

4. The Board then considered approval of the contract between GBRA and the District for financing the Lake Dunlap Dam Improvement Project. Director Harrison reported that TCEQ had issued correspondence indicating that dam armoring would be required for the project. The Board discussed the cost of the armoring. After extensive discussion, Director Johnson moved that the Board approve the GBRA contract subject to incorporation of a revision that obligates GBRA to fund one-half of the armoring costs. Director Schaub seconded the motion, which carried unanimously (5-0).

5. The Board then discussed the principal amount of the GBRA bonds to be issued for financing the project. Director Harrison reported that the Texas Water Development Board had changed the proposed terms of financial assistance to GBRA to include interest. He also reported that the grant monies would no longer be available. After discussion, the Board concurred that its prior decision to approve the issuance of \$40 million principal amount of bonds should remain in effect.

6. The Board considered an updated Resolution Approving the Issuance by GBRA of up to \$40,000,000 in Contract Revenue Bonds for the Project and containing other matters relating to thereto. Directors Harmon moved that the Board adopt the Resolution. Director Johnson seconded the motion, which carried unanimously (5-0).

7. The Board took no action related to adoption of a resolution relating to public communications.

8. Upon a motion by Director Harmon that was seconded by Director Moeller, the Board adjourned the meeting at approximately 10:47 a.m.

(SEAL)

Secretary, Board of Directors