



Board Agenda

Wednesday, Aug. 22, 2018

LCRA Board Room

Austin

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

Legal Notice

Although this is the expected agenda, the Board may discuss or take action on any item listed in the legal notice, which may include some items not currently on the Board agenda. Legal notices are available on the Texas Secretary of State website 72 hours prior to the meeting at www.sos.state.tx.us/open.

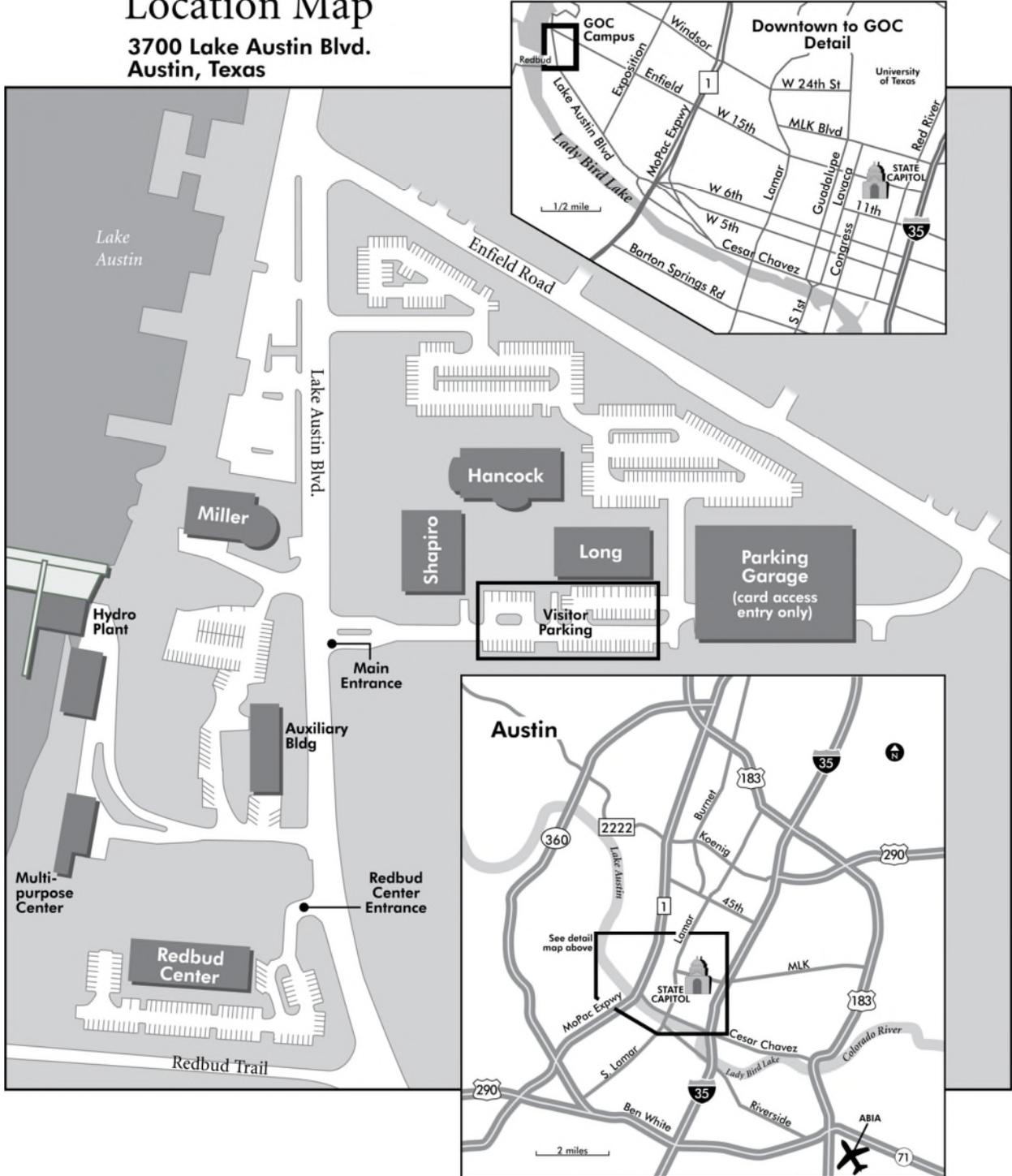
Executive Session

The Board may go into executive session for deliberation on the matters listed in the legal notice posted pursuant to Chapter 551 of the Texas Government Code.

The Board may take final action on any of the executive session matters upon reconvening in open session pursuant to Chapter 551 of the Texas Government Code. The Board may act in executive session on competitive electric matters pursuant to Section 551.086 of the Texas Government Code.

LCRA General Office Complex Location Map

3700 Lake Austin Blvd.
Austin, Texas



FOR DISCUSSION

1. Financial Report

Board Consideration

Staff presents this report monthly to the Board for discussion.

Summary

The financial report for LCRA covers the month and fiscal year to date.

Presenter(s)

Julie Rogers
Controller

Lower Colorado River Authority
Financial Highlights
July 2018

Lower Colorado River Authority
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Condensed Balance Sheets and Condensed Statements of Revenues, Expenses
and Changes in Equity 3

Key term:

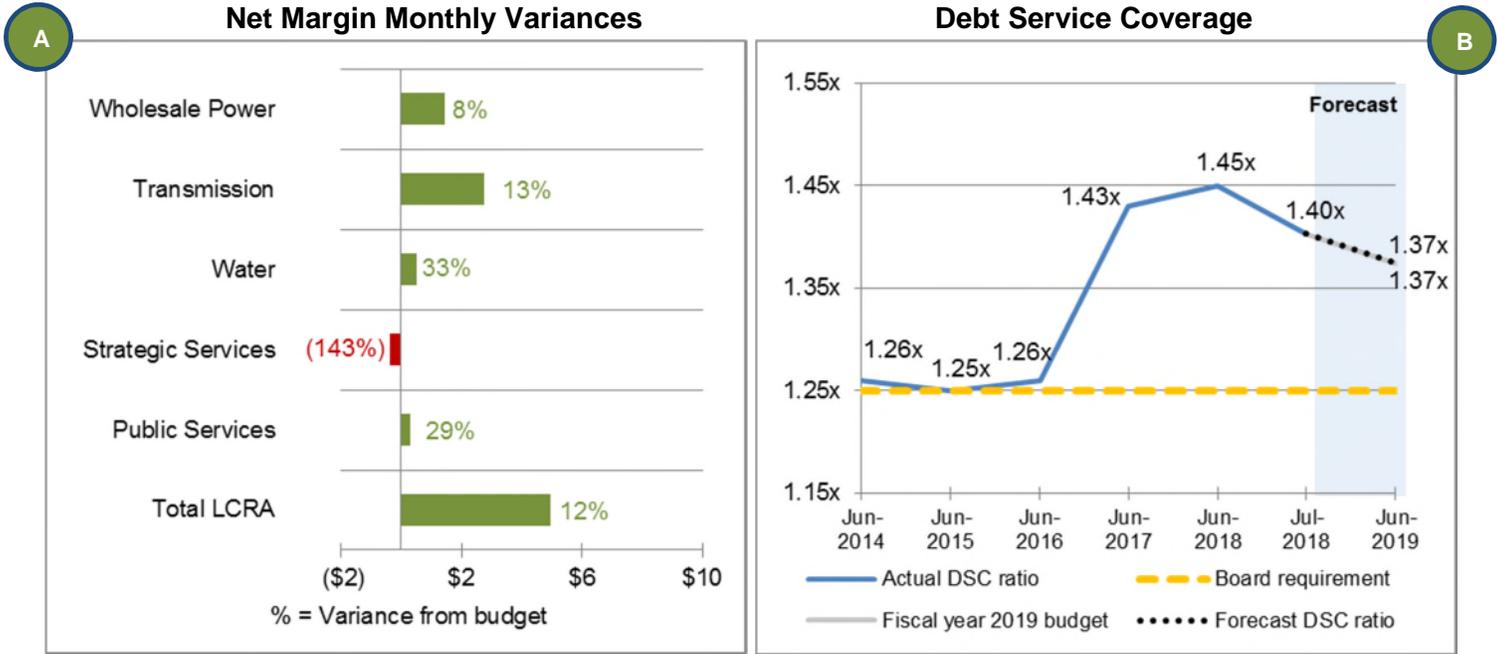
Net margin – Total operating revenues, including interest income, less direct and assigned expenses.

Lower Colorado River Authority

July 31, 2018

(Dollars in Millions)

Budget-to-Actual Highlights



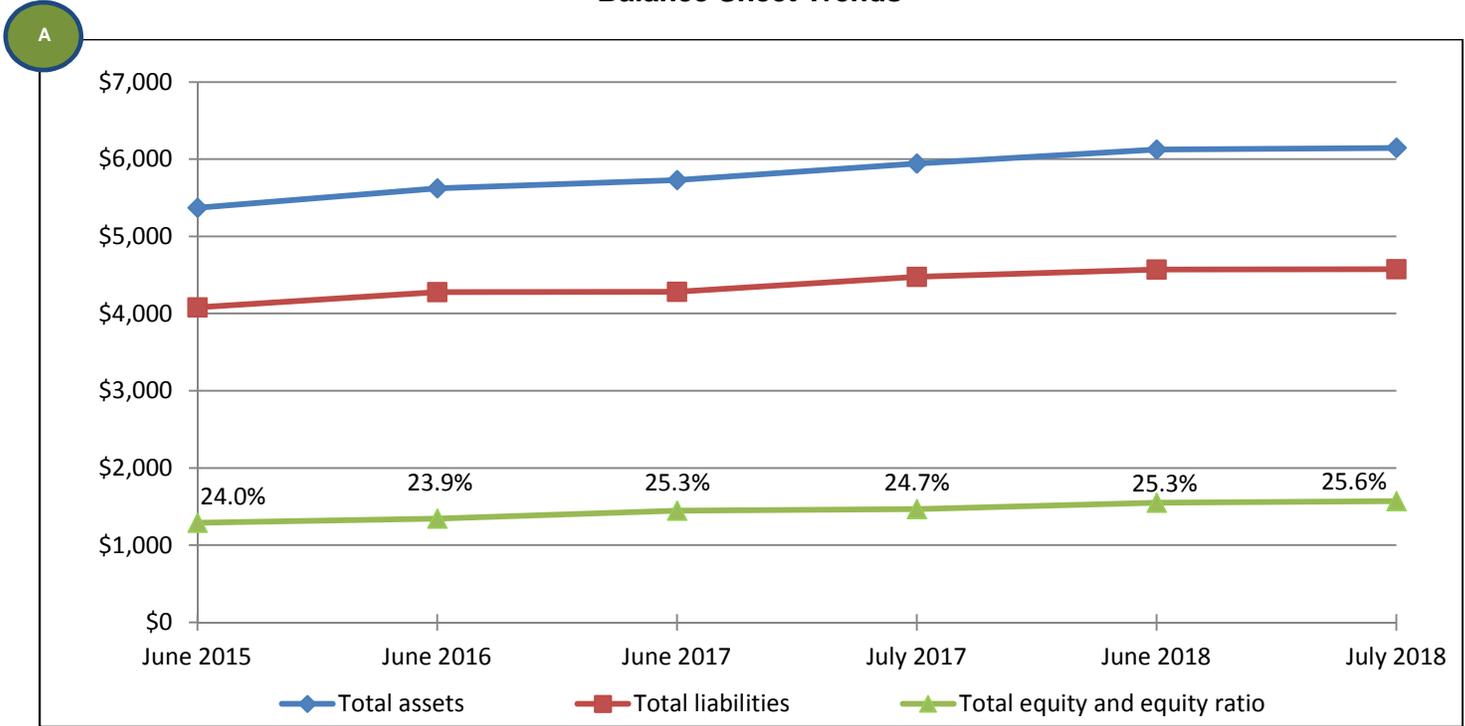
Key takeaways:

- Wholesale Power performance was driven by higher-than-budgeted load and timing of expenses.
- Timing of expenses was the primary driver of Transmission and Public Services performances.
- Water performance was driven by higher-than-budgeted river management revenues and timing of river management expenses.
- The unfavorable variance for Strategic Services is due to timing of transmission customer service revenues.
- Staff currently expects debt service coverage to meet the budget of 1.37x.

Lower Colorado River Authority Financial Statement Trends

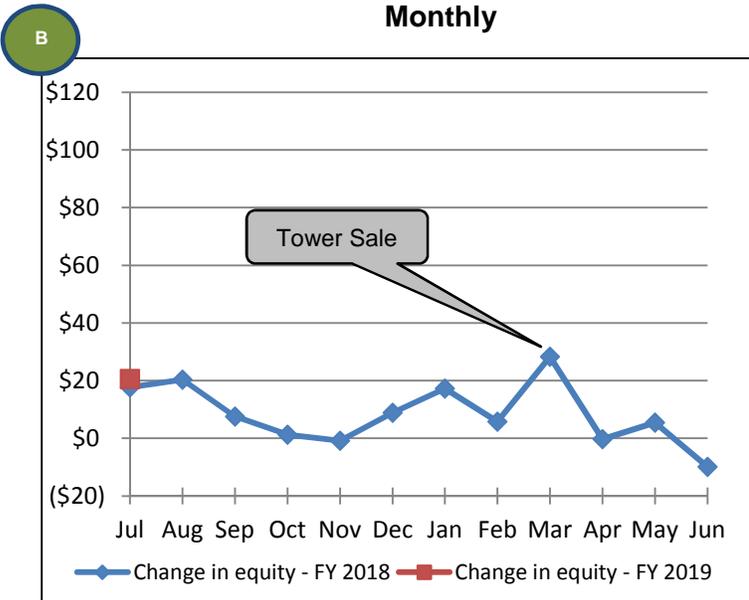
July 31, 2018
(Dollars in Millions)

Balance Sheet Trends

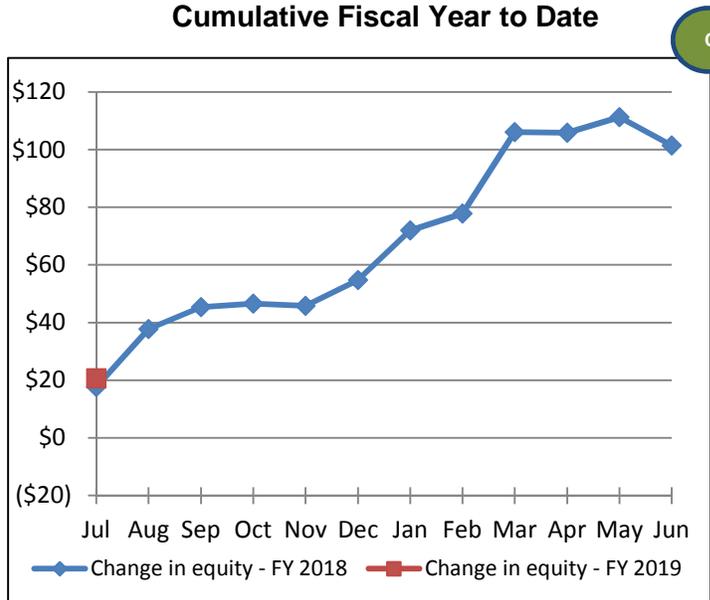


Income Statement Trends

Monthly



Cumulative Fiscal Year to Date



Key takeaways:

- Assets increased due to a \$192 million increase in property, plant and equipment and construction-work-in-progress compared with July 2017.
- Liabilities increased by \$97.4 million compared with the prior year. The increase primarily was driven by increases in debt of \$117.5 million, deferred gain of \$50 million and other liabilities of \$57.8 million offset by a decrease of \$128.1 million in postemployment benefits other than pension liability.
- The income statement trend remained steady compared with prior periods.

Lower Colorado River Authority

July 31, 2018

(Dollars in Millions)

Condensed Balance Sheets

	July 31, 2018	July 31, 2017
<i>Assets</i>		
Total current assets	\$ 589.9	\$ 748.9
Total long-term assets	5,555.7	5,194.8
Total Assets	\$ 6,145.6	\$ 5,943.7
<i>Liabilities</i>		
Total current liabilities	\$ 620.4	\$ 547.2
Total long-term liabilities	3,954.5	3,930.3
Total liabilities	4,574.9	4,477.5
<i>Equity</i>		
Total equity	1,570.7	1,466.2
Total Liabilities and Equity	\$ 6,145.6	\$ 5,943.7

Condensed Statements of Revenues, Expenses and Changes in Equity

	Fiscal Year to Date	
	2019	2018
Operating Revenues		
Electric	\$ 105.8	\$ 97.5
Water and irrigation	3.1	2.3
Other	4.9	1.8
Total Operating Revenues	113.8	101.6
Operating Expenses		
Fuel	40.2	35.3
Purchased power	13.2	7.2
Operations	11.9	10.4
Maintenance	2.7	2.3
Depreciation, depletion and amortization	11.6	10.9
Total Operating Expenses	79.6	66.1
Operating Income	34.2	35.5
Nonoperating Expenses		
Interest on debt	(13.3)	(13.3)
Other expenses	(0.3)	(4.7)
Total Nonoperating Expenses	(13.6)	(18.0)
Change in Equity	20.6	17.5
Equity - Beginning of Period	1,550.1	1,448.7
Equity - End of Period	\$ 1,570.7	\$ 1,466.2

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FOR ACTION (CONSENT)

2. December 2018 LCRA Board Meeting Date

Proposed Motion

Approve changing the date of the December 2018 LCRA Board of Directors meeting to Tuesday, Dec. 11.

Budget Status and Fiscal Impact

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

Summary

The Board approved its calendar year 2018 Board and committee meetings schedule on Aug. 16, 2017. The proposed change would move the December 2018 Board meeting back one day, from Dec. 12 to Dec. 11.

FOR ACTION (CONSENT)

3. Proposed 2019 LCRA Board and Committee Meeting Dates

Proposed Motion

Approve the proposed 2019 LCRA Board and committee meeting dates as listed in Exhibit A.

Budget Status and Fiscal Impact

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

Summary

The proposed 2019 Board and committee meeting dates reflected in Exhibit A were reviewed by the Executive Committee at its May meeting.

Exhibit(s)

A – Proposed 2019 LCRA Board and Committee Meeting Dates

EXHIBIT A

PROPOSED 2019 LCRA BOARD AND COMMITTEE MEETING DATES

Month	Committee Meetings	Board Meeting
January	22	23
February	20*	-
March	-	13**
April	-	10***
May	21	22
June	19*	-
July	No Meeting	
August	20	21
September	18*	-
October	22	23
November	-	20**
December	-	11

*Planning and Public Policy Committee.

**Optional Board meeting dates.

***This Board meeting will include the annual business and capital plans work session.

FOR ACTION (CONSENT)

4. Amendment of GenTex Power Corporation Bylaws

Proposed Motion

Approve an amendment to Section 2.05 of the GenTex Power Corporation bylaws, changing the GenTex Board's quarterly meeting requirement to a semiannual meeting requirement, as reflected in the attached Exhibit A.

Board Consideration

In accordance with Section 6.01 of the GenTex bylaws, LCRA Board of Directors approval is required for any changes to the GenTex bylaws.

Budget Status and Fiscal Impact

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

Summary

On May 16, 2018, the GenTex Board of Directors approved the proposed amendment to the GenTex bylaws shown in Exhibit A. To become effective, the bylaw amendment must be approved by the LCRA Board.

Exhibit(s)

A – Proposed Amended Bylaws of GenTex Power Corporation

EXHIBIT A

**BYLAWS OF
GENTEX POWER CORPORATION
As Amended ~~December 18, 2002~~ Aug. 22, 2018**

ARTICLE I

OFFICES

SECTION 1.01. The principal office of GenTex Power Corporation (the "Corporation") shall be at the City of Austin, Texas.

ARTICLE II

DIRECTORS

SECTION 2.01. The affairs of the Corporation shall be managed by a board of directors (the "Board"), which shall be composed of nine directors appointed by the Board of Directors of the Lower Colorado River Authority (the "LCRA"). The directors shall include:

- (i) the Chair, Vice-Chair, and Secretary of the LCRA (the "LCRA officers") and two LCRA directors who are not officers of the LCRA (the "non-officer directors"), provided that one of the five directors shall have been appointed to the LCRA Board from a county other than the 10 counties named in Section 1 of the Lower Colorado River Authority Act (the "Electric Directors"), and provided further that if none of the LCRA officers are Electric Directors and no Electric Director is willing to serve on the Board, then any non-officer director of the LCRA may serve on the Board; and
- (ii) two directors representing the LCRA's electric cooperative customers, or their successors in interest; and
- (iii) two directors representing the LCRA's municipal customers, or their successors in interest.

Such directors shall serve at the will of the Board of Directors of the LCRA, and the LCRA board may remove a director from the Board at any time without cause.

SECTION 2.02. Unless a director is removed from the Board as provided in Section 2.01, directors shall serve the following terms:

- (i) directors who are directors of the LCRA shall serve one-year terms commencing on January 1 of each year; and

- (ii) directors representing electric cooperative customers and municipal customers, or their successors in interest, shall serve two-year terms commencing on January 1, 1999, and on January 1 of each odd-numbered year thereafter.

Directors shall continue to serve until their successors are appointed.

The Chair of the LCRA Board of Directors shall serve as Chair of the Board, and the Board shall select as Vice Chair a director from among those representing the electric cooperative customers and municipal customers.

SECTION 2.03. Vacancies in the Board, including vacancies to be filled by reason of an increase in the number of directors, shall be filled for the unexpired term by the appointment of successor directors by the LCRA Board of Directors.

SECTION 2.04. The property and business of the Corporation shall be managed by the Board, which may exercise all powers of the Corporation and do all lawful acts that the Corporation is authorized to perform. In exercising its powers and responsibilities, the Corporation Board, officers, employees and agents shall be subject to and governed by such Policies as may be adopted from time to time by the Board. The Corporation shall not issue bonds or other indebtedness, nor shall the Corporation dispose of or encumber all or a substantial portion of its assets without approval of the LCRA Board of Directors.

SECTION 2.05. The Board shall meet quarterly two times per year and at such other times as may be requested by the LCRA Board or as provided in Section 2.06. The quarterly Board meetings shall be convened at such times as may be determined by the President, and shall be held at LCRA's principal office or at such other places as determined by the President or the Board.

SECTION 2.06. Special meetings of the Board may be called by the President on three days' notice to each director, either personally, electronically, by mail, or by telegram; special meetings shall be called by the President or Secretary in like manner on like notices on the written request of five directors.

SECTION 2.07. At all meetings of the Board the presence of a majority of the directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by these Bylaws. If a quorum shall not be present at any meeting of the directors, the directors present thereat may recess the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

A director who is present at a meeting of the Board at which action on any matter is taken shall be presumed to have assented to the action unless his or her dissent, abstention or recusal shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as secretary of

the meeting before the adjournment thereof or shall forward such dissent by certified mail to the Secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

SECTION 2.08. The Board may establish one or more committees, each committee to consist of three or more of the directors of the Corporation. Such committee or committees shall have such name or names, and such powers, as may be determined from time to time by resolution adopted by the Board of Directors.

SECTION 2.09. The committees shall keep regular minutes of their proceedings and report the same to the Board when required.

SECTION 2.10. Directors, as such, shall receive no compensation for services rendered as directors, but shall be reimbursed for all reasonable expenses incurred in performing their duties as directors.

ARTICLE III

NOTICES

SECTION 3.01. Whenever under the provisions of any statute or these Bylaws notice is required to be given to any directors, it shall not be construed to require personal notice; but such notice may be given electronically or in writing, by mail, addressed to such director at such address as appears on the books of the Corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed or electronically forwarded.

SECTION 3.02. Whenever any notice is required to be given under the provisions of any statute or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

SECTION 3.03. The attendance of a director at a meeting shall constitute a waiver of notice of the meeting unless the director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE IV

OFFICERS

SECTION 4.01. The Board shall appoint or elect a President, a Vice President, a Treasurer, and a Secretary, who may or may not be members of the Board, but who shall be officers or employees of LCRA. Any two or more offices may be held by the same person, except the offices of President and Secretary.

SECTION 4.02. The Board may appoint or elect such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. The Board may authorize any officer or agent to negotiate and enter into contracts or execute and deliver any instrument in the name of the Corporation. This authority may be limited to a specific type of contract or instrument or it may extend to any number and type of possible contracts and instruments.

SECTION 4.03. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the whole Board. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board.

The President

SECTION 4.04. The President, who shall be the Chief Executive Officer of the Corporation, shall have general supervision of the management of the business of the Corporation, and shall see that all orders and resolutions of the Board are carried into effect. The President shall preside at all meetings of the Board and shall perform such other duties as the Board may from time to time direct. The President shall have plenary power and authority over the affairs of the Corporation between meetings of the Board.

The Vice President

SECTION 4.05. The Vice President, who shall be the Chief Operating Officer of the Corporation, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties, as the Board or the President shall prescribe. In the absence of both the President and Vice President at a Board meeting, the directors present shall elect one of their numbers to preside.

The Secretary

SECTION 4.06. The Secretary shall keep, or have kept under his or her direction, minutes of all meetings of the Board and shall keep, or have kept under his or her direction, and have custody of all corporate books, documents, and records. The Secretary or a designated Assistant Secretary shall be authorized to attest to all appropriate documents. The Secretary shall perform such other duties as may be assigned by the President or Board.

The Treasurer

SECTION 4.07. The Treasurer, who shall be the Chief Financial Officer of the Corporation, shall maintain, or have maintained under his or her direction, the financial books and records of the Corporation. The Treasurer shall also have custody and be responsible for all funds and securities of the Corporation. The Treasurer shall perform such other duties as may be assigned by the President or Board.

ARTICLE V

FISCAL PROVISIONS

SECTION 5.01. Each year, consistent with the time requirements for the preparation of the LCRA Business Plan, the Corporation shall prepare a budget for the upcoming fiscal year, which shall begin on July 1. The budget shall be submitted to the LCRA Board of Directors for approval.

SECTION 5.02. No dividends shall ever be paid by the Corporation, and no part of its net earnings remaining after payment of its expenses shall be distributed to or inure to the benefit of its directors or officers or any individual, firm, corporation, or association, except that in the event the board of directors shall determine that sufficient provision has been made for the full payment of the expenses and other obligations of the Corporation, then any net earnings of the Corporation thereafter accruing shall be paid to the LCRA. No part of the Corporation's activities shall be carrying on propaganda, or otherwise attempting to influence legislation, and it shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE VI

AMENDMENTS

SECTION 6.01. These Bylaws may be altered, changed, or amended at any meeting of the Board at which a quorum is present, provided notice of the proposed alteration, change, or amendment is contained in the notice of such meeting, by the affirmative vote of a majority of the directors at such meeting and present thereafter. No amendment shall be effective until approved by the LCRA Board of Directors.

ARTICLE VII

INDEMNIFICATION

SECTION 7.01. The Corporation will indemnify a director, officer, employee, or agent of the Corporation who was, is, or is threatened to be made a named defendant or respondent in any proceedings as a result of that person's actions or omissions within the course and scope of the person's official capacity in the Corporation to the full extent provided by Art. 717p, Texas Revised Civil Statutes, as amended, or by other applicable law.

FOR ACTION (CONSENT)

5. Grant Subsurface Petrochemical Pipeline Easement in Matagorda County

Proposed Motion

Authorize the general manager or his designee to grant an approximate 0.058-acre subsurface pipeline easement to Hilcorp Energy Company that will cross an LCRA canal in the Gulf Coast Irrigation District in Matagorda County.

Board Consideration

Section 8503.020(b) of the Texas Special District Local Laws Code requires the approval of three-fourths of the LCRA Board's statutory membership (12 members) prior to the conveyance of any interest in real property. Section 49.226 of the Texas Water Code authorizes LCRA to convey real property for fair market value without going through a bid process. LCRA Board Policy 401 – Land Resources requires three-fourths of the LCRA Board's statutory membership (12 members) to declare the land no longer necessary or of beneficial use to the business of LCRA prior to conveyance. Additionally, Section 8503.020 of the Texas Special District Local Laws Code and LCRA Board Policy 401 require the Board to approve the terms of all land sales.

Budget Status and Fiscal Impact

The administrative costs associated with the conveyance of this land are contained in the fiscal year 2019 business plan. The proceeds of \$5,000 from the sale of the easement will be used to fund capital water projects.

Summary

Hilcorp Energy Company proposes to construct a new pipeline that will cross an LCRA canal in the Gulf Coast Irrigation District in Matagorda County. The pipeline will transport petrochemicals.

Hilcorp Energy Company has requested a 20-foot-wide easement. Hilcorp Energy Company will be required to bore beneath the canal and will not be permitted to use the surface of the easement tract.

Hilcorp Energy Company has agreed to pay LCRA \$5,000 for the easement. LCRA staff has reviewed available market data and determined this price is at or above the market value of the easement property being conveyed.

The easement will include provisions necessary to protect the canal. LCRA staff reviewed the construction and operation plans for the pipeline and found there will be no adverse operational impacts from the sale of the easement. LCRA will complete and document environmental and cultural due diligence assessments in accordance with LCRA Board Policy 401.403.

Exhibit(s)

- A – Vicinity Map
- B – Site Map

EXHIBIT A

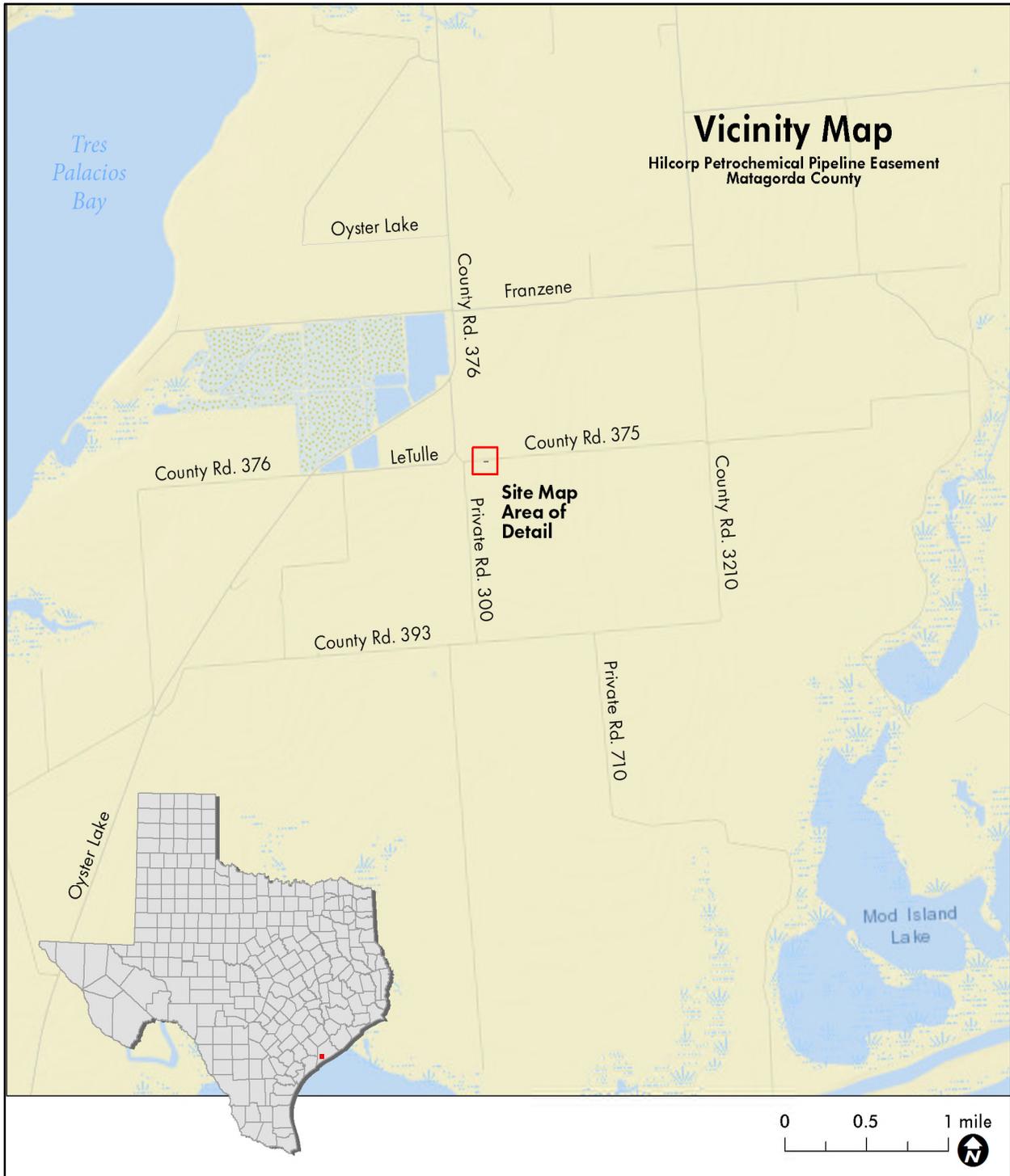


EXHIBIT B



FOR ACTION (CONSENT)

6. Grant Surface and Subsurface Easements in Travis County

Proposed Motion

Authorize the general manager or his designee to grant four easements in Travis County to Brushy Creek Regional Utility Authority (BCRUA) consisting of the following: an approximate 2.791-acre subsurface easement, an approximate 3.422-acre surface easement, an approximate 1.379-acre temporary construction easement, and an approximate 0.523-acre subsurface easement for raw-water intake, tunnel and riser facilities.

Board Consideration

Section 8503.020(b) of the Texas Special District Local Laws Code requires the approval of three-fourths of the LCRA Board's statutory membership (12 members) prior to the conveyance of any interest in real property. Section 49.226 of the Texas Water Code authorizes LCRA to convey real property for fair market value without going through a bid process. LCRA Board Policy 401 – Land Resources requires three-fourths of the LCRA Board's statutory membership (12 members) to declare the land no longer necessary or of beneficial use to the business of LCRA prior to conveyance. Additionally, Section 8503.020 of the Texas Special District Local Laws Code and LCRA Board Policy 401 require the Board to approve the terms of all land sales.

Budget Status and Fiscal Impact

The administrative costs associated with the conveyance of this land are contained in the fiscal year 2019 business plan. Sale proceeds of \$63,105 will be credited to the Public Recreation and Conservation Land Acquisition Fund.

Summary

BCRUA is implementing Phase 2 of a project to deliver raw water from Lake Travis to the BCRUA, Cedar Park and Leander water treatment plants. Phase 2 consists of adding a deep-water intake tunnel, a pump station, a transmission tunnel to connect to an existing water transmission pipeline, and monitoring existing groundwater wells near the intake tunnel. The total value of the easements, as determined by Paul Hornsby and Company, is \$63,105.

Each easement will include provisions necessary to protect LCRA lands. LCRA staff will review the construction and operation plans for the intake and pipeline to ensure there will be no adverse operational impacts from the sale of the easements. LCRA will complete and document environmental and cultural due diligence assessments in accordance with LCRA Board Policy 401.403.

Exhibit(s)

- A – Vicinity Map
- B – Site Map

EXHIBIT A

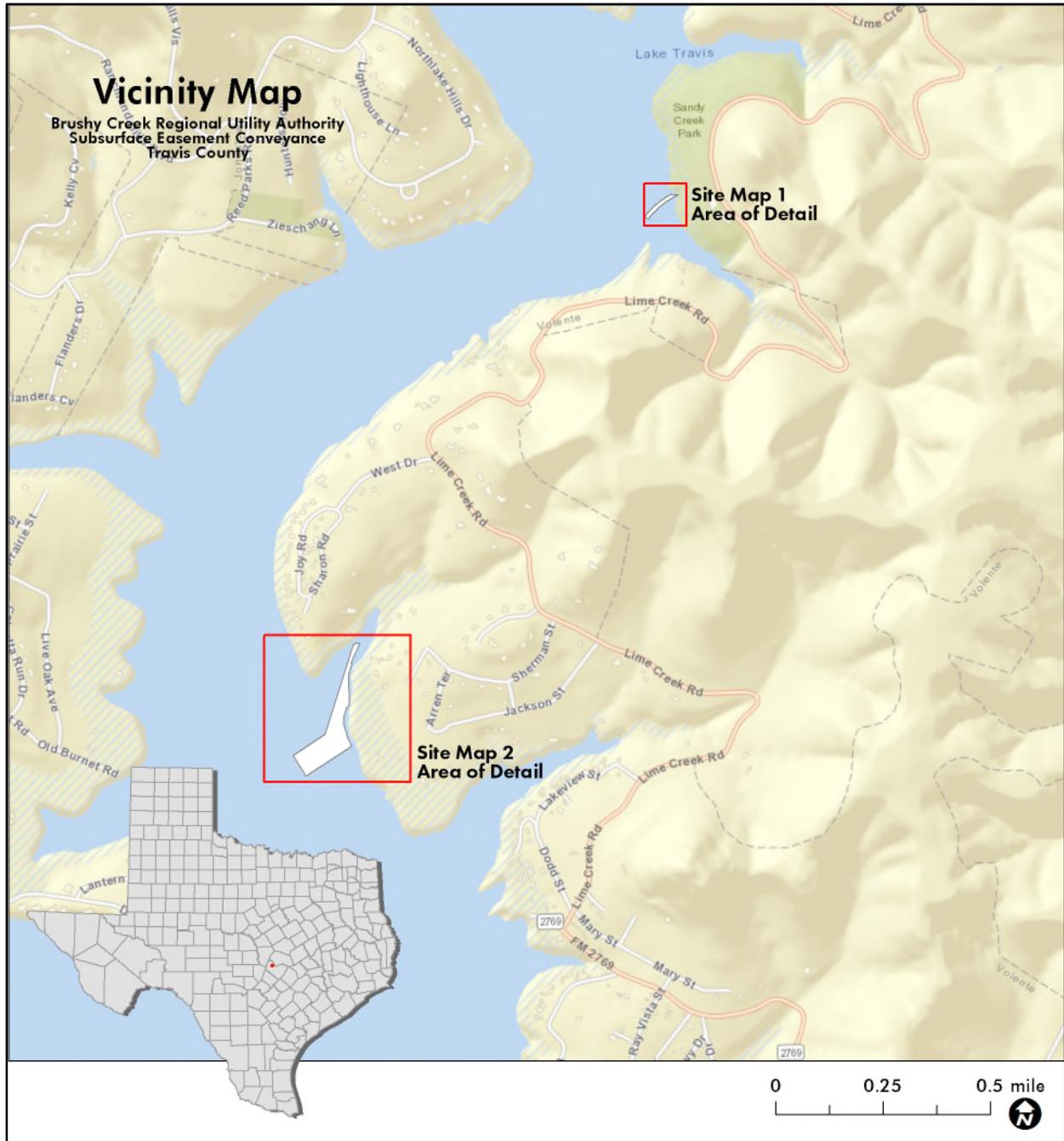


EXHIBIT B
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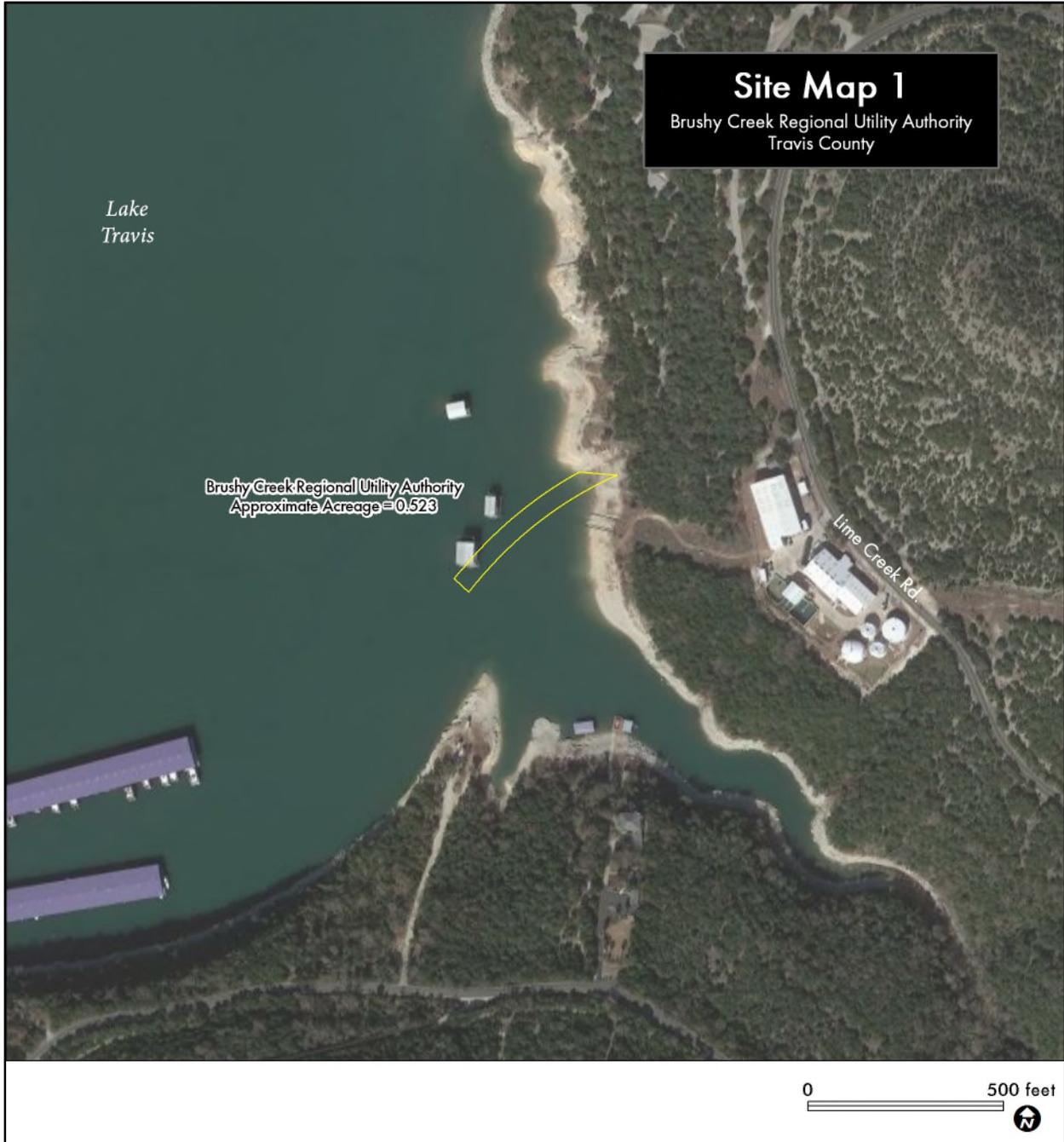


EXHIBIT B
Page 2 of 2



FOR ACTION (CONSENT)

7. Sale of Land in Llano County (Parcel JW-06)

Proposed Motion

Declare an approximately .023-acre tract of land, being a portion of LCRA parcel JW-06 in Llano County, nonessential and authorize the general manager or his designee to sell the property to the adjoining landowner.

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. Section 49.226 of the Texas Water Code authorizes LCRA to convey real property for fair market value without going through a bidding process. 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 fiscal year 2019 business plan contains the administrative costs associated with the sale of this land. The proceeds of \$40,669 will be credited to Public Recreation and Conservation Land Acquisition Fund.

Summary

Samuel P. Boyd, adjacent landowner, has agreed to purchase a .023-acre fill encroachment, which will permanently resolve the encroachment. The total sale tract of .023 acre is priced at \$40,669. Staff determined this price based on the Llano County Appraisal District's assessed values of Boyd's adjacent lots and other nearby waterfront lots.

LCRA staff will complete environmental and cultural resource due diligence assessments in accordance with Board Policy 401.403 before the sale of the property.

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 recreation easement abutting the high-water line of the Lake LBJ 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 with water all or any part of the property from time to time without any compensation.

Exhibit(s)

A – Vicinity Map

B – Site Map

EXHIBIT A

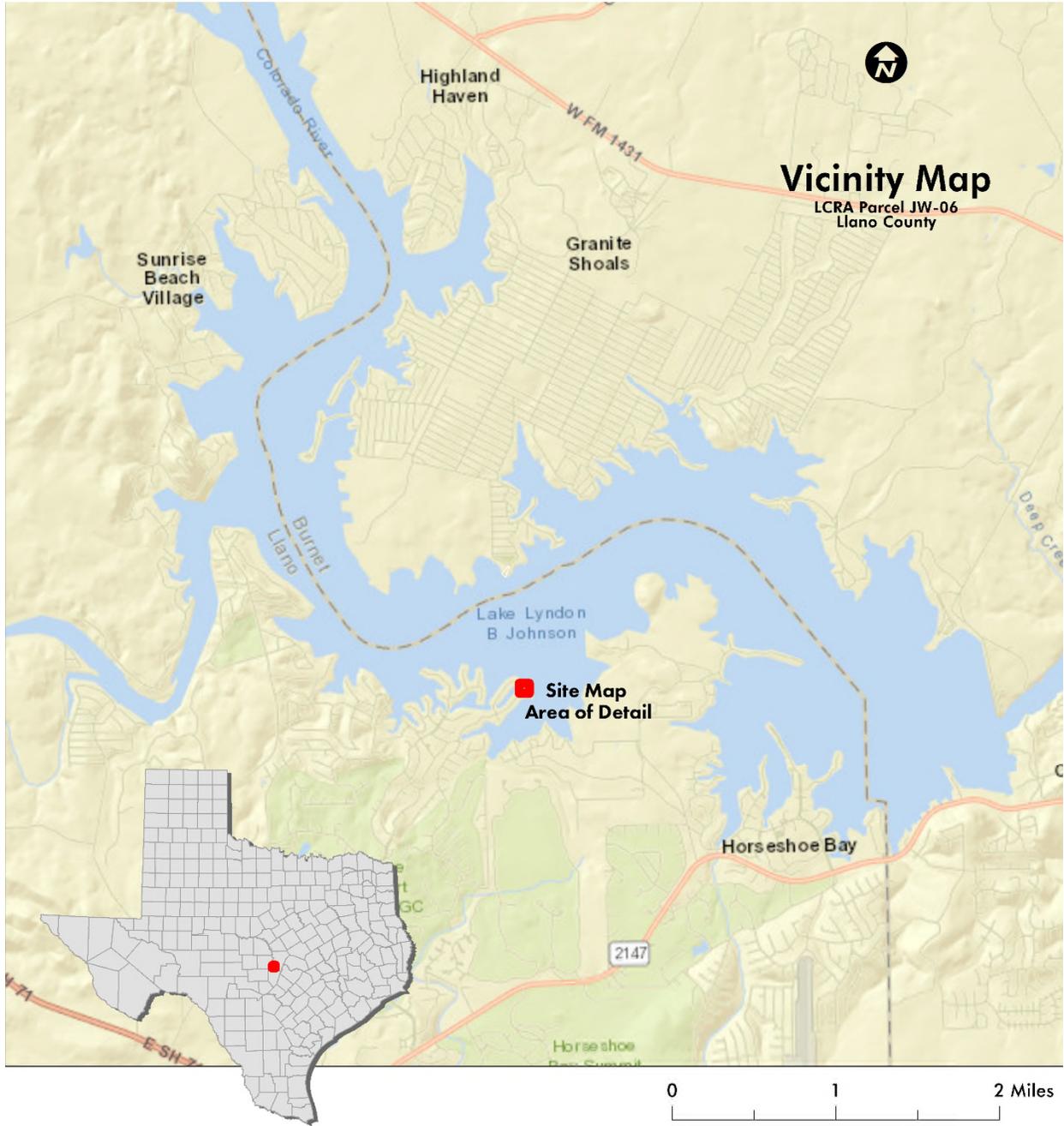


EXHIBIT B



FOR ACTION (CONSENT)

8. Directors' Fees, Expenses

Proposed Motion

Approve directors' fees and expense reports.

Board Consideration

LCRA Board Policy 105 – Directors' Fees and Expense Reimbursement and the LCRA bylaws require Board approval for directors' fees and expenses.

Budget Status and Fiscal Impact

Directors' fees and expenses are provided for in the budget in the business plan.

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)

9. Minutes of Prior Meetings

Proposed Motion

Approve the minutes of the May 15 and 16, 2018, meetings.

Board Consideration

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

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 May 15, 2018, meeting
- B – Minutes of May 16, 2018, meeting

EXHIBIT A

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER COLORADO RIVER AUTHORITY
Austin, Texas
May 15, 2018

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 meeting at 12:25 p.m. Tuesday, May 15, 2018, in the Board Conference Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The meeting was open to the public, and the following directors were present, constituting a quorum:

Timothy Timmerman, Chair
Thomas Michael Martine, Vice Chair
Steve K. Balas, Secretary
Lori A. Berger
Stephen F. "Steve" Cooper
Joseph M. "Joe" Crane
Pamela Jo "PJ" Ellison
Raymond A. "Ray" Gill Jr.
Sandra Wright "Sandy" Kibby
Robert "Bobby" Lewis
George W. Russell
Martha Leigh M. Whitten

Absent: John M. Franklin
Charles B. "Bart" Johnson
Franklin Scott Spears Jr.

Chair Timmerman convened the meeting at 12:25 p.m. and introduced state Sen. Lois Kolkhorst.

Sen. Kolkhorst addressed the Board on issues concerning the lower Colorado River basin and the LCRA service area, including LCRA's role in the area.

There being no further business to come before the Board, the meeting was adjourned at 1:20 p.m.

Secretary
LCRA Board of Directors
Approved: Aug. 22, 2018

EXHIBIT B

- 18-18 Approval of a resolution honoring Ryan Rowney.
- 18-19 Authorization for the general manager or his designee to grant a 150-foot-wide, 3.001-acre access easement to the adjoining owner of the property across an LCRA-owned irrigation canal in the Gulf Coast Irrigation District in Matagorda County.
- 18-20 Authorization for the general manager or his designee to grant a 40-foot-wide, 0.309-acre access easement to the owner of adjoining property across an LCRA canal property in the Gulf Coast Irrigation District in Matagorda County.
- 18-21 Declaration of an approximately .013-acre tract of land, being a portion of LCRA Parcel JE-03 in Burnet County, nonessential, and authorization for the general manager or his designee to sell the property to the adjoining landowner.
- 18-22 Approval of directors' fees and expenses reimbursements.
- 18-23 Approval of the minutes of the Jan. 17, 2018, meeting as corrected, and Feb. 14 and April 18, 2018, meetings.
- 18-24 Authorization for the general manager or his designee to (i) negotiate and execute a standard firm raw water contract renewal with the City of Cedar Park for municipal use of LCRA's firm water supply. This 40-year contract renewal would increase Cedar Park's current Maximum Annual Quantity (MAQ) by 2,500 acre-feet per year, to 20,500 acre-feet from 18,000 acre-feet, and (ii) waive notice and standard application fees in the event Cedar Park requests an additional amendment to increase its contract amount by no greater than 2,500 acre-feet per year within 12 months.
- 18-25 Adoption of resolutions approving the fiscal year 2019 business and capital plans for LCRA and each of its nonprofit corporations (LCRA Transmission Services Corporation, LCRA Wholesale Energy Services Corporation, WSC Energy II and GenTex Power Corporation).
- 18-26 Adoption and approval of a resolution extending and increasing the credit facility that supports LCRA Commercial Paper Notes, Series B and the Commercial Paper Notes, Taxable Series B (together, the Series B Notes), and authorization for the general manager or chief financial officer to negotiate and execute certain related agreements, including the Third Amendment to the Reimbursement Agreement between LCRA and State Street Bank and Trust Company setting forth the terms and conditions

governing the issuance of the direct-pay letter of credit securing the Series B Notes in the amount of \$150 million.

- 18-27 Adoption and approval of a Twenty-sixth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program authorizing the issuance of Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project), Series 2018 (the Bonds) in an amount not to exceed \$400 million for the following purposes: (i) current refunding of portions of the LCRA Transmission Contract Revenue Commercial Paper Notes (LCRA Transmission Services Corporation Project) Tax-Exempt Series and LCRA Transmission Contract Revenue Revolving Notes (LCRA Transmission Services Corporation Project), Series C and Tax-Exempt Series D; (ii) current refunding of certain outstanding long-term Transmission Contract Debt; (iii) funding a debt service reserve fund for the Bonds; and (iv) paying for issuance costs.
- 18-28 Authorization for the general manager or his designee to execute the following contracts: Contract No. 4795 (Broadleaf Results Inc.), Contract No. 4822 (Sam Packs Five Star Ford), Contract No. 4823 and Contract No. 4825 (Hubbell Power Systems Inc. and Pascor Atlantic Corporation), Contract No. 4829 (Aon Risk Services Southwest Inc.), Contract No. 4811 (USA Wire & Cable Inc.), Contract No. 4833 (Electrical Consultants Inc.), Contract No. 4834 (Electrical Consultants Inc.), Contract No. 4835 (Electrical Consultants Inc.) and Contract No. 4842 (Schneider Engineering).
- No Action: Contract No. 4832 (Southwire Company Inc.) was pulled from the agenda.
- 18-29 Adoption and approval of the Fifty-fourth Supplemental Resolution to the Master Resolution to authorize the issuance of a taxable private placement note program in an amount not to exceed \$150 million principal amount, and also authorization for the general manager or the chief financial officer to execute a related note purchase agreement and all associated agreements necessary to support a letter of credit to the Electric Reliability Council of Texas to satisfy LCRA's financial security credit requirements pursuant to the ERCOT protocols for nodal market participants.

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER COLORADO RIVER AUTHORITY
Austin, Texas
May 16, 2018

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 10:08 a.m. Wednesday, May 16, 2018, in the Board Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The meeting was open to the public, and the following directors were present, constituting a quorum:

Timothy Timmerman, Chair
Thomas Michael Martine, Vice Chair
Steve K. Balas, Secretary
Lori A. Berger
Stephen F. "Steve" Cooper
Joseph M. "Joe" Crane
Pamela Jo "PJ" Ellison
John M. Franklin
Raymond A. "Ray" Gill Jr.
Sandra Wright "Sandy" Kibby
Robert "Bobby" Lewis
George W. Russell
Martha Leigh M. Whitten

Absent: Charles B. "Bart" Johnson
Franklin Scott Spears Jr.

Chair Timmerman convened the meeting at 10:08 a.m.

General Manager Phil Wilson gave an update, focusing on safety as a top priority for LCRA. He talked about the LCRA safety day and the General Manager's Forum scheduled for June 4 and 7, respectively. He discussed highlights from the FY 2019 business and capital plans (Item 9 on the Board's agenda), and said the plans outline the priorities that keep LCRA on the path for providing vital services to the Texans LCRA serves. Finally, Wilson shared several examples of employees demonstrating the Colorado Commitment — "I will make every LCRA endeavor outstanding."

18-18 General Manager Phil Wilson presented for consideration a recommendation that the Board approve a resolution [attached hereto as Exhibit A], honoring Ryan Rowney, who recently retired from LCRA. Upon motion by Director Franklin, seconded by Director Ellison, the resolution was unanimously approved by a vote of 13 to 0. Rowney expressed his gratitude for the opportunities afforded him

throughout his employment with LCRA, and he thanked co-workers who helped him. Chair Timmerman expressed appreciation to Rowney for his service to LCRA.

Controller Julie Rogers presented the financial report for April 2018 [Agenda Item 2].

The Board next took action on the consent agenda. Upon motion by Director Russell, seconded by Director Berger, the Board unanimously approved consent items 3, 4, 5, 6 and 7 included on the May 16, 2018, consent agenda by a vote of 13 to 0 as follows:

18-19 Authorization for the general manager or his designee to grant a 150-foot-wide, 3.001-acre access easement to the adjoining owner of the property across an LCRA-owned irrigation canal in the Gulf Coast Irrigation District in Matagorda County, as recommended by staff in Consent Item 3 [attached hereto as Exhibit B].

18-20 Authorization for the general manager or his designee to grant a 40-foot-wide, 0.309-acre access easement to the owner of adjoining property across an LCRA canal property in the Gulf Coast Irrigation District in Matagorda County, as recommended by staff in Consent Item 4 [attached hereto as Exhibit C].

18-21 Declaration of an approximately .013-acre tract of land, being a portion of LCRA Parcel JE-03 in Burnet 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 adjoining landowner, as recommended by staff in Consent Item 5 [attached hereto as Exhibit D].

18-22 Approval of directors' fees and expenses reimbursements, as recommended in Consent Item 6 [attached hereto as Exhibit E].

18-23 Approval of the minutes of the Jan. 17, 2018, meeting as corrected, and Feb. 14 and April 18, 2018, meetings [Consent Item 7].

18-24 Senior Vice President of Water Resources Karen Bondy presented for consideration a staff recommendation, described in Agenda Item 8 [attached hereto as Exhibit F], that the Board authorize the general manager or his designee to (i) negotiate and execute a standard firm raw water contract renewal with the City of Cedar Park for municipal use of LCRA's firm water supply. This 40-year contract renewal would increase Cedar Park's current Maximum Annual Quantity (MAQ) by 2,500 acre-feet per year, to 20,500 acre-feet from 18,000 acre-feet, and (ii) waive notice and standard application fees in the event Cedar Park requests an additional amendment to increase its contract amount by no greater than 2,500 acre-feet per year within 12 months. Staff presented an overview of this item to the Water Operations Committee on May 15. Upon motion by Director Whitten, seconded by Director Gill, the recommendation was unanimously approved by a vote of 13 to 0.

18-25 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 9 [attached hereto as Exhibit G], that the Board adopt resolutions approving the fiscal year 2019 business and capital plans for LCRA and each of its nonprofit corporations (LCRA Transmission Services Corporation, LCRA Wholesale Energy Services Corporation, WSC Energy II and GenTex Power Corporation). The Board had a detailed discussion on the FY 2019 business and capital plans during a work session on April 18. Upon motion by Director Gill, seconded by Director Ellison, the recommendation was unanimously approved by a vote of 13 to 0.

18-26 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 10 [attached hereto as Exhibit H], that the Board adopt and approve a resolution extending and increasing the credit facility that supports LCRA Commercial Paper Notes, Series B and the Commercial Paper Notes, Taxable Series B (together, the Series B Notes), and authorize the general manager or chief financial officer to negotiate and execute certain related agreements, including the Third Amendment to the Reimbursement Agreement between LCRA and State Street Bank and Trust Company setting forth the terms and conditions governing the issuance of the direct-pay letter of credit securing the Series B Notes in the amount of \$150 million. Upon motion by Director Balas, seconded by Director Berger, the recommendation was unanimously approved by a vote of 13 to 0.

18-27 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 11 [attached hereto as Exhibit I], that the Board adopt and approve a Twenty-sixth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program authorizing the issuance of Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project), Series 2018 (the Bonds) in an amount not to exceed \$400 million for the following purposes: (i) current refunding of portions of the LCRA Transmission Contract Revenue Commercial Paper Notes (LCRA Transmission Services Corporation Project) Tax-Exempt Series and LCRA Transmission Contract Revenue Revolving Notes (LCRA Transmission Services Corporation Project), Series C and Tax-Exempt Series D; (ii) current refunding of certain outstanding long-term Transmission Contract Debt; (iii) funding a debt service reserve fund for the Bonds; and (iv) paying for issuance costs. The resolution also:

1. Approves related documents, in substantially final form, including the escrow agreement, the paying agent/registrars agreement, the Preliminary Official Statement in substantially final form and the Transmission Contract Revenue Debt Installment Payment Agreement Supplement Related to the Bonds. Bond counsel has prepared or reviewed all documents.
2. Delegates authority to the general manager, chief financial officer and/or treasurer to:
 - a. Select all or a portion of LCRA TSC's outstanding debt to be refunded by the Bonds and provide for appropriate notices of redemption/prepayment/defeasance;
 - b. Approve any final changes to said documents necessary to facilitate proper issuance of such Bonds;

- c. Establish the terms of the Bonds as provided in the resolution (including issuing such bonds in one or more separate series (tax-exempt and/or taxable), the principal amounts and maturity schedules, interest rates, redemption provisions, and terms of any reserve funds); and
- d. Approve the terms of the sale of the Bonds to an underwriting team led by Bank of America Merrill Lynch, and to execute a bond purchase agreement.

Upon motion by Director Franklin, seconded by Director Ellison, the recommendation was unanimously approved by a vote of 13 to 0.

18-28 Vice President of Supply Chain Michael McGann presented for consideration a staff recommendation, described in Agenda Item 12 as revised [attached hereto as Exhibit J], that the Board authorize the general manager or his designee to negotiate and execute the following contracts: Contract No. 4795 (Broadleaf Results Inc.), Contract No. 4822 (Sam Packs Five Star Ford), Contract No. 4823 and Contract No. 4825 (Hubbell Power Systems Inc. and Pascor Atlantic Corporation), Contract No. 4829 (Aon Risk Services Southwest Inc.), Contract No. 4811 (USA Wire & Cable Inc.), Contract No. 4833 (Electrical Consultants Inc.), Contract No. 4834 (Electrical Consultants Inc.), Contract No. 4835 (Electrical Consultants, Inc.) and Contract No. 4842 (Schneider Engineering). McGann noted Contract No. 4832 (Southwire Company Inc.) was pulled from the agenda (the Board took no action on this contract). Upon motion by Director Lewis, seconded by Director Cooper, the recommendation was unanimously approved by a vote of 13 to 0.

Chair Timmerman declared the meeting to be in executive session at 11:10 a.m., pursuant to sections 551.071, 551.072 and 551.086 of the Texas Government Code (Open Meetings Act). Executive session ended, and Chair Timmerman declared the meeting to be in public session at 11:35 a.m.

18-29 Upon motion by Director Gill, seconded by Director Ellison, by a vote of 13 to 0, the Board unanimously adopted and approved the Fifty-fourth Supplemental Resolution to the Master Resolution [attached hereto as Exhibit K], as discussed in executive session, to authorize the issuance of a taxable private placement note program in an amount not to exceed \$150 million principal amount, and also authorized the general manager or the chief financial officer to execute a related note purchase agreement and all associated agreements necessary to support a letter of credit to the Electric Reliability Council of Texas to satisfy LCRA's financial security credit requirements pursuant to the ERCOT protocols for nodal market participants.

There being no further business to come before the Board, the meeting was adjourned at 11:36 a.m.

Secretary
LCRA Board of Directors
Approved: Aug. 22, 2018

FOR ACTION

10. Board Reservation of Water for Construction of Arbuckle Reservoir

Proposed Motion

Approve the LCRA Board of Directors resolution reserving 500 acre-feet of water from LCRA's firm water supplies to be used for industrial (construction) purposes at Arbuckle Reservoir during fiscal year 2019 consistent with Exhibit A.

Board Consideration

LCRA's water rights for lakes Buchanan and Travis require Board approval for LCRA to supply, or commit to supply, water for its own use.

Budget Status and Fiscal Impact

This action will have no budgetary or fiscal impact. The supply of water to an LCRA water supply development project is financially within the same Water business unit; therefore, no charges or revenues are associated with this commitment to supply water.

Summary

The construction of Arbuckle Reservoir is nearing completion. One of the remaining activities is to establish grass cover – which requires water – on the earthen embankment on the outside of the dam. Additionally, water will be used for dust control at the site. The establishment of grasses on the embankment and dust control are expected to require up to 500 acre-feet of water; however, the actual amount may be less depending on rainfall. The proposed commitment is for a one-year period during FY 2019 (July 1, 2018, to June 30, 2019).

LCRA has firm water supplies available to commit to this use. Staff has worked with the contractor to develop a specific water conservation and drought contingency plan for this project.

Presenter(s)

John B. Hofmann
Executive Vice President, Water

Exhibit(s)

A – Board Resolution Reserving Water for Construction Purposes at Arbuckle Reservoir

EXHIBIT A

**LCRA BOARD RESOLUTION
RESERVING WATER FOR CONSTRUCTION PURPOSES
AT ARBUCKLE RESERVOIR**

WHEREAS, the Lower Colorado River Authority (LCRA) is the owner of Certificate of Adjudication No. 14-5478 (as amended) and No. 14-5482 (as amended), which are the water rights for lakes Buchanan and Travis, respectively; and

WHEREAS, these water rights require the LCRA Board of Directors to adopt a resolution defining any commitment of water to be used by LCRA under these water rights; and

WHEREAS, LCRA is authorized to and does divert and use water under these and other of its water rights for its own facilities and projects;

NOW, THEREFORE BE IT RESOLVED that the Board of Directors in its regular meeting this 22nd day of August 2018 commits and reserves a total of 500 acre-feet of raw water from its firm water supplies to be used for construction purposes at Arbuckle Reservoir during the period July 1, 2018, to June 30, 2019.

FOR ACTION

11. LCRA Agricultural Interruptible Water Service Contract Rules

Proposed Motion

Approve change to the agricultural interruptible water service contract rules as shown in Exhibit A.

Board Consideration

Consistent with LCRA Board Policy 501 – Water Resources and Special District Local Laws Code § 8503.011, the LCRA Board of Directors is required to approve terms and conditions for water contracts and any changes thereto.

Budget Status and Fiscal Impact

The proposed changes have no impact on the fiscal year 2019 budget.

Summary

LCRA staff proposes an update to the agricultural interruptible water service contract rules to extend the deadline by which customers in the Gulf Coast and Lakeside agricultural divisions may assign a second irrigation season allocation of interruptible stored water to another customer within the same division. The existing deadline was established for administrative purposes. Staff proposes to extend the deadline for submitting an assignment of an interruptible stored water allocation until Sept. 28. Extending the deadline will allow customers more time to determine the amount of water they expect to use in the second irrigation season and the extent to which their interruptible stored water allocation could be assigned for the benefit of other customers.

LCRA emailed customers in the Gulf Coast and Lakeside divisions regarding the proposed changes, and the proposed change was available for customer comment through the LCRA website.

Presenter(s)

John Hofmann
Executive Vice President, Water

Exhibit(s)

A – Proposed Updates to the LCRA Agricultural Interruptible Water Service Contract Rules

EXHIBIT A

III. CONTRACTING RULES

...

C. SECOND IRRIGATION SEASON

...

3. Interruptible stored water will be allocated to rice and turf customers that are being serviced with water as of June 30, pro rata, based on the number of acres being serviced during the First Irrigation Season. A customer may assign all or part of the Second Irrigation Season interruptible stored water allocation to another customer within the same division by providing the LCRA agricultural division office with documentation of the assignment on a form acceptable to LCRA by no later than ~~July 31~~ September 28. The party receiving the assignment will be responsible for entering into a contract that includes the assigned allocation; however, the total allocation under the contract will continue to be limited consistent with these rules, including the acre-foot per acre limits in Section III.C.7. All contracts for rice and turf customers, or contracts for customers for Supplemental Purposes that received an assignment of an interruptible stored water allocation must be signed and returned by Customer to LCRA by August 15. In order for a rice or turf customer to receive an assignment of an interruptible stored water allocation after August 15, such customer must have signed and returned a contract by August 15. In the event such contracts are not signed by August 15, the interruptible stored water allocation will be made available to other customers. LCRA reserves the right to not enter into any such contracts which have not been executed and returned within that timeframe.

FOR ACTION

12. Contracts and Contract Changes

Proposed Motion

Authorize the general manager or his designee to negotiate and execute the following contracts as shown in the attached exhibit.

Board Consideration

LCRA Board Policy 308 – Purchasing Contracts establishes requirements for contracts for the purchase of goods, services, construction and software. LCRA has two types of contracts, master and one-time.

- Master contract: Establishes the terms and conditions under which LCRA may purchase goods and/or services during a fixed period of time to fulfill its business plan. These purchases are budgeted in the capital and operations and maintenance budgets. Master contracts are not commitments to expend funds. Rather, purchase orders placed against these master contracts are commitments to spend.
- One-time contract: A contract for the purchase of a definite quantity of goods or services during a fixed period of time. These contracts normally include commitments to expend funds.

Budget Status and Fiscal Impact

All contracts and contract changes recommended for Board approval are for budgeted items contained in the operations and capital budgets.

Summary (dollars in thousands)

Supplier (Contract Number)	Spending	Savings	Supplying
Southwire Company LLC (4832)	\$7,000	\$763	Composite core conductor
ERP Analysts Inc. (4863)	\$3,000	\$404	PeopleSoft managed services
Woolpert Inc. (4881) McKim & Creed Inc. (4883) Quantum Spatial Inc. (4917) Geodigital International Corporation (4918) Surveying and Mapping LLC (4919)	\$12,000	\$1,032	Aerial mapping and LiDAR services
Freese & Nichols Inc. (4920)	\$6,500	\$19	Griffith League Water Supply Project engineering services

Supplier (Contract Number)	Spending	Savings	Supplying
Irby Construction Company Inc. (4921)	\$400,000	\$40,000	Transmission line construction services
TransCanada Turbines Inc. (4923) MTU Maintenance (4924)	\$6,500		Turbine inspection and maintenance services for Winchester Power Park
UnitedHealthcare Insurance Company (4925)	\$199,000	\$8,000	Medical insurance third-party administration services and pharmacy benefit management services
Trinity Industries de Mexico, S. de R.L. de C.V. (4926) Falcon Steel American LLC (4927)	\$19,000	\$1,778	Lattice transmission steel towers
Presidio Networked Solutions Group LLC	\$25,000	\$2,235	Network hardware, servers, storage, firewalls, peripherals and configuration services
Terracon Consultants Inc. (4940) Fugro USA Land Inc. (4941) Kleinfelder Inc. (4942)	\$8,000	\$520	Geotechnical engineering and construction materials testing services
Paul Hornsby & Company (4932) Kokel-Oberrender-Wood Appraisal (4933) Bierschwale Land Company LLC (4934) Valbridge Property Advisors Inc. (4935) Allen, Williford, & Seale Inc. (4943) CBRE Group Inc. (4944)	\$4,800	\$334	Appraisal services

Supplier (Contract Number)	Spending	Savings	Supplying
Morgan/Brooks Resources Inc. (4937)	\$13,200	\$810	Real estate services
Coates Field Services Inc. (4938)			
Universal Field Services Inc. (4939)			
Electrical Consultants Inc. (4945)			
Contract Land Staff LLC (4946)			
O.R. Colan Associates LLC (4947)			
Percheron Professional Services LLC (4948)			
TRC Solutions Inc.(4949)			
Volkert Inc.(4950)			
Total	\$704,000	\$55,895	

Presenter(s)

Michael McGann
 Vice President, Supply Chain

Exhibit(s)

A – New Contracts

EXHIBIT A

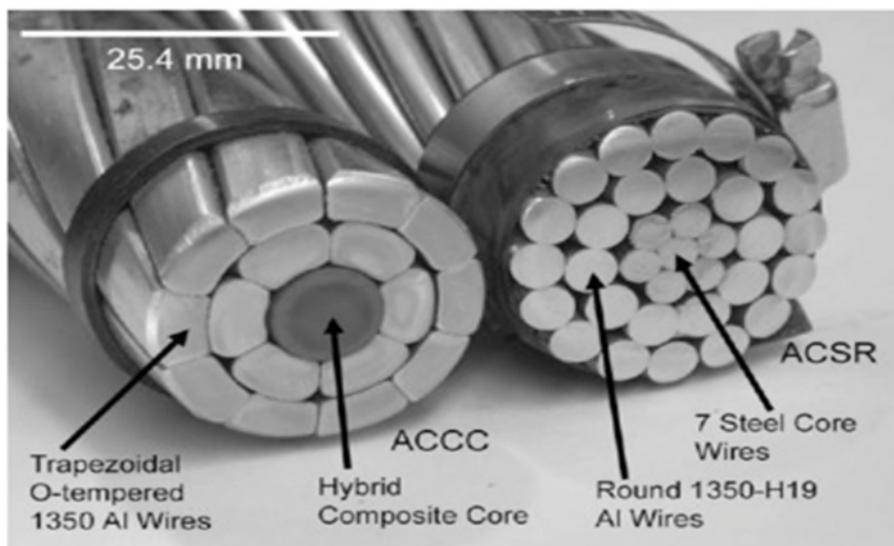
New Contracts

New contracts that require Board approval under Board Policy 308 are noted in Exhibit A.

Contract No. 4832
Supplier: Southwire Company LLC
Contract Amount: Not to exceed \$7 million
Contract Length: One year with four one-year options to extend
Description: This is a master contract for composite core conductor used by Transmission.

Background

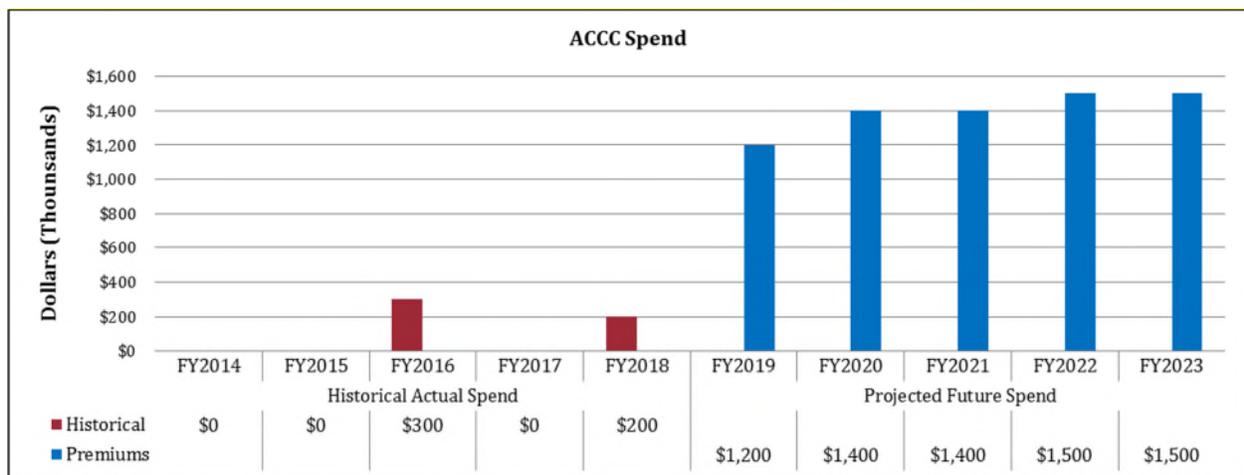
- Aluminum conductor composite reinforced (ACCR) and aluminum conductor composite core (ACCC) are types of high-temperature, low-sag (HTLS) overhead power line conductor. This high-capacity transmission conductor has a high-strength, lightweight annealed aluminum matrix core. The outer, current carrying strands are composed of annealed aluminum, meaning the aluminum has been heated and cooled to remove internal stresses and toughen it, and the conductor cores are composed of lightweight fiber-reinforced metal matrix.
- ACCR and ACCC are capable of carrying about twice as much current as a conventional aluminum-conductor steel-reinforced (ACSR) cable of the same size and weight, making it popular for retrofitting existing electric power transmission lines without needing to change the existing towers and insulators.



- ACCC and ACCR:
 - Are 70 percent lighter than steel core.
 - Allow about 28 percent more aluminum without weight or diameter penalty.
 - Allow increased pole span distance, which can eliminate additional pole structure costs.
 - Provide about three times the maximum ampere current capacity, increasing power transmission significantly.
 - Allow the cable to be operated at a significantly higher temperature without excessive sag between poles.



- The historical five-year spending is about \$500,000.
- Future spending is driven by projects with highway and lake crossings, concern for environmental impacts, high population density areas and difficult terrain.



Actions:

- LCRA invited six suppliers to participate. LCRA received five proposals and evaluated two proposals. Three proposals did not meet the minimum requirements.
- The cost criterion was the highest-weighted category for the evaluation. The cost criterion consisted of conductor cost and the strength of the supplier's investment recovery program.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$763,000 over the life of the contract (compared to the last price paid).
- The contract award amount is not to exceed \$7 million.
- Based on the evaluation and negotiation, LCRA recommends Southwire Company Inc. as the supplier for this category.

Contract No. **4863**

Supplier: ERP Analysts Inc.

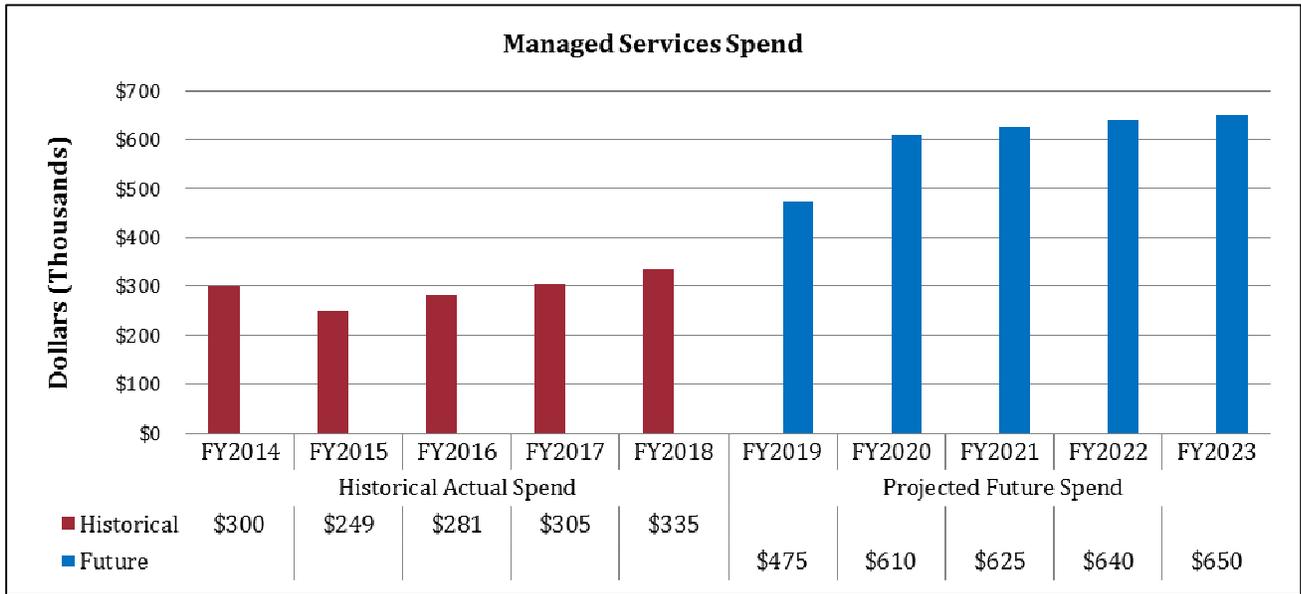
Contract Amount: Not to exceed \$3 million

Contract Length: One year with four one-year options to extend

Description: This is a master contract for PeopleSoft managed services used by LCRA's Digital Services department.

Background:

- Managed services is the management of a technology asset by a third party.
- The managed services provider assumes responsibility for problem resolution for an application.
- The managed services provider for PeopleSoft will provide 170 hours of on-site, full-time technical support and 40 hours of off-site technical support per month and functional support as needed.
- The increased spend represents new functional support for Human Resources and Supply Chain, and additional technical support.
- The historical five-year spending is about \$1.4 million.



Actions:

- LCRA invited 23 suppliers to participate. LCRA received seven proposals and evaluated six of them.
- The scoring was conducted in two rounds.
- Experience was the highest-weighted criterion for the first round evaluation.
- Methodology was the highest-weighted category for the second round evaluation.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$404,000 over the life of the contract (compared to the median of responses received).
- The contract award amount is not to exceed \$3 million.
- Based on the evaluation and negotiation, LCRA recommends ERP Analysts Inc. as the supplier for this category.

Contract Numbers 4881, 4883, 4917, 4918 and 4919

Suppliers: Woolpert Inc., McKim & Creed Inc., Quantum Spatial Inc., Geodigital International Corporation, and Surveying and Mapping LLC

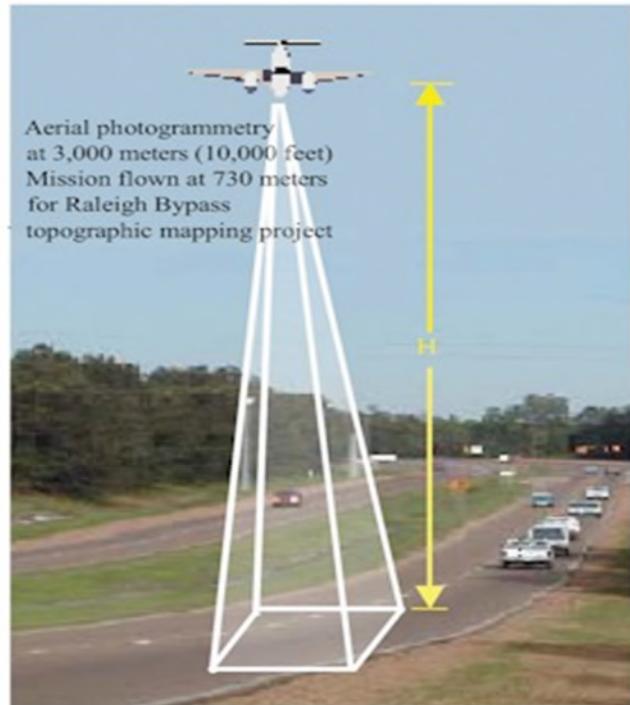
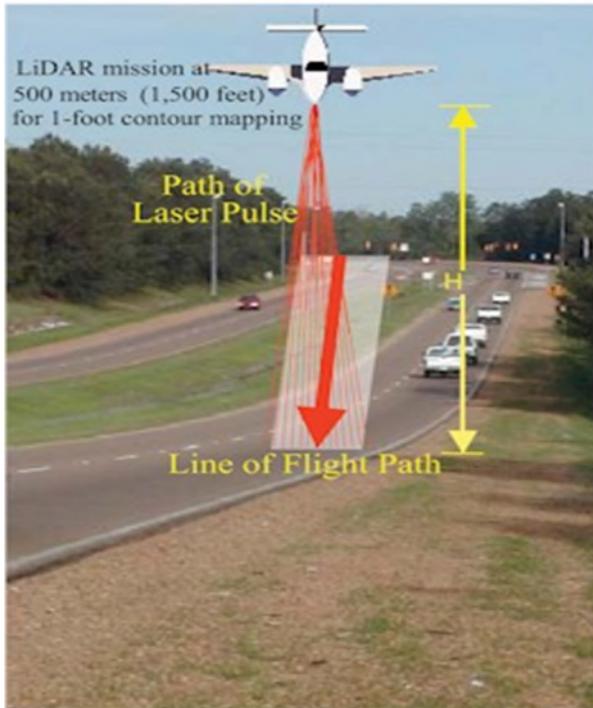
Contract Amount: Not to exceed \$12 million

Contract Lengths: One year with four one-year options to extend

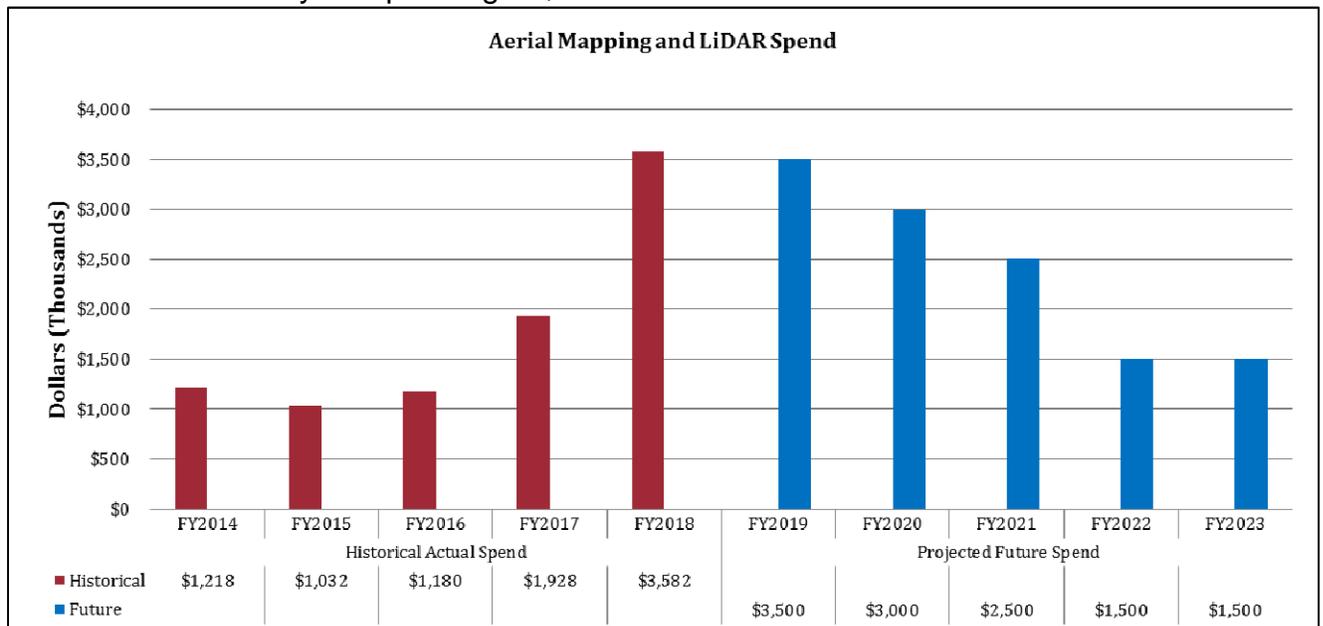
Description: These are master contracts for aerial mapping and LiDAR services used by LCRA’s Survey, GIS and Technical Services department.

Background:

- Aerial mapping is the process of collecting aerial imagery to use in producing maps.
- Light Detection and Ranging (LiDAR) is a remote sensing method that uses light in the form of a pulsed laser to measure ranges (variable distances) to the Earth. It is often used to produce topographical (contour) maps.



- The historical five-year spending is \$9 million.



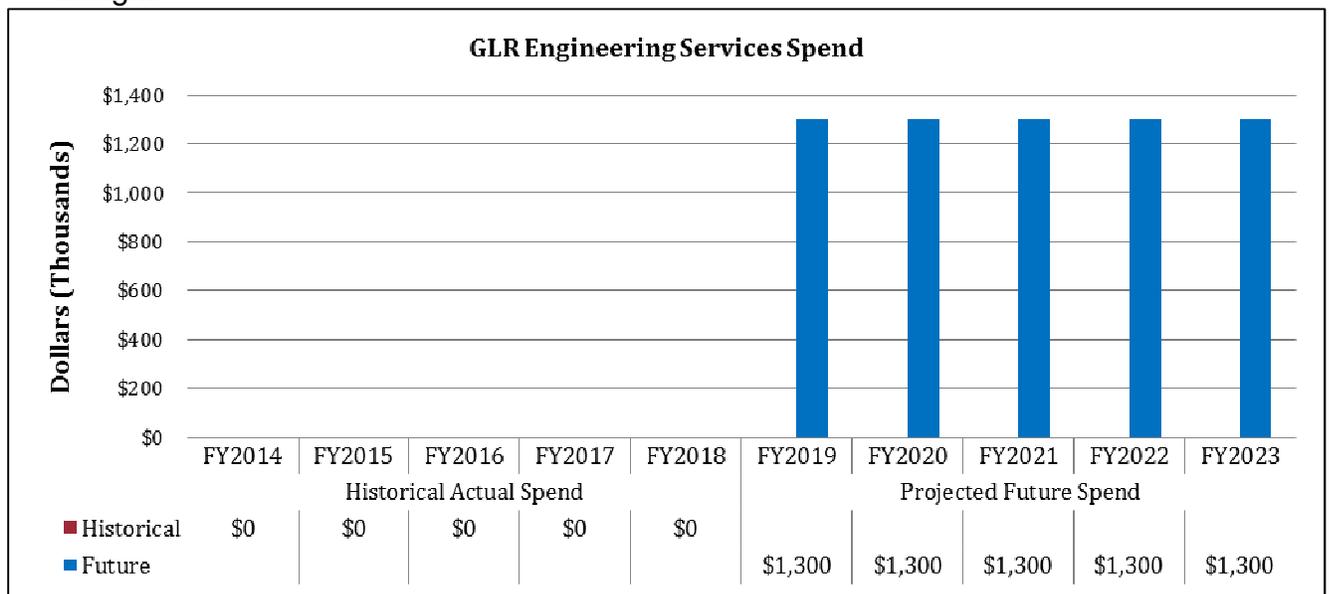
Actions:

- LCRA invited 34 suppliers to participate. LCRA received 14 proposals and evaluated 13 of them.
- Cost was the highest-weighted category for the evaluation.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$1,032,000 over the lives of the contracts (compared to the median of responses received).
- The contract award amount is not to exceed \$12 million. This amount represents a shared sum from which the proposed contracts may draw.
- Based on the evaluation and negotiation, LCRA recommends Woolpert Inc., McKim & Creed Inc., Quantum Spatial Inc., Geodigital International Corporation, and Surveying and Mapping LLC as the suppliers for this category.

Contract No. 4920
Supplier: Freese & Nichols Inc.
Contract Amount: Not to exceed \$6.5 million
Contract Length: Until the contract is fulfilled
Description: This is a one-time contract for engineering services for the Griffith League Water Supply Project.

Background:

- LCRA acquired rights to groundwater from the Carrizo-Wilcox Aquifer on the Griffith League Ranch property in Bastrop County.
- The project’s objective is to develop a raw-water system and corresponding water transportation infrastructure.
- This contract will provide engineering design services for the project through final design.



Actions:

- LCRA invited four suppliers to participate. LCRA received and evaluated five proposals.
- Quality was the highest-weighted criterion and was scored on project experience and staff experience.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$19,000 over the life of the contract (compared to original proposed rates).
- The contract award amount is not to exceed \$6.5 million.
- Based on the evaluation and negotiation, LCRA recommends Freese & Nichols Inc. as the supplier for this category.

Contract No. 4921

Supplier: Irby Construction Company Inc.

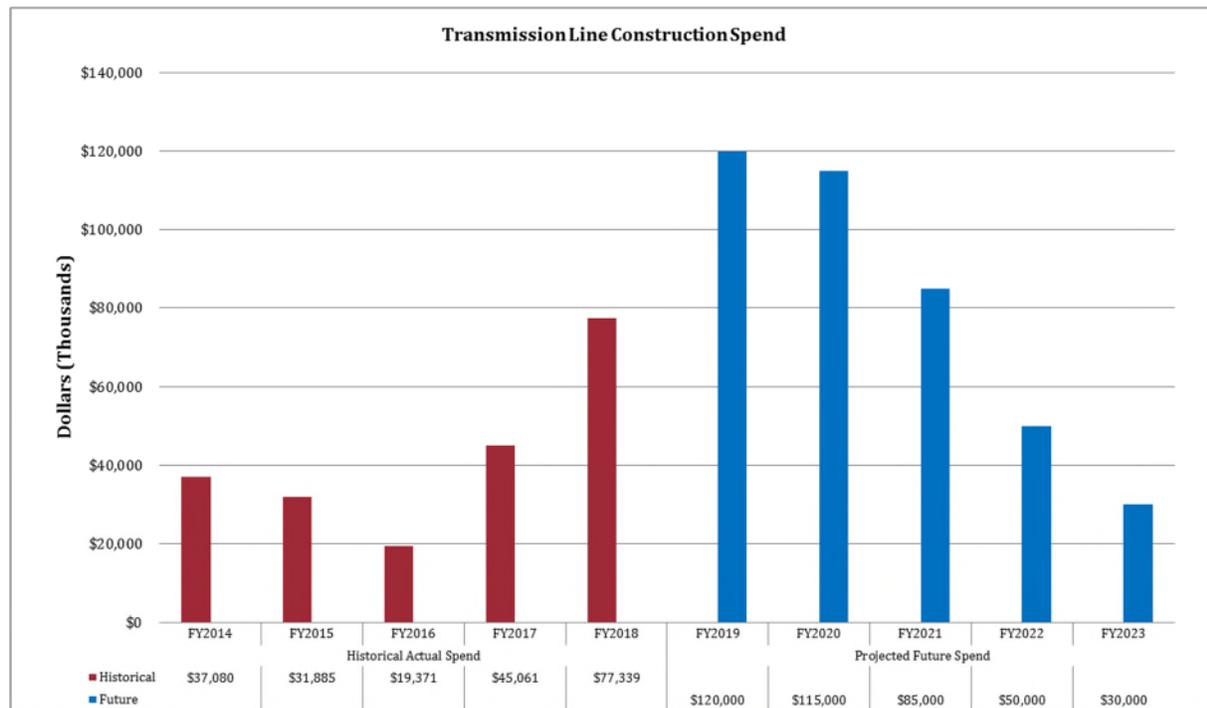
Contract Amount: Not to exceed \$400 million

Contract Length: One year with four one-year options to extend

Description: This is a master contract for transmission line construction and maintenance services used by Transmission and Generation.

Background:

- This contract is an alliance contract, which is designed to encourage transparency, risk-sharing (that depends heavily on the competency and quality of the participants), innovation and learning-sharing.
- This alliance contract is only for transmission line construction.
- The historical five-year spending is \$206 million.



Actions:

- LCRA invited 25 suppliers to participate. LCRA received 13 proposals and evaluated nine proposals.
- Quality was the highest-weighted criterion for the evaluation.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$40 million over the life of the contract (compared to the median of responses received).
- The contract award amount is not to exceed \$400 million.
- Based on the evaluation and negotiation, LCRA recommends Irby Construction Company, Inc. as the supplier for this category.

Contract Numbers 4923 and 4924

Suppliers: TransCanada Turbines Inc. and MTU Maintenance

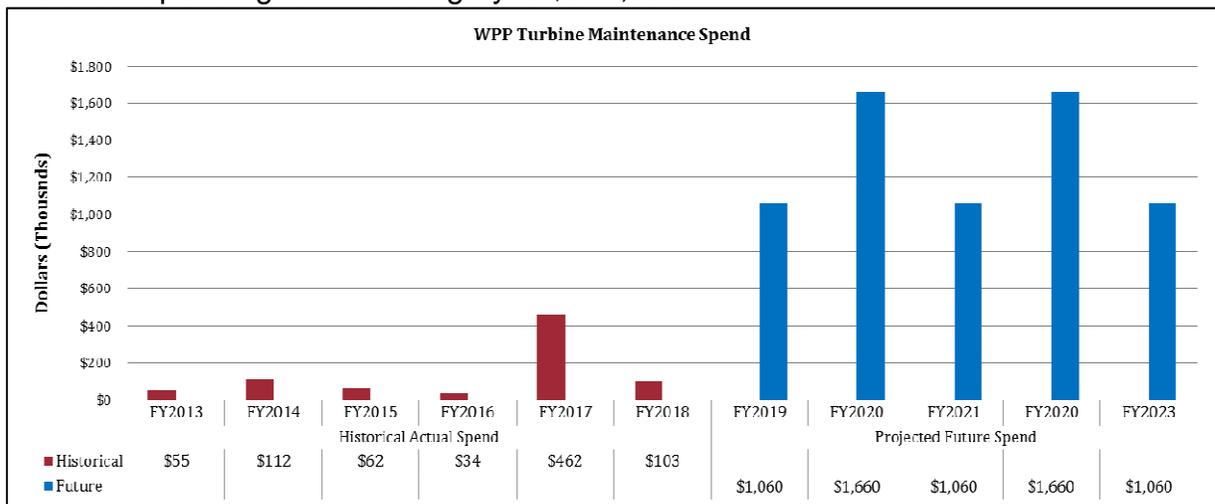
Contract Amount: Not to exceed \$6.5 million

Contract Lengths: One year with four one-year options to extend

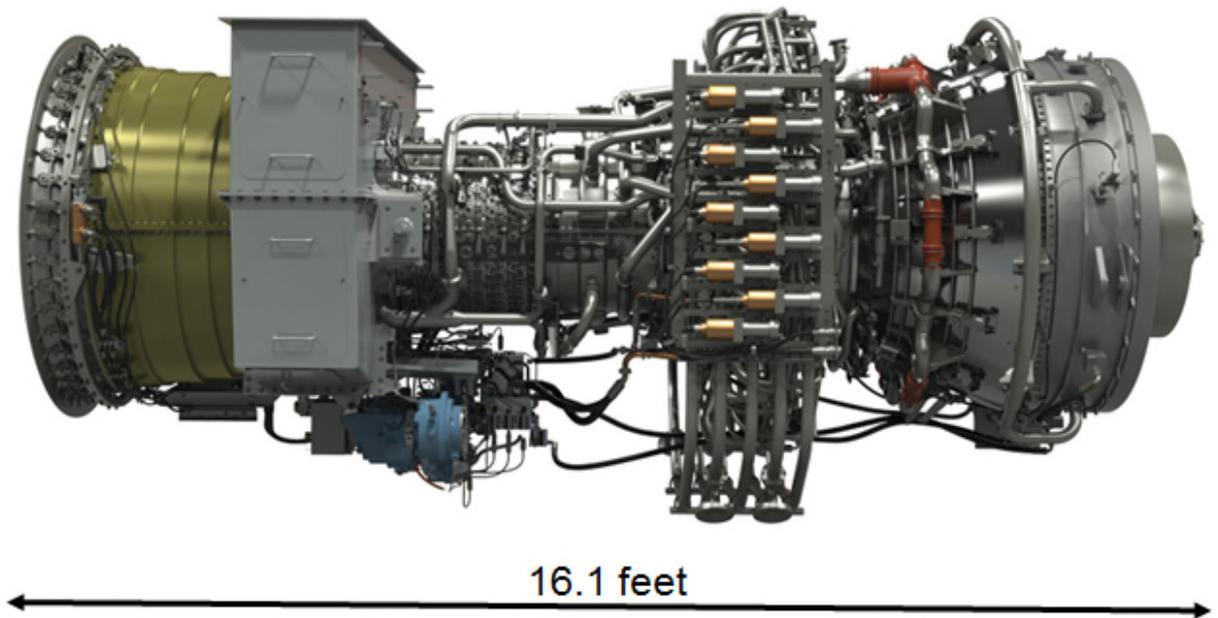
Description: These are master contracts for turbine inspection and maintenance services for Winchester Power Park used by Wholesale Power.

Background:

- Historical spending for this category is \$827,000.



- The Winchester turbine inspection and maintenance services are needed to cover the annual turbine internal borescope inspections and repairs required to keep Winchester turbine operating reliably.



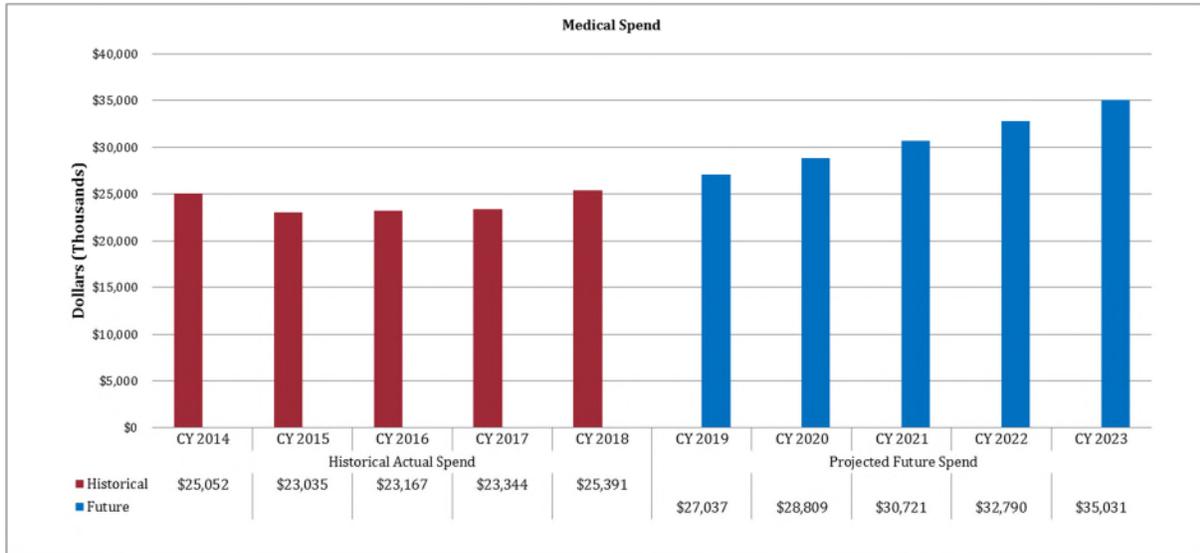
Actions:

- LCRA invited five suppliers to participate. LCRA received and evaluated three proposals.
- Ability and cost were the two highest-weighted criteria for the evaluation.
- The contract award amount is not to exceed \$6.5 million. This amount represents a shared sum from which the two proposed contracts may draw.
- Based on the evaluation and negotiation, LCRA recommends TransCanada Turbines Inc. and MTU Maintenance as the suppliers for this category.

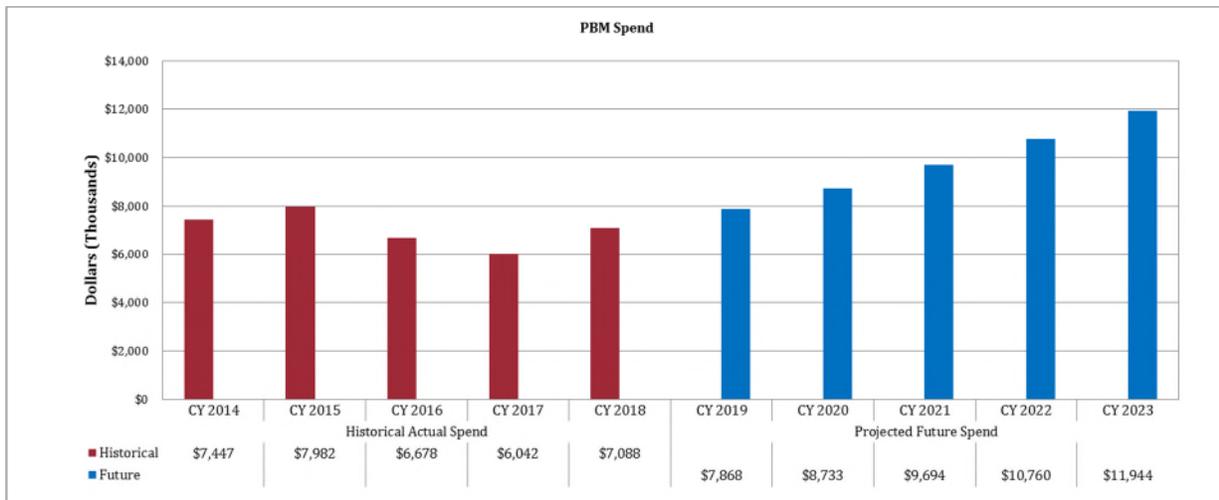
Contract No. 4925
Supplier: UnitedHealthcare Insurance Company
Contract Amount: Not to exceed \$199 million
Contract Length: One year with four one-year options to extend
Description: This is a master contract for medical insurance third-party administration and pharmacy benefits services used across LCRA.

Background:

- LCRA is self-insured and self-funds health care claims.
- A third-party administrator is an organization that processes insurance claims or certain aspects of employee benefit plans for LCRA.
- The contract includes a stop-loss policy to provide protection to LCRA from individual health care claims of more than \$275,000.
- A pharmacy benefit manager is a third-party administrator of prescription drug programs for a self-insured employer plan.
- Historical spending for this medical third-party administrator is \$120 million.



- Historical spending for this pharmacy benefit manager is \$35 million.



Actions:

- LCRA invited nine suppliers to participate. LCRA received and evaluated four proposals for medical insurance third-party administration. LCRA received nine proposals for pharmacy benefits management and evaluated five of them.
- Cost was the highest-weighted criterion for the first- and second-round evaluations for medical third-party administrator services.
- Cost was the highest-weighted criterion for the first- and second-round evaluations for pharmacy benefits management.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$4.1 million over the life of the contract (compared to prices established through LCRA's current contract).
- The contract award amount is not to exceed \$199 million.
- Based on the evaluation and negotiation, LCRA recommends UnitedHealthcare Insurance Company as the supplier for this category.

Contract Numbers 4926 and 4927

Suppliers: Trinity Industries de Mexico, S. de R.L. de C.V. and Falcon Steel America LLC

Contract Amount: Not to exceed \$19 million

Contract Lengths: One year with four one-year options to extend

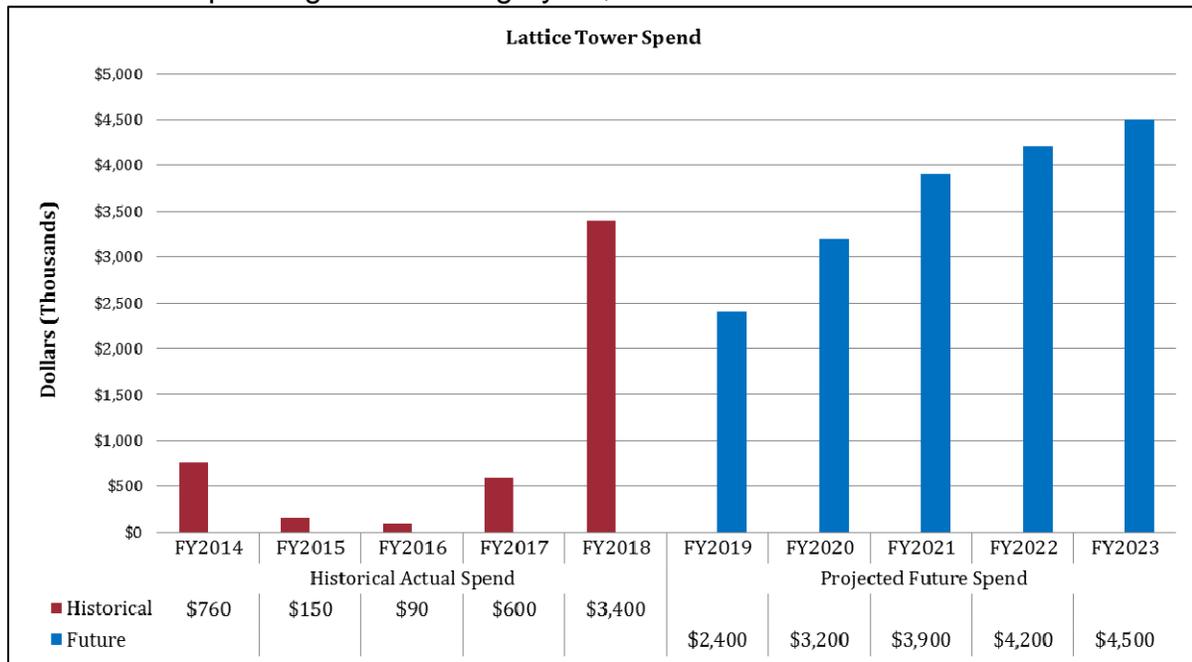
Description: These are master contracts for lattice steel towers used by Transmission.

Background:

- Advantages of lattice transmission towers include relatively easy modeling and design, and the configuration of latticed towers easily can be adjusted to accommodate several electric circuits and various types of conductor configurations.



- Historical spending for this category is \$5.6 million.



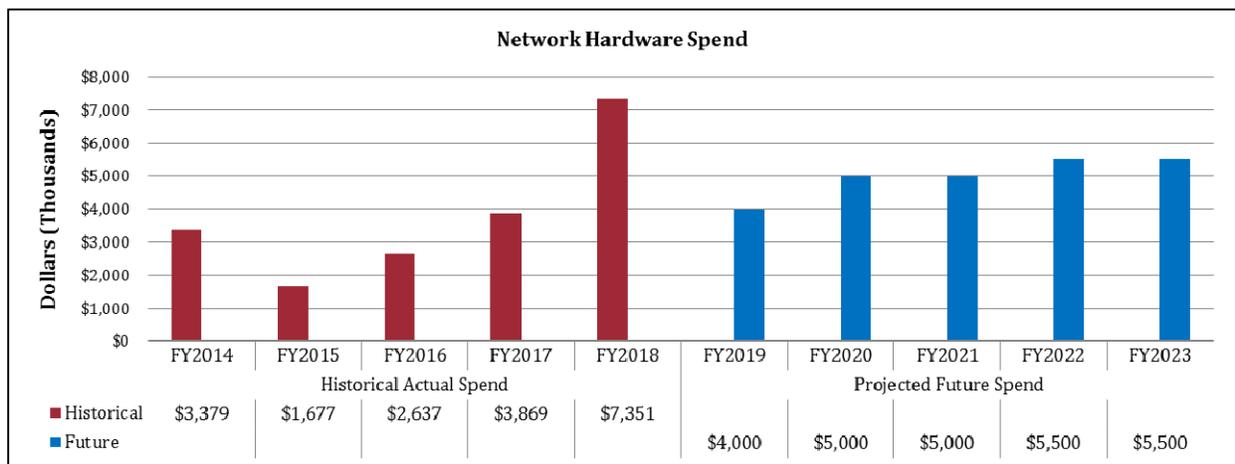
Actions:

- LCRA invited seven suppliers to participate. LCRA received and evaluated five proposals.
- Quality was the highest-weighted category for the evaluation.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$1,778,000 over the lives of the contracts (compared to the prices established through LCRA's previous contract).
- The contract award amount is not to exceed \$19 million. This amount represents a shared sum from which the two proposed contracts may draw.
- Based on the evaluation and negotiation, LCRA recommends Trinity Industries de Mexico, S. de R.L. de C.V. and Falcon Steel America LLC as the suppliers for this category.

Contract No. 4931
Supplier: Presidio Network Solutions Group LLC
Contract Amount: Not to exceed \$25 million
Contract Length: One year with four one-year options to extend
Description: This is a master contract for the network hardware, firewalls, peripherals and configuration services used by Digital Services and Cybersecurity.

Background:

- Historical spending for this category is \$18.9 million.



Actions:

- LCRA invited 10 suppliers to participate. LCRA received and evaluated two proposals.
- Ability and cost were the two highest-weighted criteria for the evaluation.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$2,235,000 over the life of the contract (compared to the prices established through LCRA’s previous contract).
- The contract award amount is not to exceed \$25 million.
- Based on the evaluation and negotiation, LCRA recommends Presidio Network Solutions Group LLC as the supplier for this category.

Contract Numbers 4940, 4941, and 4942

Suppliers: Terracon Consultants Inc., Fugro USA Land Inc. and Kleinfelder Inc.

Contract Amount: Not to exceed \$8 million

Contract Lengths: One year with four one-year options to extend

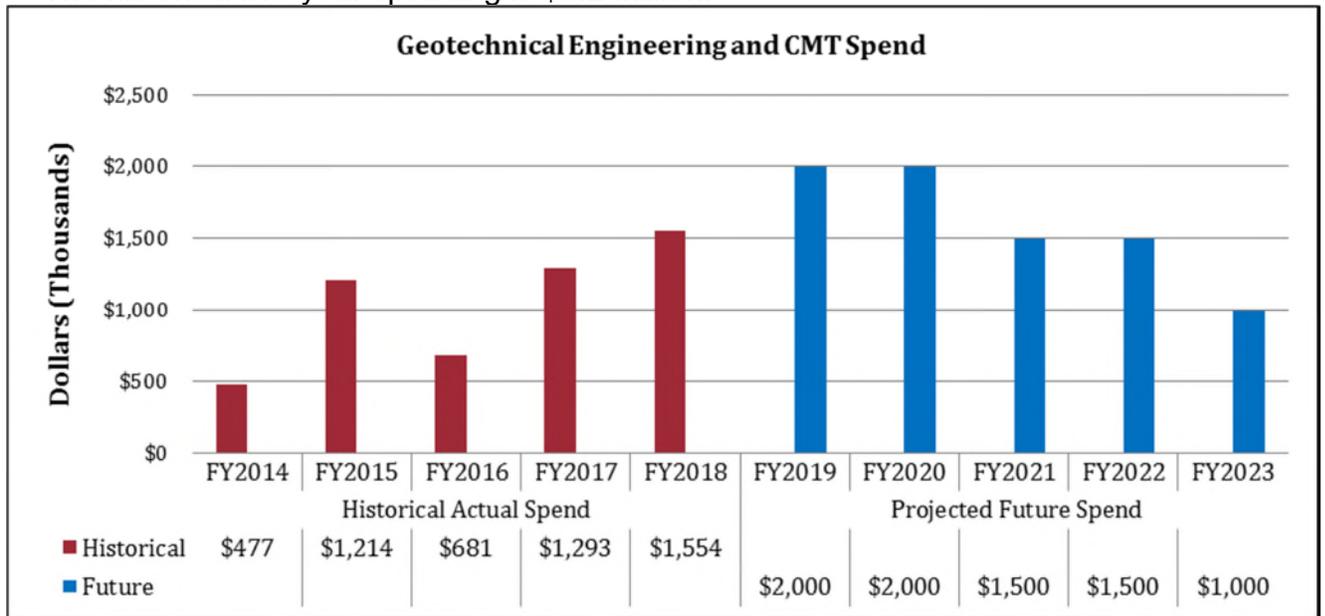
Description: These are master contracts for geotechnical engineering and construction materials testing used across LCRA.

Background:

- Geotechnical engineering uses principles of soil mechanics and rock mechanics to investigate subsurface conditions and materials; determine the relevant physical/mechanical and chemical properties of these materials; evaluate stability of natural slopes and man-made soil deposits; assess risks posed by site conditions; design earthworks and structure foundations; and monitor site conditions, earthwork and foundation construction.
- Construction materials testing systematically tests construction materials so the architect, engineer, or owner can be sure materials being used are of the quality specified.



- The historical five-year spending is \$5.2 million.



Actions:

- LCRA invited 17 suppliers to participate. LCRA received and evaluated seven proposals.
- Quality was the highest-weighted category for the evaluation.
- The contract award amount is not to exceed \$8 million. This amount represents a shared sum from which the proposed contracts may draw.
- Based on the evaluation and negotiation, LCRA recommends Terracon Consultants Inc., Fugro USA Land Inc. and Kleinfelder Inc. as the suppliers for this category.

Contract Numbers 4932, 4933, 4934, 4935, 4943, and 4944

Suppliers: Paul Hornsby & Company; Kokel-Oberrender-Wood Appraisal; Bierschwale Land Company LLC; Valbridge Property Advisors Inc.; Allen, Williford & Seale Inc.; and CBRE Group Inc.

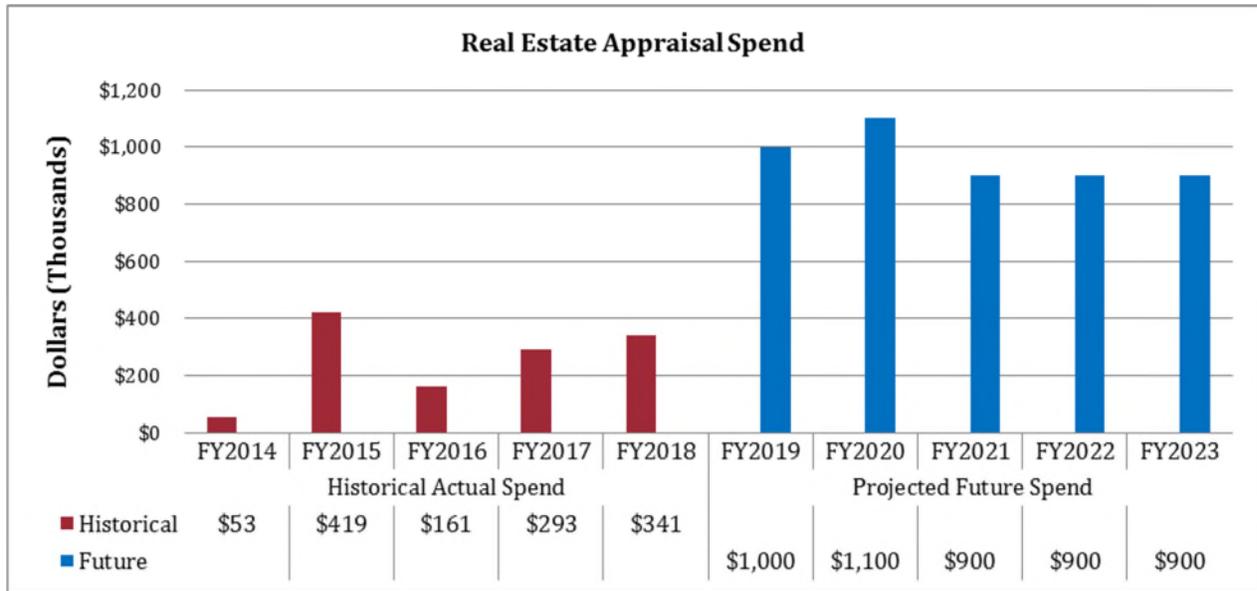
Contract Amount: Not to exceed \$4.8 million

Contract Lengths: One year with four one-year options to extend

Description: These are master contracts for real estate appraisal services used by Real Estate Services.

Background:

- The historical five-year spending through the third quarter of fiscal year 2018 is \$1.3 million.
- Using appraisers under these contracts allows us to not hire additional personnel.
- Appraisal services under these contracts also allows us access to personnel who have expertise in particular real estate markets around Texas.



Actions:

- LCRA invited eight suppliers to participate. LCRA received and evaluated 11 proposals.
- Quality was the highest-weighted category for the evaluation.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$334,000 over the life of the contracts (as compared to original proposed rates).
- The contract award amount is not to exceed \$4.8 million. This amount represents a shared sum from which the proposed contracts may draw.
- Based on the evaluation and negotiation, LCRA recommends Paul Hornsby & Company, Kokel-Oberrender-Wood Appraisal; Bierschwale Land Company LLC; Valbridge Property Advisors Inc.; Allen, Williford & Seale Inc.; and CBRE Group Inc. as the suppliers for this category.

Contract Numbers 4937, 4938, 4939, 4945, 4946, 4947, 4948, 4949 and 4950

Suppliers: Morgan/Brooks Resources Inc., Coates Field Service Inc., Universal Field Services Inc., Electrical Consultants Inc., Contract Land Staff LLC, ORC Utility & Infrastructure Land Services LLC, Percheron Professional Services LLC, TRC Solutions Inc. and Volkert Inc.

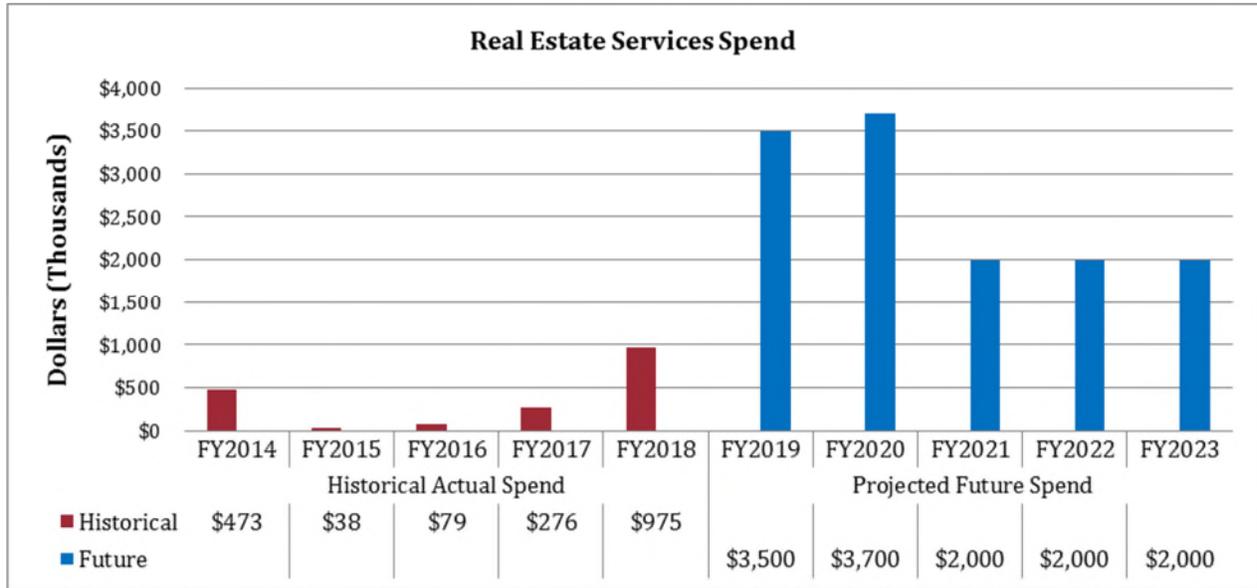
Contract Amount: Not to exceed \$13.2 million

Contract Lengths: One year with four one-year options to extend

Description: These are master contracts for real estate services used by Real Estate Services.

Background:

- The historical five-year spending through the third quarter of FY 2018 is \$1.8 million.
- Real estate services include title research, purchase of land rights, right-of-way services, relocation services and expert witness services.



Actions:

- LCRA invited seven suppliers to participate. LCRA received and evaluated 12 proposals.
- Quality and ability were the two highest-weighted criteria for the evaluation.
- Based on the forecast need and proposed contract terms, LCRA expects to save \$810,000 over the lives of the contracts (as compared to original proposed rates).
- The contract award amount is not to exceed \$13.2 million. This amount represents a shared sum from which the proposed contracts may draw.
- Based on the evaluation and negotiation, LCRA recommends Morgan/Brooks Resources Inc., Coates Field Service Inc., Universal Field Services Inc., Electrical Consultants Inc., Contract Land Staff LLC, ORC Utility & Infrastructure Land Services LLC, Percheron Professional Services LLC, TRC Solutions Inc. and Volkert Inc. as the suppliers for this category.