

**EXHIBIT**

**“A”**

**MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (“MOU”) is made by and among the Brushy Creek Regional Utility Authority (“BCRUA”), the City of Round Rock, Texas (“CORR”), and Tom Gallier, (“Gallier”).

**RECITALS**

**WHEREAS**, there is an existing Interlocal Agreement (“ILA”) between BCRUA and CORR dated the 25<sup>th</sup> day of March, 2010, related in part to CORR’s agreement to provide to BCRUA one of CORR’s employees to serve as General Manager (“GM”) of BCRUA; and

**WHEREAS**, pursuant to the terms of the ILA, CORR and BCRUA agreed that Gallier was an acceptable individual to take on the duties of GM of the BCRUA; and

**WHEREAS**, pursuant to the terms of the ILA, CORR has and continues to pay the GM for his services, which costs were and are reimbursed to CORR by the BCRUA and its member cities; and

**WHEREAS**, when the ILA was entered into, BCRUA and CORR anticipated that the GM position would be a part-time position requiring approximately 15 to 20 hours per week; and

**WHEREAS**, the GM currently receives compensation at the rate of \$80/hour plus applicable CORR benefits; and

**WHEREAS**, over the past couple of years, the work load has increased so that the GM is now averaging approximately 25 hours per week; and

**WHEREAS**, the parties now anticipate that the work load will continue to increase over the next several months to the point that the GM position will soon become a full-time position; and

**WHEREAS**, Gallier has indicated to BCRUA and to CORR that he is not interested in a full-time general manager position; and

**WHEREAS**, the BCRUA will soon begin the process of advertising for and recruiting a General Manager to replace Gallier; and

**WHEREAS**, the purpose of this MOU is to set out the understanding of the parties to accomplish a smooth transition period between the current part-time GM position to a full-time GM position;

**WHEREAS**, the parties acknowledge that the terms and conditions listed herein are not legally binding against any party, but merely serve as a memorandum of the current understanding of the parties;

**NOW THEREFORE**, BCRUA, CORR, and Gallier agree to work cooperatively and in good faith to provide for a smooth period of transition from the current part-time GM position to a full-time GM position.

## **ARTICLE I.** **GENERAL MANAGER'S CURRENT COMPENSATION**

The GM is currently being compensated at the rate of \$80.00 per hour plus standard CORR employee benefits. This compensation package was based on the assumption that the GM would be a part-time position with an average work load of approximately 15 hours per week.

## **ARTICLE II.** **GENERAL MANAGER'S WORKLOAD**

As stated above, the GM's initial work load was approximately 15 hours per week. As a result of several factors, including pending litigation, the expansion of the treatment plant, and the design and right-of-way acquisition for Phase 2, the work load is now averaging close to 25 hours per week. Because of anticipated increased activity in all aspects of the BCRUA, it is expected that over the next several months the work load will soon approach 30 hours and even more per week.

The parties all recognize that over time the work load will increase to the point that it will be necessary for the GM to become a full-time employee. The parties also recognize that as that time approaches, it will be appropriate for the GM to be a direct employee of the BCRUA rather than an employee of the CORR.

Gallier has informed the BCRUA and the CORR that while he is happy in his current part-time GM position, he is not interested in a full-time position.

## **ARTICLE III.** **TRANSITION FROM PART-TIME TO FULL-TIME GM POSITION**

The parties agree that it is in their best interest to provide for a smooth transition from the current part-time GM position to a full-time GM position. Accordingly, the parties agree to the transition process as set forth below.

Gallier will continue to be an employee of the CORR. However, rather than compensating him by the hour, Gallier will receive an annual salary of \$125,000.00, plus applicable CORR benefits. Gallier will be expected to devote whatever time and effort is required to adequately perform the duties and responsibilities of GM. BCRUA and CORR recognize that a significant portion of the GM duties can be performed outside of the BCRUA office.

The parties agree that it is in the best interest of BCRUA for Gallier to remain as GM for as long as it takes for BCRUA to recruit and hire a new full-time GM. If requested by the BCRUA, Gallier is also willing to continue to work for a period of time to train the new GM. It is anticipated that the recruiting, hiring, and training process will take less than 12 months.

#### **ARTICLE IV** **LEGAL EFFECT OF MOU**

This MOU is intended to provide an outline of the current understanding of the parties hereto, and is not intended to legally bind the parties to the terms and conditions stated herein. The parties, however, agree that the terms and conditions stated herein are reasonable and provide an outline for future actions by the parties.

Executed and effective this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

BRUSHY CREEK REGIONAL UTILITY  
AUTHORITY

By: 

Frank Leffingwell, President

CITY OF ROUND ROCK, TEXAS

By: \_\_\_\_\_

Craig Morgan, Mayor



Tom Gallier