, TX 78634. Landlord hereby leases to Customer, and Customer accepts, 351 Exchange Blvd Bldg 2, Suite 230 Hutto TX, 78634 ("Premises") in the 351 Exchange Blvd ("Office Park") in the Town of Hutto County of Williamson with an approximate size of 773 square feet.

UPON THE FOLLOWING TERMS AND CONDITIONS:

1. **Initial Term.** The initial term of this Lease shall be a period of 3 years commencing 03/01/25 ("Commencement Date") and ending 02/29/28, unless earlier terminated pursuant to this Lease. In the event Landlord makes the Premises available to Customer prior to the scheduled Commencement Date and Customer elects to accept the Premises as of such earlier date, then the Commencement Date shall be the date on which Customer accepts the keys/access codes to the Premises .

Rent Rent for the Initial Term shall be as follows.

# Pmts	From	To	Sqft ±	Rate	Annual	Monthly
12	03/01/25	- 02/28/26	773	\$31.50	\$24,349.56	\$2,029.13
12	03/01/26	- 02/28/27	773	\$32.20	\$24,890.64	\$2,074.22
12	03/01/27	- 02/29/28	773	\$32.90	\$25,431.72	\$2,119.31

Included in the above Rent is Customer's pro-rata share of the Office Park's property taxes. **Once the Office Park is fully completed the property taxes are estimated at \$3.71 per square foot (Base Rate). Beginning in the year the Office Park will reach 100% completion, and each year thereafter, the landlord will estimate the annual property taxes as of January 1st.** If the property taxes estimated by the Landlord exceed the Base Rate, Customer agrees to pay each month an additional 1/12th of Customer's proportionate share of the estimated excess property tax, so that, by the end of the calendar year, Customer will have paid all of its proportionate share of the estimated excess taxes.

Once the actual property tax expenses for the previous year's estimate are known, which is generally no later than the first quarter of every year, the Landlord will reconcile against the Base Rate or estimate and provide the Customer a refund for any overages or an invoice for any shortfall. Any overage will be credited to the Customer's account and any shortfall will be due upon receipt of the invoice. At no point shall the Customer's property tax payments be less than the initial Base Rate of \$3.71.

Required Notice. Customer or Landlord must provide written notice by 12/01/2027 ("Notice Date") in the event of any of the following:

1. Customer or Landlord does not intend to renew the lease at the end of the Term.
2. Customer or Landlord does not intend to enter into any Renewal Options or Auto Renewal Periods as listed in this agreement.

Should Customer fail to give notice by the Notice Date, the Term shall automatically be extended to 05/29/2028 at a rent equal to the Hold Over rate (see Section 7).

All payments of rent shall be due in advance on the first day of each month during the Term. Rental payments are to be made through the Landlord's online payment portal - automated payment option. In the event the first and/or last months of the Term are less than full calendar months, rent payments for such months shall be prorated on a per diem basis. Customer shall not claim any off set, counterclaim or deduction against any payment of rent. In the event Landlord becomes obligated to collect any sales tax or similar tax on any rent payment or other payment made by Customer to Landlord pursuant to this Lease, Customer shall pay the same together with the rent payment. Landlord shall pay all property taxes.

2. **Interior Build-Out.** The interior of the Premises will be constructed or altered to meet the approximate specifications in Exhibit A. The square footage is as determined by Landlord on a basis consistent with the measurement method used by Landlord with other tenants of the Office Park.
3. **Use.** Customer may use the Premises solely as business offices in connection with its Business Services business. The Premises shall be used for no other purpose. Customer acknowledges that the Premises is part of a professional office park, and professional conduct is expected from all Customers, their employees and guests.
4. **Security Deposit.** Customer shall deposit with Landlord on the signing of this Lease the sum of \$2,029.13 (its "Security Deposit") as security for Customer's payment and performance obligations in this Lease. If Landlord applies any part of the Security Deposit to any Event of Default, Customer, on demand, shall deposit with Landlord the amount so applied, so that Landlord shall have the full Security Deposit on hand at

all times during the Term. Customer shall not be allowed to take occupancy of the Premises until the Security Deposit has been deposited with Landlord.

5. **Utilities.** Landlord shall provide and pay for reasonable water to the Premises. Customer shall be responsible for the payment of all other utilities (including gas, electric, telephone, and data connections) consumed on the Premises during the Term. All applications and connections for such utility services shall be arranged by and be in the name of Customer only. Customer's failure to switch over such utilities to Customer's account within 15 days of the Commencement Date shall be an Event of Default for the purposes of Article 20 below, in which event, in addition to Landlord's other remedies therein, Landlord may cut off such utilities and impose an administrative charge to Customer of up to \$25.00 per day for the additional work imposed upon Landlord due to Customer's failure to comply with this requirement.
6. **Use of Chair Mats.** Customer is required to use chair mats.
7. **Holdover and Holdover Rate.** If Customer fails to vacate and surrender the Premises to Landlord on or before the last day of the Term then in effect, Customer shall be deemed in Holdover and shall be assessed the Holdover Rate. The "Holdover Rate" shall be defined as a daily rent equal to 1/30th of 150% of the monthly rent in effect during the last month of the Term. During such Holdover tenancy, Customer shall continue to comply with all payment and performance obligations of Customer in this Lease.
8. **Park Rules.** Customer shall comply with all rules and regulations which may be issued from time to time by Landlord to the Customers of the Office Park. A list of the Rules currently in effect are attached to this Lease and made a part hereof.
9. **Care and Maintenance of Office Park and Premises.** Landlord shall maintain the Office Park grounds and parking lots and provide garbage removal facilities (at designated disposal locations). Landlord shall also maintain (i) the roof, exterior walls, exterior windows, exterior doors, structural walls, and foundation of the Premises, and (ii) the furnace and air conditioning unit, sewer and water lines, plumbing fixtures, electrical wiring, and ceiling light fixtures (including light bulbs) which are part of the standard Premises as of the Commencement Date; provided Customer shall reimburse Landlord for repairs due to the negligence or willful misconduct of Customer, or its employees, agents or guests. Customer is responsible for the repair, replacement and maintenance of the lock on the entrance door to their business.

Except for Landlord's maintenance obligations, Customer shall maintain the Premises in good condition and repair, including by way of example only, all doors and locks, ceilings, interior windows, walls, appliances, cabinets and carpeting. Landlord is not responsible for service or repair of specially installed HVAC or other trade specific equipment (for example, dental chairs or medical equipment) installed by the Customer or Customer's vendor.
10. **Alterations.** Customer shall not make any structural changes or other alterations, additions, or improvements to the Premises. Customer may install and may remove its trade fixtures, furniture, equipment, and other personal property not requiring any structural alterations to the Premises. All such items shall be removed prior to the end of the Term and Customer shall repair any damage caused by such removal. Any change, alteration, addition or improvement which Landlord approves in writing and made by Customer to the Premises, including all articles/items attached or affixed to the floors, doors, walls, windows, ceilings, or trim of the Premises shall automatically become the property of Landlord at the end of the Term, and shall remain upon and be surrendered with the Premises at the end of the Term, unless Landlord directs Customer to remove the same, in which event Customer shall return the Premises to Landlord in the same condition as when delivered to Customer at the beginning of the Term.
11. **Compliance with Law.** Customer shall comply with all federal, state, municipal and other governmental statutes, ordinances, rules and regulations applicable to the use or occupancy of the Premises, including but not limited to those applicable to environmental matters, and the health or safety of persons in or about the Premises. Without limiting the foregoing, Customer shall comply with all laws, rules, statutes, and regulations relating to chemicals, hazardous materials or hazardous wastes, and under no circumstances shall Customer release, discharge or dispose of chemicals, hazardous materials or hazardous wastes anywhere in or on the Premises, or anywhere in or on the Office Park. So-called "heavy duty" and "industrial" strength bleaches are not to be used in or about the Premises.
12. **Subletting.** Customer shall not sublet any portion of the Premises without the prior written consent of the Landlord, which shall not be unreasonably withheld. Any such subletting without Landlord's prior written consent shall be void and constitute an Event of Default. Customer retains all obligations under the terms of the lease.
13. **Entry and Inspection.** Landlord shall be entitled to enter upon the Premises with reasonable advance notice (except in the case of emergency, in which no notice shall be required), for the purpose of inspection, showings, maintenance, and/or repairs to the Premises or adjacent premises which require entry upon the Premises.
14. **Possession and Delivery of Premises.** If Landlord is unable to deliver possession of the Premises at the

Commencement Date, Landlord shall not be liable for any damages caused thereby, nor shall this Lease be void or voidable, but Customer shall not be liable for any rent until possession is delivered; provided, Customer may terminate this Lease if possession of the Premises is not delivered within sixty (60) days of the Commencement Date. The actual date of delivery of the Premises to Customer shall be deemed the new Commencement Date. In the event the new Commencement Date is on or before the 14th day of the month, the last day of the initial term as determined in Article 1 shall remain unchanged. In the event the new Commencement Date is on or after the 15th day of the month, the last day of the initial term as determined in Article 1 shall be extended to the last day of the month immediately following the month in which the original termination date was to occur.

15. **Customer's Property.** Customer shall insure its property, and assumes all risk of loss or damage to the same due to fire, storm, water, wind or any other cause.
16. **Indemnification of Landlord** Upon the Commencement Date of this lease, Landlord and Customer each hereby waive all rights of recovery against the other on account of loss or damage to each other's respective property located in the Premises. Landlord and Customer further agree to have their respective insurance companies also waive their right of subrogation against the other party in connection with any damage covered by such policies, except damages resulting from the willful misconduct or gross negligence of the other party.
17. **Insurance.** Customer shall maintain the following insurance during the Term:
Commercial General Liability Insurance - Maintained on an occurrence basis, insuring against liability for bodily injury, including death, and property damage arising from or related to Customer's exercise of any right or privilege pursuant to this Lease or the activities of Customer related to the operation of its business in and about the Premises, with combined single limits of not less than one million dollars (\$1,000,000) for bodily injury (including death) and property damage from any one occurrence with a two million dollar (\$2,000,000) aggregate. Policy should contain hired and non-owned coverage if there is not a separate Auto Policy.
Property Insurance - Fire and extended coverage (Special Coverage Form) insurance covering all of Customer's personal property in the Premises.
Worker's Compensation Insurance and Employers' Liability and Disability Benefits Law insurance - Statutory Limits.

At least fifteen (15) days prior to the Commencement Date, Customer shall provide Landlord with proof that Landlord has been designated as an additional insured on each such policy and that such policy shall not lapse nor shall any reduction or material change be made in the coverage provisions thereto without at least thirty (30) days advance written notice to Landlord.

Customer shall not permit any contractor or other vendor to perform any construction, repair or other services (such as, by way of example only, movers, cleaners and technicians) in the Premises without first providing to Landlord proof that such contractor or vendor has general liability, workers compensation and other forms of insurance as Landlord may require and that both Landlord and Customer have been named as additional insureds thereon.
18. **Eminent Domain.** If the Premises or any part thereof or any estate therein, or any other part of the Office Park of which the Premises is a part, shall be taken by eminent domain, at Landlord's option upon notice to Customer, the Term shall terminate on the date when title vests pursuant to such taking, and Customer shall be responsible to pay rent only through the termination date. Customer shall not be entitled to any part of the award for such taking or any payment in lieu thereof, but Customer may file a claim, against the government agency, for any taking of fixtures and improvements owned by Customer, and for moving expenses.
19. **Destruction of Premises.** In the event of fire or other damage to the Demised Premises, which Landlord can practically repair within sixty (60) days, this Lease shall remain in effect and Landlord shall repair the same; provided Customer shall be entitled to a reasonable reduction of rent while such repairs are being made, based upon the extent to which such damage and such repairs materially interfere with Customer's use of the Premises. In the event of fire or other damage to the Demised Premises, which Landlord cannot practically repair within sixty (60) days, each of Landlord and Customer shall have the right to terminate this Lease on notice to the other within 30 days of the date of such fire or other damage; provided if Landlord elects to repair such damages, and Customer does not exercise its right to terminate, then Customer shall be entitled to a reasonable reduction of rent while such repairs are being made, based upon the extent to which such damage and such repairs materially interfere with Customer's use of the Premises. In addition, in the event one-third or more of the building in which the Premises are located are substantially damaged or destroyed, Landlord may elect to terminate this Lease, whether the Premises be damaged or not, in which event Customer shall be responsible for rent up to the effective date of such termination. Notwithstanding the foregoing, in the event of any such fire or other damage, in lieu of Landlord or Customer exercising any right of termination, Landlord reserves the right to relocate Customer, at Landlord's expense, to a comparable office suite in the Office Park for the remainder of the Term, in which event this Lease shall be deemed to refer to such replacement suite instead of the original suite designated herein.

20. **Events of Default; Remedies.** An "Event of Default" shall be deemed to have occurred in the event (i) any payment of rent or any other sum becoming due to Landlord is not paid on its due date, (ii) Customer fails to perform any other obligation of Customer pursuant to this Lease which is not cured within ten (10) days of Landlord's notice to Customer, or (iii) if at any time proceedings in bankruptcy, or pursuant to any other act for the relief of debtors, shall be instituted by or against the Customer, or if a receiver or trustee shall be appointed of the Customer's property, or if this Lease shall by operation of law, devolve upon or pass to any person or persons other than Customer. A late payment charge of 2% per month (of the amount owed) will be payable on any payment which is not paid within ten (10) days of its due date. Rent payments paid to Landlord shall first be applied to any unpaid charges on the account (for example, late penalties, NSF charges, and administrative fees) and Customer shall immediately pay any deficiency. Upon the occurrence of an Event of Default, to the extent permitted by applicable law, and without any liability to Customer, Landlord may (i) terminate this Lease on notice to Customer, (ii) take control of and repossess the Premises, (iii) remove Customer's property from the Premises and dispose of the same in any manner, (iv) accelerate and declare immediately due all rent for the balance of the Term and/or change the locks to the Premises. The foregoing remedies and rights of Landlord are cumulative and in addition to any other rights and remedies to which Landlord may be entitled by applicable law. Upon Landlord's election to terminate this Lease, Customer shall immediately quit and surrender the Premises to Landlord, but Customer shall remain liable for all of Customer's payment and performance obligations contained in this Lease. In the Event of Default, in addition to any other damages to which Landlord is entitled, Customer shall be liable for Landlord's reasonable attorneys' fees and court costs.
21. **Waiver.** No failure by Landlord to enforce any provision hereof, or to declare an Event of Default, or to exercise any right or remedy herein, shall be deemed a waiver of such provision, any other Event of Default or of any such right or remedy. No failure of Landlord to enforce any term hereof shall be deemed to be a waiver.
22. **Notices.** All notices shall be in writing and (i) personally delivered with proof of delivery, including by commercial courier, (ii) mailed, postage prepaid, to the receiving party, in which case the notice shall be deemed given three days after deposit in the U.S. mail, or (iii) sent by Electronic mail (email). Notices shall be sent either by email to team@northforest.com or to the physical address of Customer or Landlord set forth in the introduction to this Lease. Customer or Landlord may update their address via a written Notice to the other party.
23. **Heirs, Assigns, Successors.** This Lease shall be binding upon and inure to the benefit of each of Landlord and Customer, and their respective heirs, assigns and successors.
24. **Subordination.** This Lease shall be subordinate to all existing and future mortgages recorded against the property of which the Premises is a part. If any such mortgage is foreclosed upon, (i) this Lease shall continue in force, (ii) Customer's quiet possession shall not be disturbed if Customer has not committed an Event of Default, and (iii) Customer will attorn to and recognize the mortgagee or purchaser at foreclosure sale as Customer's landlord for the balance of the Term. This paragraph shall be self-operating, however, Customer shall promptly execute and deliver to Landlord any reasonable documents submitted to Customer to confirm the foregoing provisions of this Section 24.
25. **Landlord May Perform.** If Customer shall default in the performance of any obligation herein contained, Landlord may (but shall not be required to) perform the same for the account of Customer, and Customer shall reimburse immediately Landlord for the cost thereof upon being billed for the same.
26. **Mechanics Liens.** Customer shall not default in the payment to any contractor or otherwise take any action or fail to take any action which results in a mechanics or other lien being filed against the Premises or the property of which the Premises is a part. If any such lien is filed and if the Customer shall fail to cause such lien to be discharged within fifteen days after filing thereof, Landlord may pay the amount of such lien or discharge the same by deposit or by bonding proceedings, for the account of Customer, and Customer shall reimburse immediately Landlord for the cost thereof upon being billed for the same.
27. **Entire Agreement.** The Lease, including any riders, exhibits, or schedules hereto, contains the entire agreement of Landlord and Customer with respect to the subject matter hereof and incorporates all prior dealings and negotiations between them related hereto. This Lease may be amended or modified only by a written agreement signed by both Landlord and Customer. This Lease may be executed in one or more counterparts. Delivery of a photocopy, facsimile or electronic copy of this lease shall have the same effect as delivery of an original executed copy.
28. **Surrender.** Customer shall surrender the Premises to Landlord at the end of the Term, broom clean and in the same condition as the Commencement Date, normal wear and tear only excepted. "Normal wear and tear" shall be as determined by Landlord using a standard of commercial reasonableness. All of Customer's property not removed upon the expiration or termination of this lease will, at the option of Landlord, be deemed abandoned by Customer and the Landlord may keep, sell, or otherwise dispose of such property in the Landlord's discretion, and retain the proceeds thereof.

- 29. **Limitation of Landlord's Liability.** Landlord shall not be liable for lost profits, loss of business, interest, increased expense of operation or any other consequential, incidental, indirect or special damages, whether caused by breach of contract, breach of warranty, negligence or otherwise.
- 30. **Waiver of Jury Trial.** Landlord and Customer each hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with this Lease.
- 31. **Estoppel Certificates.** Customer, shall, within five (5) days of Landlord's request, execute, acknowledge and deliver to Landlord a statement in writing certifying that (i) this Lease is unmodified and in full force and effect; (ii) the date to which rent is payable hereunder is paid; (iii) that to the knowledge of Customer no default by Landlord or Customer exists; and (iv) such other matters as may be reasonably requested by the Landlord.
- 32. **Signs.** Landlord shall provide initial signage identifying customers' occupancy of the Premises, consistent with signage provided to other Customers of the Office Park. Customer shall not erect or affix any other signage near or to the Premises (inside or out) that is visible outside the Premises.

CUSTOMER: Lower Brushy Creek WCID

X

James R Clarno, PE, General Manager

Date

LANDLORD: North Forest Office Space - Austin, LLC **TAX ID:** 45-2973927

X

Jon Denton, General Manager

Date

Admin Only

This document has been reviewed by Alyssa Stevens _____

OFFICE PARK RULES



The following rules are applicable to all customers at 351 Exchange Blvd

No Smoking / Vaping. NO SMOKING or VAPING open flames shall be permitted within the Premises. Customer's employees, agents or guests may smoke only in outdoor areas within the Office Park and at a minimum of 20 feet from the building as designated by Landlord for such purpose, if any.

Parking Policy. Spaces in the row of parking immediately in front of the Building are for visiting clients/visitors to the Office Park. Customer and their employee(s) are to park in secondary or other available rows of parking.

Safety. No candles or open flames are allowed in any part of the Premises for any reason.

Pets. Customer is allowed to have fish in the Premises. No other animals are allowed in the Premises, with the exception of service animals accompanying their owners.

Awnings. No awning, flagpole or other projections shall be attached to the exterior walls of the Premises.

Garbage. All garbage and refuse shall be kept in appropriate containers in the Premises and shall be deposited inside of such dumpsters or other facilities specified by Landlord.

Roof. No attempt shall be made to access or climb upon any roof. No aerial, antennae, or satellite dishes shall be erected on the roof or on the exterior walls of the Premises.

Excessive Noise. The premises is located in a professional setting and professional conduct is expected with regard to noise so as not to disturb the peace of others.

Interior Temperature. Customer shall keep the Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.

Pests. Customer shall properly store food and other items which attract pests and rodents so as to minimize the risk of attracting the same into the Premises.

Odors. Customer shall not make or permit any odor that Landlord deems objectionable to emanate from the Premises.

Sleeping. No person shall use the Premises as sleeping quarters, sleeping apartments, or lodging rooms.

Permits. Customer shall obtain all permits or licenses necessary to conduct its business.

Sports. Sporting activities (including by way of example only football, baseball, lacrosse, frisbees, and basketball) shall be permitted only in an area within the Office Park designated by Landlord, if any.

CUSTOMER: Lower Brushy Creek WCID

X

James R Clarno, PE, General Manager

Date

CORPORATE GUARANTY

WHEREAS, North Forest Office Space - Austin, LLC ("Landlord") and Lower Brushy Creek WCID ("Customer"), are parties to that certain lease agreement dated 01/17/2025 (the "Lease"), covering certain premises located at 351 Exchange Blvd Bldg 2, Suite 230 Hutto TX, 78634 (the "Premises"); and

WHEREAS, the Landlord requires that the undersigned unconditionally becomes a guarantor to Landlord for the obligations of Customer under the Lease; and

NOW THEREFORE, in consideration of good and valuable consideration and intending to be legally bound hereby, the undersigned hereby unconditionally becomes a guarantor to Landlord, its successors and assigns as follows:

1. The undersigned absolutely, unconditionally, and irrevocably guarantees the full, faithful and punctual performance of each and all of the covenants, agreements and conditions of the Lease, including the payment of all rent under the Lease, to be kept and performed by Customer (subject to all applicable notice and/or cure periods set forth in the Lease), in accordance with and within the time prescribed by the Lease (hereinafter collectively referred to as the "Liabilities")
2. Landlord shall have the right from time to time, and at any time in its sole discretion, without notice to or consent from the undersigned, or without affecting, impairing or discharging in whole or in part, the Liabilities or the obligations of the undersigned hereunder, to modify, change, extend, alter, amend, or supplement in any respect whatever, the Lease, or any agreement or transaction between Landlord and Customer or between Landlord and any other party liable for the Liabilities, or any portion or provision thereof; to grant extension of time and other indulgences of any kind to Customer; to compromise, release, substitute, exercise, enforce or fail to refuse to exercise or enforce any claims, rights, or remedies of any kind which Landlord may have at any time against Customer or any other party liable for the Liabilities, or any thereof, or with respect to any security of any kind held by Landlord at any time under any agreement or otherwise.
3. The undersigned as Guarantor waives: (a) all notice, including but not limited to (i) notice of acceptance of this Guaranty; (ii) notice of presentment, demand for payment, or protest of any of the Liabilities, or the obligation of any person, firm, or corporation held by Landlord as collateral security; (b) trial by jury and the right thereto in any proceeding of any kind, whether arising on or out of, under or by reason of this Guaranty, or any other agreement or transaction between the undersigned, Landlord and/or Customer; and (c) all notices of the financial condition or of any adverse or other change in the financial condition of Customer.
4. Landlord may, without notice, assign this Guaranty in whole or in part to Landlord's successor in interest under the Lease, and no assignment of this Guaranty shall operate to extinguish or diminish the liability of the undersigned hereunder.
5. The liability of the undersigned under the Guaranty shall be primary under any right of action which shall accrue to Landlord under the Lease and Landlord may, at its option, proceed against the undersigned without having to commence any action, or have obtained any judgment against Customer.
6. All of the Liabilities and the obligations of the undersigned hereunder shall be immediately due and payable by the undersigned, anything contained herein to the contrary notwithstanding, immediately upon the occurrence of a default under the Lease which continues beyond the expiration of the applicable notice and/or grace period, if any, under the Lease.
7. The waiver of any right by Landlord or its failure to exercise promptly any right shall not be construed as the waiver of any other right including the right to exercise the same at any time thereafter. No waiver or modification of any of the terms or conditions of this Guaranty shall be binding against Landlord unless such waiver or modification is in a writing signed by Landlord.
8. The provisions of the Guaranty shall bind all of the respective successors and assigns of the undersigned and shall inure to the benefit of Landlord, its successors and assigns.
9. All rights and remedies of Landlord are cumulative and not alternative. This Guaranty is, and shall be deemed to be, a contract entered into under and pursuant to the laws of the State of in which the Premises are located and shall be in all respects governed, construed, applied and enforced in accordance with the laws of said State.
10. The undersigned represents that at the time of the execution and delivery of this Guaranty nothing exists to impair the effectiveness of the obligations of the undersigned to Landlord hereunder, or the immediate taking effect of this Guaranty between the undersigned and Landlord with respect to the undersigned becoming a surety for the Liabilities.
11. This Guaranty shall remain in full force and effect without regard to, and shall not be released, discharged, or in any way impaired by (a) any amendment or modification of, or supplement to, or extension or renewal of the Lease or any assignment or transfer thereof, all of which the undersigned consents to; (b) any exercise or

non-exercise of any right, power, remedy, or privilege under or in respect of the Lease or this Guaranty or any waiver, consent, or approval by Landlord with respect to any of the covenants, terms, conditions, or agreements contained in the Lease or any indulgences, forbearance, or extensions of time for performance or observance allowed to Customer from time to time and for any length of time; (c) the voluntary or involuntary liquidation or dissolution of Customer, the sale of substantially all of the assets of Customer, the marshaling of assets on liabilities, receiverships, conservatorship, insolvency, bankruptcy, assignment for the benefit of creditors, reorganizations, arrangement, composition or readjustment of, or other similar proceeding affecting Customer or any of Customer's assets; (d) any limitation on the liability or obligation of Customer under the Lease or its estate in bankruptcy or of any remedy for the enforcement thereof, resulting from the operation of any present or future provision of the National Bankruptcy Act or other statute or from the decision of any court; or (e) any extension, forbearance, or lenience extended by Landlord to Customer.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed on 03/01/2025.

Guarantor: , a Limited Liability Company / Corporation

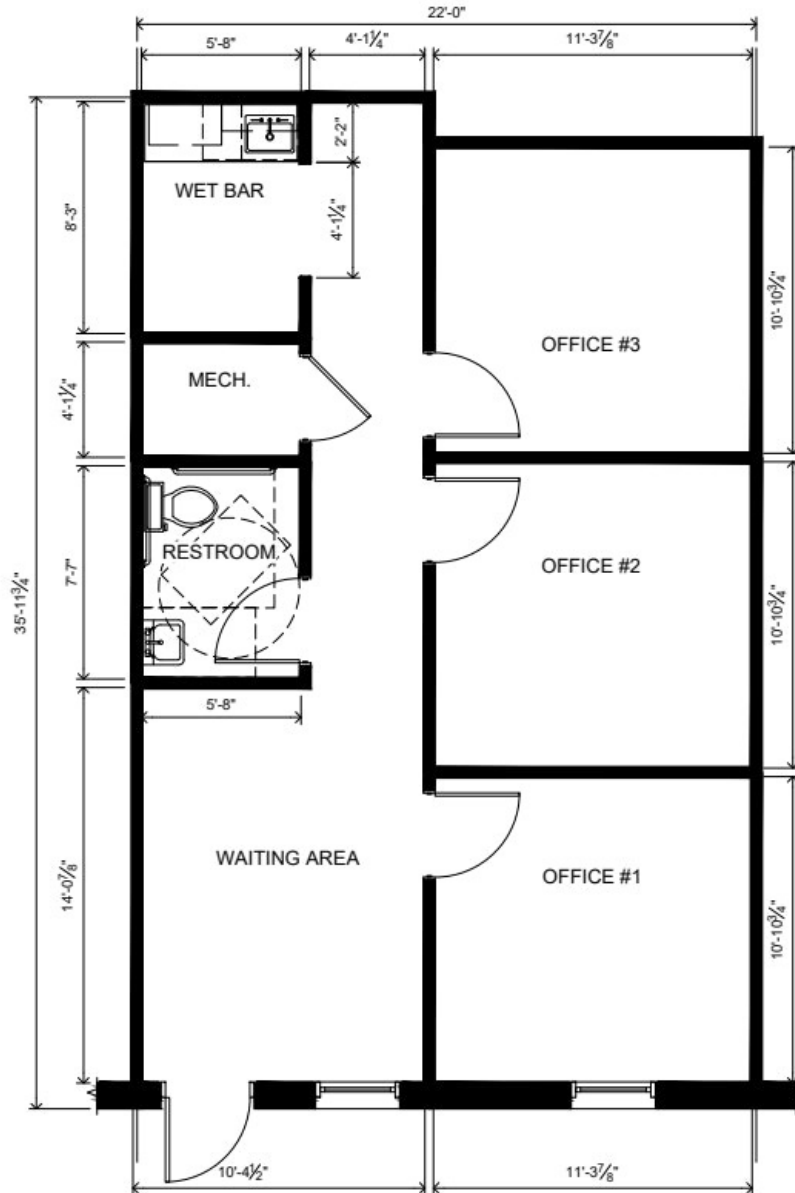
Signature:

Printed Name:

Title:

Date:

EXHIBIT A



Copyright © 2025 North Forest Development, LLC. These Plans Are The Exclusive Design Of North Forest Development, LLC. All Rights Reserved. Any Use Or Reproduction Of These Plans In Whole Or In Part Is Strictly Prohibited.

305 N. HEATHERWILDE BLVD , SUITE 250 PFLUGERVILLE, TX 78660 | PHONE (512) 515-1553 | FAX (512) 515-1554 | NORTHFOREST.COM

Lower Brushy Creek WCID

Regular Called Meeting of the Board of Directors

January 27, 2025

Item 6. General Managers Report



LOWER BRUSHY CREEK WCID

PO Box 467, Georgetown, Texas 78627
601 Quail Valley Drive, Georgetown, Texas 78626

LowerBrushyCreekWCID@gmail.com

TO: President and Members of the Board
FROM: Jim Clarno, General Manager
DATE: January 24, 2025
SUBJECT: General Manager's Report

Administration

- Office lease – we have outgrown the current single office space in the Executive Office complex in Georgetown. We have considered several options including renting space in Taylor, leasing a second office space at our current location or moving to a new business office complex in Hutto. The new office alternative in Hutto is a great layout that would provide adequate room for current and future staff, and is more efficient and less expensive than any other options. The new office will also allow cancellation of the storage space at Public Storage and our box at the Georgetown Post Office.
- Employee Manual – a representative from the Texas Counties and Districts Retirement Fund will make a presentation at the February Board meeting.
- The 2025 Taylor Chamber and Community Awards Banquet will be held at the Expo Center on February 10th.
- “Manual for Encroachments” is on the January agenda for consideration and approval.
- Easement Refresh Project – additional groups of easements are being completed for execution by Ed Komandosky and filing with the County Clerk. Now looking at completion of this project in the spring.

Operation & Maintenance

- The “Manual for Operation and Maintenance of Dams” has been approved. The addition of “Guidelines for Access Within District Easements” is on the January agenda for consideration and approval.
- TerraSol has completed fall maintenance and will be authorized shortly to schedule and begin spring maintenance.
- Planned dam inspections with K Friese and M&E Consultants were to begin last Monday. Two new employees from TCEQ will attend as part of their training. This is being rescheduled

Engineering

- Capital Improvements Program – TAWS and the TSSWCB have been meeting with staffs of key Senators to increase funding for the Flood Control Program for the next biennium.
- Freese and Nichols
 - Emergency Action Plan – TCEQ reviewing last breach studies, Sue has updated all names and phone number on contact lists. Our goal is to have the overall document approved by the end of the year.
 - Principal Spillway Conduit Repairs – 90% plans should be completed in February. The schedule for bidding, award and construction is being prepared. Hopefully, this work can be done over the summer with water levels are traditionally low.
- Site 18 Easement acquisitions
 - Exec Session scheduled
- Site 25 and 29 Rehabilitation
 - The Final Report has been reviewed and approved by NRCS. A single final public hearing for the two projects will be scheduled in late February.
- Local Hazard Mitigation Study - Work by the consultant continues. No meeting have been scheduled.

Development

- Site 18 – Wilco Thrall 79 WWTP LLC – WQ0016391001
A draft effluent permit has been prepared by TCEQ for a 3,000,000 gpd wastewater treatment plant (WWTP) upstream of Site 18. A public hearing was held on April 29th. The WCID provided both written and oral objections to the permit as drafted. A second public hearing is now scheduled in March.
- Site 29 – CSW Taylor 973 LP – WQ0016438001
A draft permit has recently been prepared by TCEQ for a 260,000 gpd WWTP upstream of Site 29. The WCID will likely provide written objection to the permit. Concerns will be construction within the WCID easement and quality of the effluent.
- Site 9 – South Central Water Company – WQ0016558001
A permit application for a 800,000 gpd WWTP upstream of Site 18 has been submitted to TCEQ and is under review. The WCID will likely provide written objections to the permit for the quality of the effluent.

2025

LBCWCID Director Meetings

January						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

March						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

April						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

September						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

December						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

- Jan 27
- Feb 17
- Mar 17
- Apr 21
- May 19
- Jun 16
- Aug 04
- Sep 08
- Oct 20
- Nov 17
- Dec 15

Lower Brushy Creek WCID
Board of Directors
Upcoming Dates and Events:

February 17, 2025: Board Meeting

March 17, 2025: Board Meeting

April 21, 2025: Board Meeting

April 26, 2025: EXPO

May 19, 2025: Board Meeting

June 16, 2025: Board Meeting

August 4, 2025: Board Meeting

*September 3, 2025: **Possible Tax Hearing*

September 8, 2025: Board Meeting

October 20, 2025: Board Meeting

November 17, 2025: Board Meeting

December 15, 2025: Board Meeting