



Board Agenda

Wednesday, Feb. 18, 2026
LCRA General Office Complex
Board Room – Hancock Building
3700 Lake Austin Blvd.
Austin, TX 78703
Earliest start time: 11 a.m.

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Item From the General Manager

General Manager’s Update

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- 10. Proposed Amendment to Water Management Plan for Lakes Buchanan and Travis 26

***This agenda item requires the approval of at least 12 members of the Board.**

Executive Session

1. Critical Infrastructure Matters – Critical Enterprise Risks
2. Competitive Electric Matters, Including Generation and Generation Project Updates, Market and Risk Updates, Resource Planning, Resource Options and Agreements
 - a. Competitive Electric Matters – Commodities
 - b. Competitive Electric Matters – New Build and Construction Contracts
 - c. Competitive Electric Matters – Contract Extensions Update
3. Legal Advice on Pending and Anticipated Litigation, Claims and Settlements
4. Legal Advice on Legal Matters

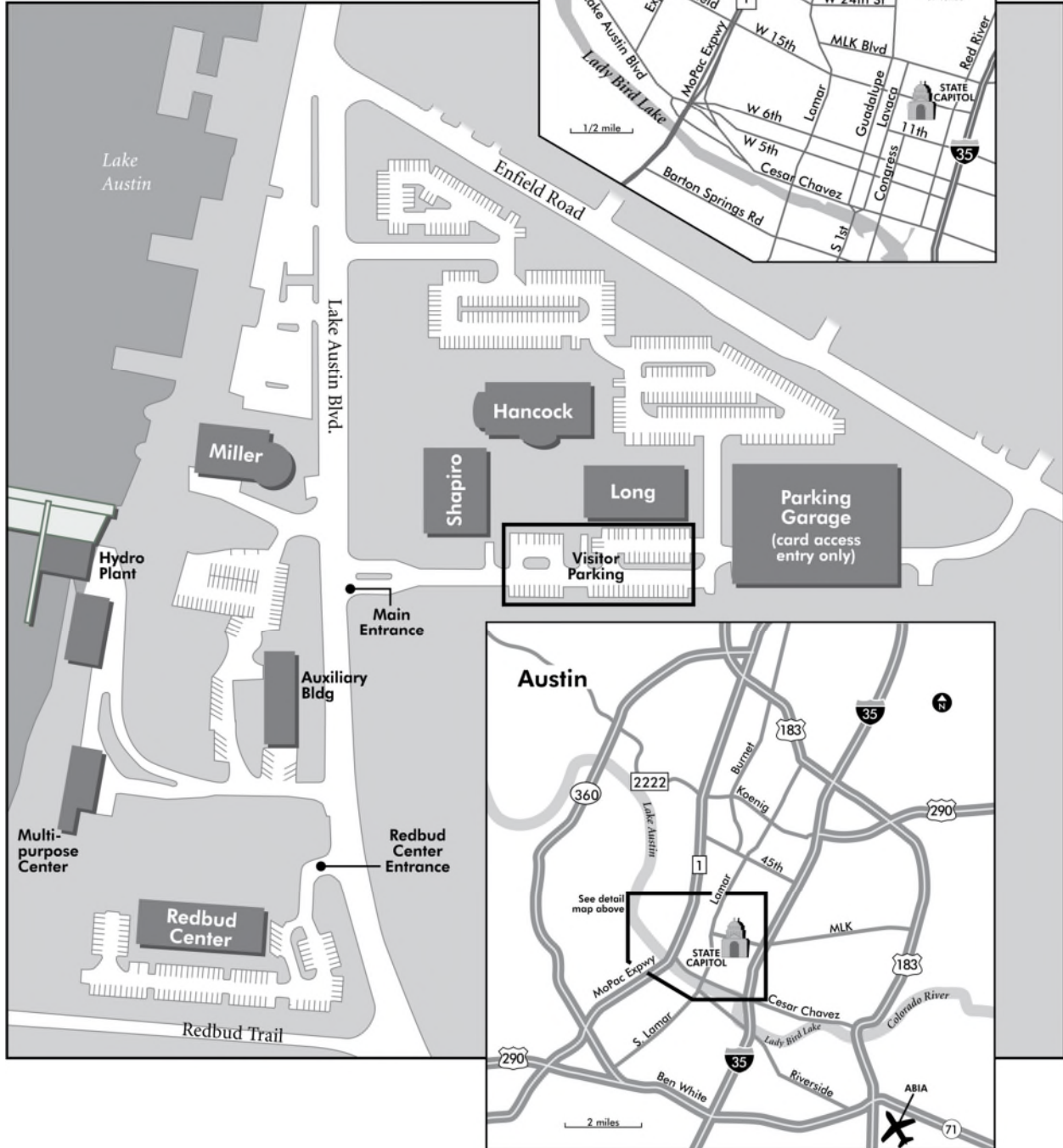
The Board also may go into executive session on any item listed above, pursuant to Chapter 551 of the Texas Government Code, including, but not limited to, sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code.

Legal Notice

Legal notices are available on the Texas secretary of state website 72 hours prior to the meeting at the following link: <https://www.sos.texas.gov/open/index.shtml>

LCRA General Office Complex Location Map

3700 Lake Austin Blvd.
Austin, Texas



1. Comments From the Public

Summary

This part of the meeting is intended for comments from the public on topics under LCRA's jurisdiction. Per the Open Meetings Act, for topics not related to an item listed on the Board of Directors agenda, the Board cannot respond to or take action during public comments.

In order to address the Board, a member of the public is required to sign and complete the registration form at the entrance to the meeting room. Please see the Protocols for Public Communication at Board and Committee Meetings as shown in Exhibit A for details.

Any member of the public wishing to comment on an item listed on this agenda will be called to make comments at the appropriate time.

Exhibit(s)

A – Protocols for Public Communication at Board and Committee Meetings

EXHIBIT A

PROTOCOLS FOR PUBLIC COMMUNICATION AT BOARD AND COMMITTEE MEETINGS

Approved by the LCRA Board of Directors on Dec. 11, 2018

- 1. Oral Presentations on Issues Under LCRA's Jurisdiction.** Any person wishing to make an oral presentation at a Board meeting on any matter under LCRA's jurisdiction must complete a registration form that indicates the agenda item or other topic on which they wish to comment, along with the speaker's name, address and other relevant information. Any person making an oral presentation to the Board may distribute related materials to the Board at the meeting.
- 2. Time Allocation.** The presiding officer may limit the length of time for each speaker. Speakers may not trade or donate time to other speakers without permission from the presiding officer, and repetitive testimony shall be minimized.
- 3. Rules of Decorum.** Speakers and members of the audience must avoid disruptive behavior that interferes with the orderly conduct of a public meeting. Placards, banners, and hand-held signs are not allowed in Board or committee meetings, and speakers and members of the audience must avoid personal affronts, profanity, booing, excessive noise, and other disruptive conduct. The presiding officer may direct that anyone who disrupts a meeting be removed from the room.
- 4. Recording.** Any person making an audio or video recording of all or any part of a Board meeting must do so in a manner that is not disruptive to the meeting. During a meeting, members of the public must remain in or behind the public seating area and are not permitted to record from any other area of the meeting room.
- 5. Committee Meetings.** The protocols outlined in 1-4 above also apply to members of the public wishing to address any LCRA Board committee whose membership comprises the entirety of the LCRA Board on matters within the scope of each of those committees.

FOR ACTION (CONSENT)

2. Sale of Land in Llano County (Parcel BW-04)

Proposed Motion

Declare an approximately 0.092-acre tract of land, being a portion of LCRA Parcel BW-04 in Llano County, nonessential, and authorize the general manager or his designee to sell the land to the adjoining landowners.

Board Consideration

Section 8503.020(b) of the Texas Special District Local Laws Code requires the approval of at least 12 members of the LCRA Board of Directors to convey any interest in real property. LCRA Board Policy 401 – Land Resources requires at least 12 members of the LCRA Board to declare the land no longer necessary or of beneficial use to the business of LCRA before conveyance. Additionally, Section 8503.020 of the Texas Special District Local Laws Code and LCRA Board Policy 401 require Board approval of the terms of all land sales before conveyance.

Budget Status and Fiscal Impact

The administrative costs associated with the sale of this land are contained in the fiscal year 2026 business plan. The proceeds of \$7,398 will be credited to the LCRA Strategic Reserve Fund.

Summary

Adjacent landowners Andrew and Novalea O'Brien have asked to purchase an approximately 0.092-acre tract of land owned by LCRA in the community of Buchanan Dam, which will permanently resolve an encroachment onto LCRA property. The sale price of the tract is \$7,398. Real Estate Services staff determined the price based on Llano County Appraisal District's assessed values of O'Brien's adjacent lot and other nearby waterfront lots.

The property will be sold subject to the following reservations and restrictions:

1. LCRA will reserve all presently held oil, gas and other mineral rights of every kind or character in, on and under the property, provided that LCRA shall not be permitted to drill or excavate for minerals on the surface of the property.
2. LCRA will retain a 20-foot-wide recreational easement abutting the high-water line of Lake Buchanan for use by the public as required by Section 8503.023(d) of the Texas Special District Local Laws Code.
3. LCRA will retain the right to inundate all or any part of the property with water from time to time without any compensation.

LCRA staff will comply with environmental and cultural resource due diligence procedures set forth in Board Policy 401.403 – Land Disposition prior to the sale of the property.

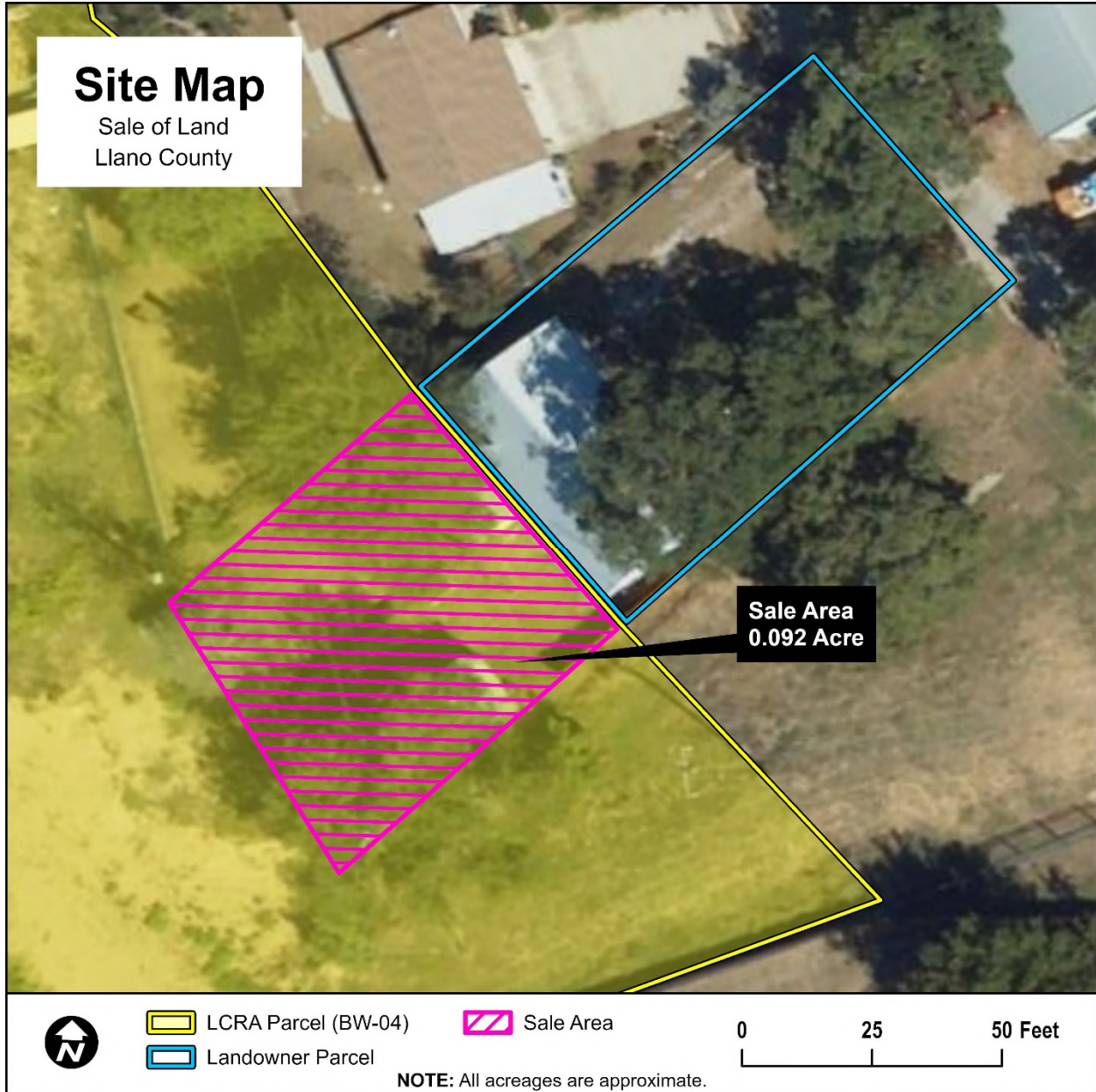
Exhibit(s)

- A – Vicinity Map
- B – Site Map

EXHIBIT A



EXHIBIT B



FOR ACTION (CONSENT)

3. Directors' Fees, Expenses

Proposed Motion

Approve directors' fees and the reimbursement of directors' expenses.

Board Consideration

LCRA Board Policy 105 – Directors' Fees and Expense Reimbursement and Section 2.08 – Per Diem and Expenses of the LCRA bylaws require Board of Directors approval for directors' fees and expenses.

Budget Status and Fiscal Impact

The budget in the business plan provides for directors' fees and expenses.

Summary

LCRA Board Policy 105 establishes guidelines for the payment of fees and reimbursement of the expenses that directors incur as they carry out their responsibilities as LCRA Board members.

FOR ACTION (CONSENT)

4. Minutes of Prior Meeting

Proposed Motion

Approve the minutes of the Jan. 28, 2026, LCRA Board of Directors meeting.

Board Consideration

Section 2.04 of the LCRA bylaws requires the secretary to keep minutes of all meetings of the Board.

Budget Status and Fiscal Impact

Approval of this item will have no budgetary or fiscal impact.

Summary

Staff presents the minutes of each meeting to the Board for approval.

Exhibit(s)

A – Minutes of Jan. 28, 2026, LCRA Board meeting

EXHIBIT A

LCRA Board of Directors
Minutes Digest
Jan. 28, 2026

- 26-01 Authorization for the general manager or his designee to grant two access easements across an LCRA-owned irrigation canal in the Gulf Coast Irrigation Division in Matagorda County.
- 26-02 Authorization for the general manager or his designee to convey two electric distribution easements to Bluebonnet Electric Cooperative across portions of LCRA parcels LB-20 and LB-21 in Bastrop County.
- 26-03 Declaration of an approximately 24.44-acre tract of land, being an unused portion of LCRA's Skelly Lateral canal in Matagorda County, nonessential, and authorization for the general manager or his designee to sell the property to the adjacent landowner.
- 26-04 Approval of directors' fees and the reimbursement of directors' expenses.
- 26-05 Approval of the minutes of the Dec. 9, 2025, LCRA Board of Directors meeting.
- 26-06 Approval of the Capital Improvement Project Approval Request for the Rural Broadband Middle-Mile Expansion project.
- 26-07 Approval of updated interruptible agricultural water rates for the Garwood, Gulf Coast and Lakeside agricultural divisions.
- 26-08 Authorization for the general manager or his designee to negotiate and execute Contract No. 7001 (S&K Electrical Contracting, LLC).

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER COLORADO RIVER AUTHORITY
Austin, Texas
Jan. 28, 2026

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of the Lower Colorado River Authority (LCRA) convened in a regular meeting at 1:58 p.m. Wednesday, Jan. 28, 2026, in the Board Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The following directors were present, constituting a quorum:

Stephen F. Cooper, Chair
Martha Leigh M. Whitten, Vice Chair
Joseph M. "Joe" Crane, Secretary
Matthew L. "Matt" Arthur
Melissa K. Blanding
Curtis E. Ford
Carol Freeman
Thomas L. "Tom" Kelley [via videoconference]
Aden Lasseter
Robert "Bobby" Lewis
Mark Mayo
Margaret D. "Meg" Voelter
David R. Willmann [via videoconference]
Nancy Eckert Yeary

Chair Cooper convened the meeting at 1:58 p.m.

There were no comments from the public during the meeting [Agenda Item 1].

General Manager Phil Wilson gave the Board an update on LCRA's response and performance during the recent Winter Storm Fern.

Chief Financial Officer Jim Travis presented financial highlights for LCRA covering December 2025 and the fiscal year to date [Agenda Item 2].

The Board next took action on the consent agenda. Upon motion by Director Lewis, seconded by Director Yeary, the Board unanimously approved consent items 3, 4, 5, 6 and 7 by a vote of 14 to 0 as follows:

26-01 Authorization for the general manager or his designee to grant two access easements across an LCRA-owned irrigation canal in the Gulf Coast Irrigation Division in Matagorda County, as recommended by staff in Consent Item 3 [attached hereto as Exhibit A].

26-02 Authorization for the general manager or his designee to convey two electric distribution easements to Bluebonnet Electric Cooperative across portions of LCRA parcels LB-20 and LB-21 in Bastrop County, as recommended by staff in Consent Item 4 [attached hereto as Exhibit B].

26-03 Declaration of an approximately 24.44-acre tract of land, being an unused portion of LCRA's Skelly Lateral canal in Matagorda County, nonessential (no longer necessary, convenient or of beneficial use to the business of LCRA), and authorization for the general manager or his designee to sell the property to the adjacent landowner, as recommended by staff in Consent Item 5 [attached hereto as Exhibit C].

26-04 Approval of directors' fees and the reimbursement of directors' expenses, as recommended in Consent Item 6 [attached hereto as Exhibit D].

26-05 Approval of the minutes of the Dec. 9, 2025, LCRA Board of Directors meeting [Consent Item 7.]

26-06 Executive Vice President of Enterprise Resources Stephen Kellicker presented for consideration a staff recommendation, described in Agenda Item 8 [attached hereto as Exhibit E], that the Board approve the Capital Improvement Project Approval Request for the Rural Broadband Middle-Mile Expansion project. Upon motion by Director Crane, seconded by Director Voelter, the recommendation was unanimously approved by a vote of 14 to 0.

26-07 Senior Vice President of Water Operations Kelly Payne presented for consideration a staff recommendation, described in Agenda Item 9 [attached hereto as Exhibit F], that the Board approve updated interruptible agricultural water rates for the Garwood, Gulf Coast and Lakeside agricultural divisions. [The Board received public comments and discussed LCRA's proposed interruptible agricultural water rates for calendar year 2026 earlier in the day during the Water Operations Committee meeting. The Board also received written comments on this item.] Upon motion by Vice Chair Whitten, seconded by Director Mayo, the recommendation was unanimously approved by a vote of 14 to 0.

26-08 Senior Vice President of Supply Chain Matt Chavez presented for consideration a staff recommendation, described in Agenda Item 10 [attached hereto as Exhibit G], that the Board authorize the general manager or his designee to negotiate and execute Contract No. 7001 (S&K Electrical Contracting, LLC). Upon motion by Director Crane, seconded by Vice Chair Whitten, the recommendation was unanimously approved by a vote of 14 to 0.

Chair Cooper declared the meeting to be in executive session at 2:20 p.m. pursuant to sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code. Executive session ended, and Chair Cooper declared the meeting to be in public session at 3:06 p.m.

There being no further business to come before the Board, the meeting adjourned at 3:06 p.m.

Joseph M. Crane
Secretary
LCRA Board of Directors

Approved: Feb. 18, 2026

FOR ACTION

5. Authorize a Note Purchase Agreement Related to the LCRA Revenue Revolving Notes, Series C and Taxable Series C, and Authorize Related Agreements

Proposed Motion

Staff recommends the Board of Directors approve the resolution authorizing a note purchase agreement (the Series C Agreement) with U.S. Bank N.A. or another bank to be determined related to LCRA Series C and Taxable Series C Revenue Revolving Notes (the Series C Notes) for a term not to exceed three years, and authorizing the general manager, chief financial officer or treasurer to negotiate and execute such Series C Agreement, which may be an amendment of the existing agreement related to the Series C Notes. Staff also seeks authorization for the general manager or his designee to negotiate and execute related documents, setting forth the terms and conditions governing the issuance of the debt in an amount up to \$160 million for the Series C Notes and authorizing any other necessary agreements. This agenda item requires the approval of at least 12 members of the Board.

Board Consideration

The extension of the credit facility supporting the Series C Notes requires Board authorization and complies with the covenants of the Master Resolution and with LCRA Board Policy 301 – Finance. Section 8503.004(p) of the Texas Special District Local Laws Code authorizes the Board to issue debt under certain conditions, including the requirement that 12 members must approve this action.

Budget Status and Fiscal Impact

Staff anticipates the Series C Agreement will allow LCRA to issue private bank debt either on a tax-exempt or taxable basis to finance eligible projects and delay the issuance of long-term bonds, which may have higher interest rates in the current market. Staff anticipates LCRA will experience lower debt service costs until long-term bonds are issued. The proposed fees for this facility are in line with current market pricing.

Summary

Staff recommends the Board approve the resolution and authorize the general manager, chief financial officer or treasurer to negotiate with a bank and execute the Series C Agreement, which may be an amendment of the existing agreement with U.S. Bank related to the Series C Notes and in the form of an amended and restated agreement, and authorize the general manager or his designee to negotiate and execute any other related documents.

The Series C Agreement will continue to allow LCRA to sell Series C Notes directly to the bank up to \$160 million. Each of the Series C Notes issued will have a maximum 364-day term. The direct purchase facility with the bank provides an alternative

structure that eliminates marketing and remarketing risk that can occur with a public market commercial paper program. This private debt facility structure does not require public credit ratings to be issued and maintained. The credit facility allows LCRA to choose between taxable or tax-exempt debt, the variable interest rate, and period to effectively manage the debt.

The Series C Notes will be issued on parity with LCRA revenue bonds and notes pursuant to the Master Resolution and in compliance with the variable debt limitations in LCRA Board Policy 301 – Finance (25% of total capitalization). LCRA’s other short-term debt programs include: \$250 million commercial paper program supported by a letter of credit with Truist Bank; \$100 million private revolving notes program supported by a note purchase agreement with JPMorgan N.A.; \$200 million private revolving notes program supported by a note purchase agreement with PNC Bank, N.A.; and two letters of credit with Truist Bank and Wells Fargo Bank N.A. to provide credit to the Electric Reliability Council of Texas. Similar to LCRA’s other short-term debt, Series C Notes will be secured by a pledge of LCRA revenues and may be refunded with long-term debt when it is advantageous.

Presenter(s)

Jim Travis
Chief Financial Officer

FOR ACTION

6. Authorize a Note Purchase Agreement Related to the LCRA Revenue Revolving Notes, Series D and Taxable Series D, and Authorize Related Agreements

Proposed Motion

Staff recommends the Board of Directors approve the resolution authorizing a note purchase agreement (the Series D Agreement) with JP Morgan Chase Bank, N.A. or another bank to be determined related to LCRA Series D and Taxable Series D Revenue Revolving Notes (the Series D Notes) for a term not to exceed three years, and authorizing the general manager, chief financial officer or treasurer to negotiate and execute such Series D Agreement, which may be an amendment of the existing agreement related to the Series D Notes. Staff also seeks authorization for the general manager or his designee to negotiate and execute related documents, setting forth the terms and conditions governing the issuance of the debt in an amount up to \$100 million for the Series D Notes and authorizing any other necessary agreements. This agenda item requires the approval of at least 12 members of the Board.

Board Consideration

The extension of the credit facility supporting the Series D Notes requires Board authorization and complies with the covenants of the Master Resolution and with LCRA Board Policy 301 – Finance. Section 8503.004(p) of the Texas Special District Local Laws Code (LCRA Act) authorizes the Board to issue debt under certain conditions, including the requirement that 12 members must approve this action.

Budget Status and Fiscal Impact

Staff anticipates the Series D Agreement will allow LCRA to issue private bank debt either on a tax-exempt or taxable basis to finance eligible projects and delay the issuance of long-term bonds, which may have higher interest rates in the current market. Staff anticipates LCRA will experience lower debt service costs until long-term bonds are issued. The proposed fees for this facility are in line with current market pricing.

Summary

Staff recommends the Board approve the resolution and authorize the general manager, chief financial officer or treasurer to negotiate with a bank and execute the Series D Agreement, which may be an amendment of the existing agreement with JP Morgan Chase Bank, N.A. related to the Series D Notes and in the form of an amended and restated agreement and authorize the general manager or his designee to negotiate and execute any other related documents.

The Series D Agreement will continue to allow LCRA to sell Series D Notes directly to the bank up to \$100 million. Each of the Series D Notes issued will have a maximum 364-day term. The direct purchase facility with the bank provides an alternative

structure that eliminates marketing and remarketing risk that can occur with a public market commercial paper program. This private debt facility structure does not require public credit ratings to be issued and maintained. The credit facility allows LCRA to choose between taxable or tax-exempt debt, the variable interest rate, and period to effectively manage the debt.

The Series D Notes will be issued on parity with LCRA revenue bonds and notes pursuant to the Master Resolution and in compliance with the variable debt limitations in LCRA Board Policy 301 – Finance (25% of total capitalization). LCRA’s other short-term debt programs include: \$250 million commercial paper program supported by a letter of credit with Truist Bank; \$160 million private revolving notes program supported by a note purchase agreement with U.S. Bank N.A.; \$200 million private revolving notes program supported by a note purchase agreement with PNC Bank, N.A.; and two letters of credit with Truist Bank and Wells Fargo Bank N.A. to provide credit to the Electric Reliability Council of Texas. Similar to LCRA’s other short-term debt, Series D Notes will be secured by a pledge of LCRA revenues and may be refunded with long-term debt when it is advantageous.

Presenter(s)

Jim Travis

Chief Financial Officer

FOR ACTION

7. Approve an LCRA Transmission Contract Revenue Notes Series E Note Purchase Agreement and Authorize Related Agreements

Proposed Motion

Staff recommends the Board of Directors approve the supplemental resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program (Controlling Resolution) to authorize a note purchase agreement (the Series E Agreement) with LCRA Transmission Services Corporation (LCRA TSC) and U.S. Bank N.A. or another bank to be determined related to LCRA TSC Series E for a term not to exceed three years and authorizing the general manager, chief financial officer or treasurer to negotiate and execute such Series E Agreement, which may be an amendment of the existing agreement related to the Series E Notes. Staff also seeks authorization for the general manager or his designee to negotiate and execute related documents, setting forth the terms and conditions governing the issuance of the debt in an amount up to \$100 million for the Series E Notes and authorizing any other necessary agreements. This agenda item requires the approval of at least 12 members of the Board.

Board Consideration

The extension of the credit facility supporting the Series E Notes requires Board authorization and complies with the covenants of the Controlling Resolution and with LCRA Board Policy 301 – Finance. Section 8503.004(p) of the Texas Special District Local Laws Code authorizes the Board to issue debt under certain conditions, including the requirement that 12 members must approve this action.

Budget Status and Fiscal Impact

Staff anticipates the Series E Agreement will allow LCRA to issue private bank debt on behalf of LCRA TSC to finance eligible projects and delay the issuance of long-term bonds, which may have higher interest rates in the current market. Staff anticipates LCRA TSC will experience lower debt service costs until long-term bonds are issued. The proposed fees for this facility are in line with current market pricing.

Summary

Staff recommends the Board approve the resolution and authorize the general manager, chief financial officer or treasurer to negotiate with LCRA TSC and a bank and execute the Series E Agreement, which will be an amendment of the existing agreement with U.S. Bank related to the Series E Notes and in the form of an amended and restated agreement and authorize the general manager or his designee to negotiate and execute any other related documents.

LCRA, as the conduit issuer for LCRA TSC, currently has authorized LCRA TSC to borrow from a \$150 million tax-exempt commercial paper program with JPMorgan Chase Bank, a \$200 million private placement Series C Notes program with Bank of America and a \$100 million private placement Series F Notes program with Frost Bank, in addition to the Series E Notes.

The Series E Agreement will continue to allow LCRA and LCRA TSC to sell Series E Notes directly to the bank up to \$100 million. Each of the Series E Notes issued will have a maximum 364-day term. The direct purchase facility with the bank provides an alternative structure that eliminates marketing and remarketing risk that can occur with a public market commercial paper program. This private debt facility structure does not require public credit ratings to be issued and maintained. The credit facility allows LCRA TSC to choose the variable interest rate and period to effectively manage the debt.

The Series E Notes will be issued on parity with LCRA TSC contract revenue bonds and notes pursuant to the Controlling Resolution and in compliance with the variable debt limitations in LCRA TSC Board Policy T301 – Finance (25% of total capitalization).

A supplement to the restated Transmission Contract Revenue Debt Installment Payment Agreement between LCRA and LCRA TSC, dated March 1, 2003, secures the Series E Notes by obligating LCRA TSC to make all payments related to the notes. The notes may be refunded into long-term debt when the conditions are advantageous to LCRA TSC.

Presenter(s)

Jim Travis
Chief Financial Officer

FOR ACTION

8. Supplemental Resolution and Issuance of LCRA Refunding Revenue Bonds

Proposed Motion

Staff recommends the Board of Directors adopt and approve the Supplemental Resolution (Supplement) to the Master Resolution authorizing the issuance of Refunding Revenue Bonds (Bonds) in one or more series in an amount not to exceed \$400 million for the following purposes: (i) currently refund certain outstanding LCRA revenue bonds; (ii) currently refund portions of the LCRA Commercial Paper Notes, Series B and Taxable Series B (Commercial Paper Notes) and any series of LCRA Revenue Revolving Notes; (iii) fund the debt service reserve fund or purchase a reserve fund obligation for the Bonds; and (iv) pay for issuance costs of the Bonds.

This item requires approval of at least 12 members of the Board.

The resolution also will:

1. Approve related documents, including the bond purchase agreement: escrow agreement; paying agent/registrars agreement, remarketing agreement, if necessary; tender agreement, if necessary; and the preliminary and final official statements in substantially final form. Bond counsel has prepared or reviewed all documents.
2. Delegate authority to the general manager, chief financial officer and/or treasurer to:
 - a. Select all or a portion of LCRA's outstanding debt to be refunded and provide for appropriate notices of redemption/defeasance/prepayment.
 - b. Approve any final changes to said documents necessary to facilitate proper issuance of the Bonds.
 - c. Establish the terms of the Bonds as provided in the resolution (including issuing such bonds in one or more separate series; principal amounts and maturity schedules; interest rates; whether the bonds are taxable or tax-exempt; tender and remarketing provisions, if any; and redemption provisions).
 - d. Select a remarketing agent and a tender agent if the Bonds are to be subject to a mandatory tender provision.
 - e. Approve the terms of the sale of the Bonds to an underwriting team and execute a bond purchase agreement.

Board Consideration

Section 8503.013 of the Texas Special District Local Laws Code (LCRA Act) authorizes the Board to issue debt under certain conditions, including the requirement that 12 members of the Board must concur with the resolution.

Budget Status and Fiscal Impact

The fiscal year 2026 LCRA business plan anticipates the refunding of the Commercial Paper Notes and any series of LCRA Revenue Revolving Notes. Based on current market conditions, moving forward with a refunding of a portion of the

outstanding long-term revenue bonds and short-term debt will be advantageous and provide liquidity and cost savings.

Summary

With this action, the Board will authorize and approve the Bonds issued for the purpose of currently refunding certain outstanding revenue bonds, currently refunding portions of the Commercial Paper Notes and any series of LCRA Revenue Revolving Notes, establishing a debt service reserve fund or reserve fund obligation for the Bonds, and paying for the issuance costs related to the Bonds in a total amount not to exceed \$400 million. The Board also will approve the execution of documents necessary for the sale of the Bonds further described below.

Background

On Sept. 22, 1999, the Board adopted the Master Resolution establishing the Lower Colorado River Authority Revenue Financing Program (Master Resolution). The Master Resolution allows LCRA to enter into obligations, including bonds and other types of obligations, secured by and payable from a lien on and pledge of gross revenues received from LCRA's operations and from other lawfully available funds.

The Supplement authorizes the Bonds, approves the forms of the ancillary agreements relating to such bonds and delegates to the general manager, the chief financial officer and/or the treasurer authority to set the specific terms of such bonds (including maturity; amortization; interest rates; tender and remarketing provisions, if any; redemption provisions; etc.), according to parameters set forth in the Supplement. The Master Resolution, the Supplement and the pricing certificate of the LCRA officers establishing the terms of the Bonds together constitute the authorization of such Bonds. For flexibility, the Bonds may be structured with a mandatory tender provision requiring LCRA to refund or remarket in a shorter time frame than a traditional optional redemption provision. If a mandatory tender structure is utilized, a remarketing agreement and a tender agreement will be authorized to facilitate the tender of the Bonds and possible remarketing of the Bonds on the mandatory tender date.

The bond purchase agreement is the contract between LCRA and the underwriters of the Bonds that establishes the terms of the sale and delivery of such bonds from LCRA to such underwriters. This agreement provides for the conditions for closing on the Bonds, including required legal opinions, and provides for certain limited events that may terminate LCRA's obligation to deliver and/or the underwriters' obligation to accept the Bonds at closing.

The paying agent/registrars agreement is the contract between LCRA and U.S. Bank Trust Company, National Association setting forth the rights, duties and obligations of the two parties under which such bank will act as the paying agent and registrar for the Bonds. The bank will provide paying agent and transfer agent services, maintain registration books, and facilitate providing certain notices for the Bonds, among other services.

The official statement is the document that provides disclosure to prospective investors regarding the terms of the bonds, security, risk factors, and financing and operating information of LCRA.

Use of Proceeds

Proceeds from the Bonds will be used to currently refund certain outstanding LCRA revenue bonds, currently refund certain outstanding Commercial Paper Notes and LCRA Revenue Revolving Notes, fund one or more debt service reserve funds or reserve fund obligation for the Bonds, and pay for issuance costs.

Staff periodically recommends refunding short-term, variable-rate debt with long-term, fixed-rate debt when market conditions are favorable and the short-term debt credit facilities approach their maximum capacity. Staff currently expects the Bonds to be sold and delivered by May 2026, subject to market conditions and the approving opinions of the Office of the Attorney General and bond counsel.

Presenter(s)

Jim Travis
Chief Financial Officer

FOR ACTION

9. Firm Water Contract Renewal for Municipal Use – Jonestown Water Supply Corporation

Proposed Motion

Authorize the general manager or his designee to negotiate and execute the renewal of a firm raw water contract with Jonestown Water Supply Corporation for municipal use of LCRA's firm water supply that would increase the supply to up to 1,626 acre-feet per year for a term of 40 years. The contract will include the addition of 876 acre-feet to the current contract amount of 750 acre-feet.

Board Consideration

Consistent with the LCRA water contract rules, replacement contracts with a maximum annual quantity of 1,000 acre-feet per year or more require Board consideration.

Budget Status and Fiscal Impact

Reservation fees on the additional 876 acre-feet under the new contract will increase revenue by about \$72,270 per year.

Summary

Jonestown Water Supply Corporation has submitted an application to increase its current municipal raw water contract amount from 750 acre-feet per year to 1,626 acre-feet per year for a term of 40 years. Over the past three years, water use by Jonestown WSC has exceeded the current maximum annual quantity by about 10%-20%. The additional 876 acre-feet will supply water to the growing Lake Travis community in and around Jonestown, in northwest Travis County, for the next 40 years.

Staff has reviewed and approved Jonestown WSC's water conservation and drought contingency plans, which limit landscape irrigation to twice per week between May and September and once per week between October and April, reduce water loss through detecting and repairing water line leaks, and provide conservation education and outreach to its customer base.

Staff recommends the Board approve the contract for 1,626 acre-feet per year of firm water supply. Staff also determined there are sufficient firm water supplies in lakes Buchanan and Travis or other sources of supply, including LCRA's run-of-river water rights, to meet the recommended amount.

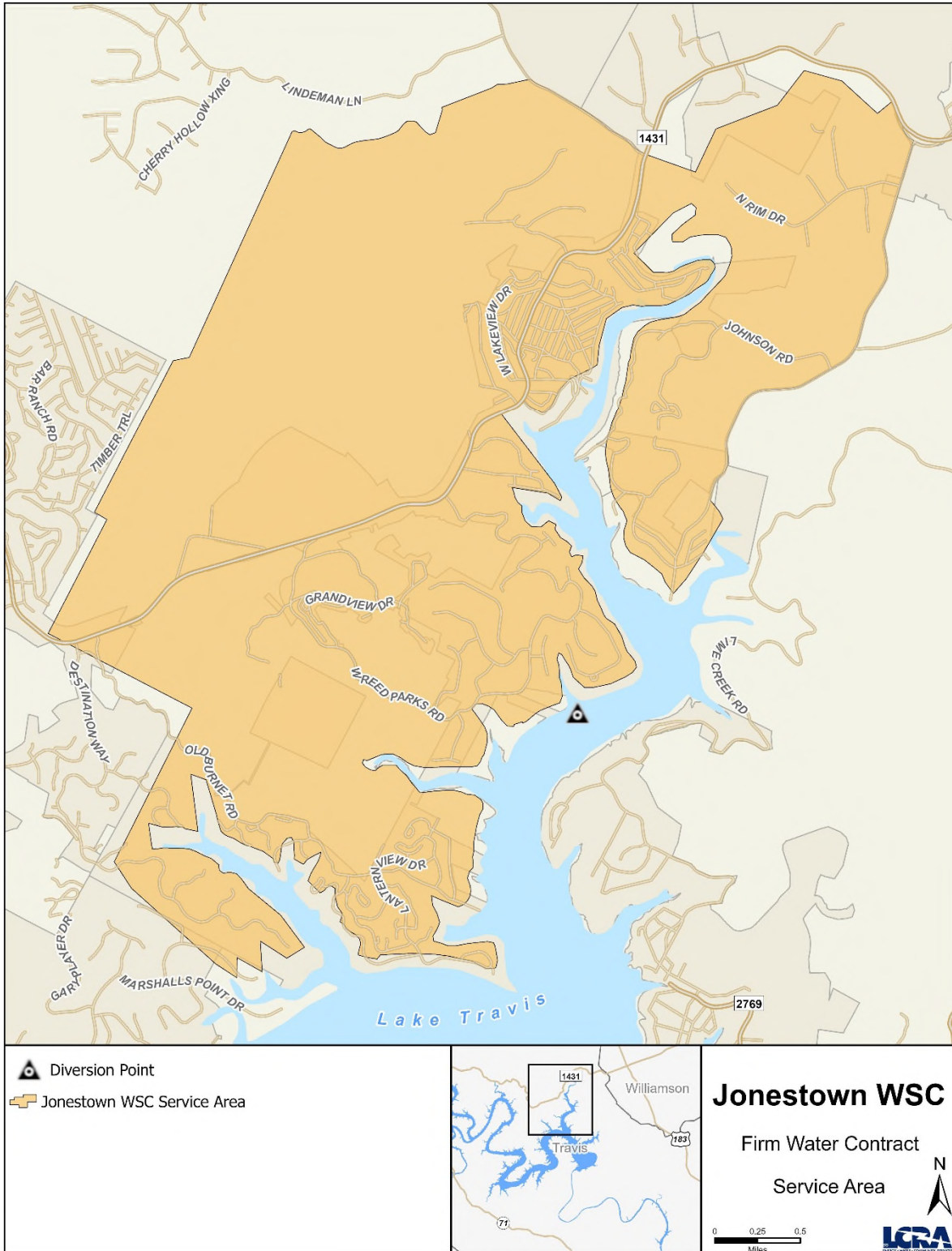
Presenter(s)

Monica Masters
Senior Vice President, Water Resources

Exhibit(s)

A – General Location Map

EXHIBIT A



FOR ACTION

10. Proposed Amendment to Water Management Plan for Lakes Buchanan and Travis

Proposed Motion

Approve the attached resolution authorizing the general manager or his designee to prepare and submit to the Texas Commission on Environmental Quality for review and approval an application to amend the Water Management Plan consistent with this agenda item.

Budget Status and Fiscal Impact

The proposed action would have no budgetary or fiscal impact on the fiscal year 2026 business plan.

Summary

Under LCRA's water rights for lakes Buchanan and Travis, LCRA was required to develop a WMP and amend the plan as needed. The WMP is an operational plan designed to ensure LCRA can meet firm customer demands without shortage through a repeat of the Drought of Record. The WMP sets forth conditions under which LCRA can provide interruptible stored water for irrigated agriculture while protecting firm customers' demands. The WMP also makes water available to help meet the environmental flow needs of the lower Colorado River and Matagorda Bay.

The WMP has been revised periodically based on new information, including changed conditions and new scientific studies. TCEQ in February 2020 approved the current WMP.

The TCEQ order in 2020 approving the WMP required LCRA to begin the process for revising the WMP no later than March 1, 2025. In December 2024, LCRA staff met with TCEQ to discuss the overall framework for the WMP revision. This proposed revision continues to maintain minimum combined storage in lakes Buchanan and Travis above 600,000 acre-feet through a repeat of historic hydrologic conditions and includes three water supply conditions that take into account storage and inflow to determine the supply of interruptible agricultural water. The revision is based on updated firm and interruptible demands reflecting future conditions through 2032 and updated hydrologic data with additional years through 2023.

Beginning in March 2025, LCRA staff held a series of meetings with various interested groups as staff developed the proposed WMP revision. As part of this process, LCRA staff presented hydrologic data and customer demands, and an initial approach for curtailing interruptible stored water and providing water to help meet environmental flow needs in the lower Colorado River and Matagorda Bay. LCRA staff took input from participants throughout the process. During the last participant meeting in November, staff members presented a revised approach that represents the staff recommendation.

Proposed changes to the WMP were posted for public comment from Jan. 5 to Feb. 3, 2026. A copy of the comments received has been provided to the Board under separate cover.

LCRA staff recommends the Board adopt the attached proposed resolution, which authorizes the general manager or his designee to file an application with TCEQ to amend the WMP to incorporate the changes summarized in the exhibits to the proposed resolution, allowing staff to make nonsubstantive changes to the staff proposal presented in this agenda item and to make other appropriate updates. This application will be the basis of the proposed WMP for TCEQ to adopt and for LCRA to implement.

Presenter(s)

John B. Hofmann
Executive Vice President, Water

Monica Masters
Senior Vice President, Water Resources

Exhibit(s)

- A – LCRA Board Resolution Regarding Revisions to LCRA’s Water Management Plan for Lakes Buchanan and Travis
- B – Summary of Proposed Changes for WMP Application
- C – Proposed Approach for Interruptible Agricultural Curtailment
- D – Proposed Approach Regarding Environmental Flows

EXHIBIT A

LCRA BOARD RESOLUTION REGARDING REVISIONS TO LCRA'S WATER MANAGEMENT PLAN FOR LAKES BUCHANAN AND TRAVIS

WHEREAS, the Lower Colorado River Authority operates its water rights for lakes Buchanan and Travis pursuant to a Water Management Plan; and

WHEREAS, the Water Management Plan is periodically updated; and

WHEREAS, the order approving the current Water Management Plan required LCRA to begin the process for developing a revision to the Water Management Plan by March 1, 2025; and

WHEREAS, in developing the proposed revision, LCRA staff engaged in a process designed to allow meaningful input from interested participants; and

WHEREAS, LCRA staff recommends changes to the Water Management Plan as summarized in exhibits B, C and D.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby approves the following:

1. The general manager or his designee is authorized to prepare and file an application to amend the Water Management Plan for lakes Buchanan and Travis consistent with the staff proposal summarized in exhibits B, C and D. Such application may include nonsubstantive changes to the staff proposal and other appropriate updates; and
2. Following the approval of the proposed revision to the Water Management Plan by the Texas Commission on Environmental Quality, LCRA staff shall implement the approved plan and thereafter convene periodically with interested parties to provide information and a forum for discussion regarding the implementation of the Water Management Plan.

EXHIBIT B

SUMMARY OF PROPOSED CHANGES FOR WMP APPLICATION

Issue	Current WMP	Proposed WMP
Hydrology	Included hydrology from 1940 through 2016.	Extends hydrology from 1940 through 2023.
Other LCRA water rights	Downstream rights for irrigation and industrial (Gulf Coast). Arbuckle Reservoir for multiple uses. Amended Garwood water right for firm customers at specified diversion points.	Continue use of Gulf Coast water right and Arbuckle Reservoir for multiple uses. Modifies use of Garwood water right to include firm customers at any location from Lake Austin to Bay City.
Minimum combined storage in lakes Buchanan and Travis for WMP models	Maintained storage above 600,000 acre-feet in period of record through 2016.	Maintains storage above 600,000 acre-feet in period of record through 2023.
Demand scenario	Firm demands reflect 2025 projections with a high-use year and normal year approach. Agricultural demands reflect Region K acreage and weather-varied approach.	Firm demands reflect 2032 projections with an updated high-use year and normal year approach. High-use demands generally reflect average of three highest recent gallons per capita day or use years and normal demands reflect median. Agricultural demands reflect Region K acreage and an updated weather-varied approach reflecting recent lower on-farm use.

Issue	Current WMP	Proposed WMP
Approach for curtailing interruptible agricultural supply under different drought scenarios	Continued framework with three curtailment conditions and look-ahead test. Included additional test for entering Extraordinary Drought based on shorter-term intense drought conditions similar to those experienced in 2011.	Continues framework with three curtailment conditions and look-ahead test. See Exhibit C.
Application of limits on interruptible stored water for agriculture	Reduced maximum amounts of interruptible stored water available for diversion and modified curtailed amounts of interruptible stored water. Modified combined storage trigger level for entering Less Severe Drought in first and second season from 1.6 million to 1.5 million acre-feet and modified trigger level for a partial curtailment of second season under Normal conditions from 1.55 million to 1.4 million acre-feet.	Reduces maximum amounts of interruptible stored water available for diversion and modifies curtailed amounts of interruptible stored water. Includes multiple changes to combined storage trigger levels, including change for entering Less Severe Drought in first season from 1.5 million to 1.7 million acre-feet and change for entering Extraordinary Drought in both seasons from 1.3 million to 1.45 million acre-feet. See Exhibit C.
Limit on releases of interruptible stored water for agricultural customers	Adds a maximum limit on releases of interruptible stored water of 210,000 acre-feet for first season and 82,000 acre-feet for second season.	Reduces limit on releases of interruptible stored water in first season from 210,000 acre-feet to 152,000 acre-feet. Maintains release limit of 82,000 acre-feet for second season.

Issue	Current WMP	Proposed WMP
Anytime (or mid-crop) cutoff for interruptible agricultural supply	Increased combined storage level for anytime cutoff during a crop season to 1 million acre-feet.	Increases combined storage level for anytime cutoff during a crop season to 1.1 million acre-feet.
Decision dates for determining interruptible agricultural supply and environmental criteria	Added a Nov. 1 evaluation date for environmental flows for November through the following February.	Maintains two evaluation dates for agricultural supply: March 1 and July 1; maintains three evaluation dates for environmental flows: March 1, July 1 and Nov. 1.
Dedicated releases for environmental flows	Incorporated updated annual and multiyear caps for dedicated releases for environmental flow needs. No changes to firm commitment of 33,400 acre-feet per year.	Incorporates updated annual and multiyear caps for dedicated releases for environmental flow needs. No changes to firm commitment of 33,400 acre-feet per year.
Releases for bay inflow needs	Continued five levels of bay inflow criteria. Updated limitations on releases of water specifically for bay inflow needs.	Continues five levels of bay inflow criteria. Modifies combined storage triggers for switching between bay criteria. Modifies limitations on releases of water for bay inflow needs. See Exhibit D.

Issue	Current WMP	Proposed WMP
Releases for instream flows	Modified combined storage trigger for switching from Base-Dry to Subsistence criteria. Modified obligation at Wharton gauge when combined storage is less than 900,000 acre-feet.	Modifies combined storage trigger for switching from Base-Dry to Subsistence. Modifies obligation to provide previously stored water and/or Highland Lakes inflows for the Columbus and Wharton gauges when combined storage is less than 1.3 million acre-feet. See Exhibit D.
Use of Arbuckle Reservoir to help meet environmental flow Needs	Made water stored in Arbuckle Reservoir available as a source for meeting LCRA's obligations for bay inflows.	Continues to make water stored in Arbuckle Reservoir available as a source for meeting LCRA's obligations for bay inflows.
Criteria for Drought Worse than Drought of Record declaration	Updated intensity component of the intensity test and the duration component of the duration test to reflect the 2008-2015 Drought of Record.	Maintains criteria based on 2008-2015 Drought of Record.
Combined firm yield of lakes Buchanan and Travis	418,800 acre-feet per year based on 2008-2015 Drought of Record.	Updates to about 417,000 acre-feet per year based on new surveys of lakes Buchanan and Travis and projected sedimentation through 2032.

EXHIBIT C

**PROPOSED APPROACH FOR INTERRUPTIBLE
AGRICULTURAL CURTAILMENT**

***Maximum Amounts of Interruptible Stored Water Available for Diversion at
Gulf Coast, Lakeside and Pierce Ranch Operations***

First Season Interruptible Stored Water Availability

Normal Conditions		Less Severe Drought Condition	
Combined storage on March 1 (million acre-feet)	Interruptible supply (acre-feet)*	Combined storage on March 1 (million acre-feet)	Interruptible supply (acre-feet)*
Above 1.6	125,000	Above or equal to 1.7	NA**
1.3 to 1.6	100,000 to 125,000	1.3 to 1.699999	80,000 to 96,000
Below 1.3	0	Below 1.3	0
*Anytime cutoff if storage drops to or below 1.1 million acre-feet		**When combined storage is above 1.7 million acre-feet, Normal conditions apply	

Second Season Interruptible Stored Water Availability

Normal Conditions		Less Severe Drought Condition	
Combined storage on July 1 (million acre-feet)	Interruptible supply (acre-feet)*	Combined storage on July 1 (million acre-feet)	Interruptible supply (acre-feet)*
Above 1.5	66,000	Above or equal to 1.6	66,000**
1.3 to 1.5	55,000 to 66,000	1.3 to 1.599999	47,000 to 66,000
Below 1.3	0	Below 1.3	0
*Anytime cutoff if storage drops to or below 1.1 million acre-feet		** When combined storage is above 1.7 million acre-feet, Normal conditions apply	

EXHIBIT C – *continued*

Normal Conditions

Normal water supply conditions apply unless the criteria for an alternate condition are met.

Less Severe Drought Condition

Criteria for entering the Less Severe Drought condition:

1. Combined storage is below 1.7 million acre-feet on March 1 or July 1 AND cumulative three-month inflows total less than 60,000 acre-feet; OR
2. Combined storage is below 1.6 million acre-feet on March 1 or July 1 AND cumulative three-month inflows total less than the 33rd percentile for the three-month period; OR
3. Based on the prior evaluation date, the condition was Extraordinary Drought and the criteria for exiting Extraordinary Drought are met while the criteria for exiting Less Severe Drought are not met.

Criteria for exiting the Less Severe Drought condition:

1. Combined storage was above 1.6 million acre-feet at any time since the prior evaluation date; OR
2. Combined storage was above 1.5 million acre-feet at any time since the prior evaluation date AND the cumulative three-month inflows on March 1 or July 1 equal or exceed the median for the three-month period.

However, if either criterion for entering Less Severe Drought is met, that condition remains in effect.

Extraordinary Drought Condition

Under Extraordinary Drought, no interruptible stored water is supplied except to the Garwood Irrigation Division.

Criteria for entering the Extraordinary Drought condition:

1. Combined storage is below 1.45 million acre-feet on March 1 or July 1, AND at least 14 months have passed since the combined storage was 98% full or more, AND the intensity criteria indicates a drought of severity equal to or exceeding the 1950s drought; OR
2. On the July 1 evaluation date, combined storage is below 1.45 million acre-feet, AND combined storage decreased from March 1 to July 1 by at least 300,000 acre-feet.

EXHIBIT C – *continued*

Criteria for exiting the Extraordinary Drought condition:

- Combined storage was above 1.45 million acre-feet at any time since the prior evaluation date.
- However, if either criterion for entering Extraordinary Drought is met, that condition remains in effect.

If the criterion for exiting the Extraordinary Drought condition is met, the condition automatically switches to the Less Severe Drought condition unless the criteria for exiting Less Severe Drought also are met.

Look-Ahead Test for Interruptible Agricultural Cutoff

If the LCRA Board determines that combined storage would drop below 600,000 acre-feet in the next 12 months or below 900,000 acre-feet in the upcoming irrigation season (first or second), no interruptible stored water will be supplied in the upcoming irrigation season except to the Garwood Irrigation Division.

Maximum Interruptible Stored Water Release From Lakes Buchanan and Travis

The maximum release of interruptible stored water from lakes Buchanan and Travis for orders at the Gulf Coast, Lakeside and Pierce Ranch operations is 152,000 acre-feet in first season and 82,000 acre-feet in second season.

General Rules Regarding the Supply of First and Second Irrigation Season Water

1. If interruptible stored water is not supplied for first season, interruptible stored water also is cut off for second season.
2. If interruptible stored water is cut off for the remainder of a season and combined storage is less than 1.3 million acre-feet, all run-of-river water that originates above Mansfield Dam also is cut off; if combined storage is 1.3 million acre-feet or higher, any run-of-river water that originates upstream is passed through, limited to the amount needed to finish the season.
3. If the interruptible stored water supply amount allocated for diversion for first season is reached in a year in which there is interruptible stored water available for second season, all or a portion of the second season allocation can be used to finish first season. If the maximum release of interruptible stored water from lakes Buchanan and Travis for first season is reached in a year in which there is interruptible stored water available for second season, a portion of the second season maximum release can be used to finish first season.

EXHIBIT D

PROPOSED APPROACH REGARDING ENVIRONMENTAL FLOWS

Arbuckle Reservoir

Water stored in Arbuckle Reservoir can be used as a substitute for releases from lakes Buchanan and Travis to satisfy an environmental flow obligation under the Water Management Plan.

Instream Flow Triggers

Combined Storage on Evaluation Date	Instream Flow Criteria Level	Source
Above 1.96 million acre-feet	Base-Average	Buchanan and Travis storable inflows (SI)
1.86 million to 1.96 million acre-feet	Base-Dry	Buchanan and Travis SI
Below 1.86 million acre-feet*	Subsistence	Buchanan and Travis SI and stored water

*See Tier 4 criteria applicable to Columbus and Wharton for combined storage below 1.3 million acre-feet.

Instream Flows Tier 4 at Columbus and Wharton

Combined Storage on Evaluation Date	Instream Flow Criteria Level
900,000 to 1.3 million acre-feet	Subsistence: Storable Inflows (SI) only Tier 4: Stored Water (SW) only
Below 900,000 acre-feet	Tier 4: SI and SW

EXHIBIT D – *continued*

Subsistence and Tier 4 Criteria

Instream Flow Criteria Level*	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Subsistence at Columbus	340	375	375	299	425	534	342	190	279	190	202	301
Tier 4 at Columbus	190	279	279	190	279	279	279	190	190	190	190	190
Subsistence at Wharton	315	303	204	270	304	371	212	107	188	147	173	202
Tier 4 at Wharton	158	152	107	135	152	186	107	107	107	107	107	107

*Flow in cubic feet per second

Bay Operational Triggers

Combined Storage on Evaluation Date (million acre-feet)	Freshwater Inflow Criteria
1.95 and above (March 1 and July 1) 1.95 and above (Nov. 1)	OP-4
1.5 to 1.949 (March 1 and July 1) 1.5 to 1.949 (Nov. 1)	OP-3
1.3 to 1.499	OP-2
1.1 to 1.299	OP-1
Below 1.1 any time	Threshold

EXHIBIT D – *continued*

Bay Condition Limited to Threshold

1. If combined storage falls below 1.1 million acre-feet at any time during a month, Threshold is the only freshwater inflow criterion in effect for that month.
2. If combined storage on the evaluation date is less than 1.45 million acre-feet and interruptible stored water for the Gulf Coast, Lakeside and Pierce Ranch irrigation operations is cut off for the season, Threshold is the only freshwater inflow criterion in effect until the next evaluation date. (For the November to February period, the determination of whether interruptible stored water is cut off is based on the preceding irrigation season.)

Maximum Bay Release Volumes

Combined Storage (million acre-feet)	Maximum Bay Release (acre-feet)
Above 1.6	60,000
1.4 to 1.599	40,000
Below 1.4	20,000

Bay Release Percentage Limit*

Combined Storage (million acre-feet)	Bay Release Percentage*
Above 1.6	50%
Below 1.6	40%

*Percentage limits are applied after the first 10,000 acre-feet for a month.