Board Agenda
Wednesday, May 19, 2021

Earliest start time: noon

THE MEETING WILL BE LIVESTREAMED AT
https://www.lcra.org/about/leadership/stream/

ONLY THOSE MEMBERS OF THE PUBLIC WISHING TO ADDRESS THE BOARD
WILL BE ALLOWED TO ATTEND THE MEETING IN PERSON.
ALL OTHERS ARE INVITED TO VIEW THE LIVESTREAM OF THE MEETING.

Items From the Chair
1. Comments From the Public ................................................................. 3

Items From the General Manager
General Manager’s Update

Items From the Chief Financial Officer
2. Financial Highlights ............................................................................. 4

Consent Items
*3. Sale of Land in Llano County (Parcel JW-06) ..................................... 5
4. Regulation for Contracting for Construction Projects .......................... 8
5. Directors’ Fees, Expenses .................................................................... 16
6. Minutes of Prior Meetings .................................................................... 17

Action Items
7. LCRA Board Policy 220 – Telecommunications ................................... 35
8. Firm Water Contract for Municipal Use – Hurst Creek Municipal
   Utility District ..................................................................................... 38
   Utility District ..................................................................................... 41
*10. Authorize the Sixtieth Supplemental Resolution for the Extension of the
    Credit Facility Supporting the LCRA Commercial Paper Notes, Series B ... 43
11. Fiscal Year 2021 LCRA Business Plan Amendment ............................. 45
12. Fiscal Year 2022 Business and Capital Plans ......................................... 46

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

1. Competitive Electric Matters
2. Litigation Update
3. Legislative Update

The Board may go into Executive Session to receive advice from legal counsel on any item listed above and discuss any real estate-related item listed above, pursuant to Chapter 551 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 www.sos.texas.gov/open/index.shtml.
FOR DISCUSSION

1. Comments From the Public

Summary
Consistent with Gov. Abbott’s March 16, 2020, temporary suspension of various provisions of the Open Meetings Act, the general public will not be able to attend the meeting in person but may view the open session portions of the meeting via livestream at: https://www.lcra.org/about/leadership/stream/.

However, any member of the public wishing to address the Board of Directors on topics under the jurisdiction of this Board or any item on the Board agenda may do so either via telephone or in person. The Board will take all public comments at the beginning of the meeting.

Members of the public who wish to address the Board in person must sign in at the desk outside the meeting before the meeting begins.

Members of the public who would like to address the Board via telephone must register by calling the number below between 8 a.m. and 8:45 a.m. on the day of the meeting.

Phone number: 833-548-0282 (toll free)
Meeting ID: 6442096404##
FOR DISCUSSION

2. Financial Highlights

Summary
Staff will present financial highlights for LCRA covering the month and fiscal year to date.

Presenter(s)
Jim Travis
Chief Financial Officer
Lower Colorado River Authority

Financial Highlights

April 2021
Key takeaways:

- Higher-than-budgeted nonfuel expenses and costs to serve load due to the February 2021 winter storm primarily drove Wholesale Power’s year-to-date performance.
- Lower-than-budgeted expenses primarily drove Transmission’s year-to-date performance.
- Lower-than-budgeted river management expenses and higher-than-budgeted river management revenues primarily drove Water’s year-to-date performance.
- Higher-than-budgeted radio sales and services revenues primarily drove Strategic Services’ year-to-date performance.
- Lower-than-budgeted park and water quality expenses and higher-than-budgeted park revenues primarily drove Public Services’ year-to-date performance.
- LCRA currently is projected to be below the budgeted debt service coverage ratio of 1.49x by 1 point, ending the fiscal year at 1.48x.

Note: Wholesale Power includes nonprofit corporations.
Board Metrics

<table>
<thead>
<tr>
<th>Board Metric</th>
<th>Description</th>
<th>Compliant</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity Ratio</strong></td>
<td>LCRA will attempt to maintain a long-term average 30% equity ratio. At no time will the equity ratio fall below 20% without specific Board approval in the business plan.</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Debt Service Reserves</strong></td>
<td>LCRA will covenant debt service reserves in the amount of six months of average annual debt service requirements on outstanding debt. Debt service reserves may be collected through nonfuel rates or met with proceeds from additional debt or through the use of a surety to mitigate rate impacts.</td>
<td>✓</td>
</tr>
</tbody>
</table>
| **Operating Reserves** | LCRA will target three months of average operating and maintenance expense for the purposes of operating liquidity and maintaining reserves for liquidity of two to three months. Compliance will be evaluated at the end of each fiscal year. These reserves will be collected through nonfuel rates.  
If at any time the operating reserves are projected to fall below the minimum two months established by this policy, the Board will promptly implement a plan, to be recommended by staff, to increase rates, reduce costs or otherwise cause there to be sufficient revenues to replenish the operating reserves to such target levels within 12 months. | ✓         |

Income Statement Trends
Cumulative Fiscal Year to Date

Key takeaways:
- FY 2021 year-to-date operating income includes the effects of the winter storm, resulting in an increase in electric and other (ancillary) revenue offset by the related increase in fuel expense. A decrease in alternate rate option elections by customers primarily caused the large variances in purchased power and operations expenses.
Key takeaways (continued):

- FY 2021 year-to-date nonoperating expenses decreased compared with the prior year due to a decrease in interest expense and the early paydown of LCRA debt in February 2020. This was partially offset by a decrease in interest income and an increase in regulatory expense due to the FY 2020 LCRA TSC depreciation study adjustment.
## Lower Colorado River Authority
### April 30, 2021
*(Dollars in Millions)*

### Condensed Balance Sheets

<table>
<thead>
<tr>
<th></th>
<th>April 30, 2021</th>
<th>April 30, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$478.6</td>
<td>$382.0</td>
</tr>
<tr>
<td>Current assets</td>
<td>$476.1</td>
<td>$383.1</td>
</tr>
<tr>
<td>Total current assets</td>
<td>$954.7</td>
<td>$765.1</td>
</tr>
<tr>
<td>Capital assets</td>
<td>$5,165.0</td>
<td>$4,910.2</td>
</tr>
<tr>
<td>Long-term assets</td>
<td>$883.4</td>
<td>$929.9</td>
</tr>
<tr>
<td>Total long-term assets</td>
<td>$6,048.4</td>
<td>$5,840.1</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$7,003.1</td>
<td>$6,605.2</td>
</tr>
</tbody>
</table>

| **Liabilities**      |                |                |
| Bonds, notes and loans payable | $486.8        | $485.9        |
| Current liabilities  | $220.6         | $242.4         |
| Total current liabilities | $707.4       | $728.3         |
| Bonds, notes and loans payable | $3,959.1      | $3,598.2      |
| Pension liability    | $207.6         | $232.3         |
| Long-term liabilities| $376.1         | $402.2         |
| Total long-term liabilities | $4,542.8     | $4,232.7       |

| **Equity**           |                |                |
| Total equity         | $1,752.9       | $1,644.2       |

| **Total Liabilities and Equity** | $7,003.1 | $6,605.2 |

### Key takeaway:
- Assets and liabilities have trended steadily upward over the past year due to construction activities related to Transmission’s capital plan.
## Condensed Statements of Revenues, Expenses and Changes in Equity

### Fiscal Year to Date

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electric</td>
<td>$988.9</td>
<td>$793.3</td>
</tr>
<tr>
<td>Water and irrigation</td>
<td>26.6</td>
<td>23.6</td>
</tr>
<tr>
<td>Other</td>
<td>47.5</td>
<td>36.3</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>1,063.0</td>
<td>853.2</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel</td>
<td>268.5</td>
<td>198.9</td>
</tr>
<tr>
<td>Purchased power</td>
<td>109.3</td>
<td>145.5</td>
</tr>
<tr>
<td>Operations</td>
<td>260.2</td>
<td>101.4</td>
</tr>
<tr>
<td>Maintenance</td>
<td>42.6</td>
<td>37.3</td>
</tr>
<tr>
<td>Depreciation, depletion and amortization</td>
<td>160.2</td>
<td>176.1</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>840.8</td>
<td>659.2</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>222.2</td>
<td>194.0</td>
</tr>
<tr>
<td><strong>Nonoperating Revenues (Expenses)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on debt</td>
<td>(115.1)</td>
<td>(135.3)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(9.3)</td>
<td>(50.6)</td>
</tr>
<tr>
<td><strong>Total Nonoperating Revenues (Expenses)</strong></td>
<td>(124.4)</td>
<td>(185.9)</td>
</tr>
<tr>
<td><strong>Change in Equity</strong></td>
<td>97.8</td>
<td>8.1</td>
</tr>
<tr>
<td><strong>Equity - Beginning of Period</strong></td>
<td>1,655.1</td>
<td>1,636.1</td>
</tr>
<tr>
<td><strong>Equity - End of Period</strong></td>
<td>$1,752.9</td>
<td>$1,644.2</td>
</tr>
</tbody>
</table>
FOR ACTION (CONSENT)

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

Proposed Motion
Declare an approximately 0.0193-acre tract of land, being a portion of LCRA Parcel JW-06 in Llano County on Lake LBJ, 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. 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 2021 business plan contains the administrative costs associated with the sale of this land. The proceeds of $58,984 will be credited to the Strategic Reserve Fund.

Summary
Robert King, the adjacent landowner, has agreed to purchase the 0.0193-acre tract to permanently resolve the encroachment. The 842-square-foot piece of land is priced at $58,984. Staff determined the price based on the Llano County Appraisal District’s assessed values of King’s lot and other nearby Lake LBJ waterfront lots.

LCRA staff will complete environmental and cultural resource due diligence assessments in accordance with Board Policy 401.403 – Land Disposition 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 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
FOR ACTION (CONSENT)

4. Regulation for Contracting for Construction Projects

Proposed Motion
Adopt the regulation for contracting for construction projects set out in Exhibit A and B.

Board Consideration
Pursuant to Chapter 2269, Texas Government Code, the LCRA Board of Director’s adoption of the proposed regulation for contracting for construction projects will give LCRA the appropriate tools to procure construction services to best meet LCRA’s needs.

Budget Status and Fiscal Impact
Approval of this item and adoption of this regulation will have no budgetary or fiscal impact.

Summary
LCRA is asking the Board to adopt the modified Regulation on Contracting for Construction Projects as shown in Exhibit A and B. This regulation applies only to construction contracts and supplements LCRA’s internal procedures manual and work instructions. The Board on Sept. 22, 2010, adopted the original version of this regulation. LCRA is modifying the regulation to align with LCRA’s current work instructions. The provisions of the regulation will prevail over any conflicting provision of Chapter 2269, Texas Government Code, except the provisions of Subchapter H, as authorized by that statute.

Exhibit(s)
A – With track changes: Regulation for Contracting for Construction Projects
B – Without track changes: Regulation for Contracting for Construction Projects
EXHIBIT A

REGULATION FOR CONTRACTING FOR CONSTRUCTION PROJECTS OF FACILITIES

September 22, 2010 May 19, 2021

Under the authority granted in Section 2269.003(e), Local Texas Government Code; Sections 8503.004(j) and (u) and 8503.018, Texas Special District Local Laws Code; Sections 8503.004(j) and (u) and 8503.018, and Sections 49.211(a) and (b), Texas Water Code, Sections 49.211(a) and (b), the Lower Colorado River Authority, by and through its Board of Directors, has adopted the following regulation to govern the procurement of construction services for facilities and other improvements to real property (hereinafter referred to as “facilities construction projects”). This regulation is intended to prevail over any conflicting provision of Chapter 2269, Texas Government Code, except those provisions of Subchapter H., including without limitation the construction of power generation facilities.

A. Selection of Alternative Construction Delivery Methods. – The Manager may elect to use the following project delivery methods for the construction of facilities:
   i. Design-Build (Engineer-Produce-Construct (EPC));
   ii. Construction Manager-at-Risk (CMR);
   iii. Indefinite Delivery, Indefinite Quantity (IDIQ)
   iv. Competitive Proposals; or
   v. Any other method available to LCRA.

LCRA has the discretion to use Competitive Proposals process in conjunction with any other delivery method. LCRA may use its standard rules regarding departure from the competitive process for construction projects covered by this regulation.

B. Chapter 2269, Texas Government Code. – This regulation does not apply to Design-Build contracts for civil works projects governed by Chapter 2269, Subchapter H, Texas Government Code. As used in these regulations, “civil works project” has the meaning set out in Chapter 2269, Subchapter H, Texas Government Code. If LCRA elects to construct a civil works project using the Design-Build method, it will comply with the requirements of Subchapter H.

C. Use of EPC Delivery Method. – An EPC contract will include, but is not limited to, design of the project, procurement of the necessary materials, and construction of the project, all in conformity with project requirements established by LCRA. The contractor may either self-perform the project or subcontract all or a portion of the work. The EPC contractor bears the risk for design, schedule, performance of the contract and cost in return for a firm fixed price or guaranteed maximum price (GMP).
D. **Use of CMR Delivery Method.** The CMR delivery method entails early selection of a construction manager (CM) that acts as an advisor to LCRA during the development and design phases, ("Preconstruction Services"). The CM acts as the general contractor during the construction phase. The CM will provide constructability review during Preconstruction Services, but design responsibility lies with an architect or engineer separately contracted or assigned to create the design. The CM may either self-perform the project or subcontract all or part of the work. The CM bears the project risk for schedule, performance of the contract and cost in return for a firm fixed price or GMP.

D. **Use of IDIQ Delivery Method.** IDIQ is a type of contract that provides for an indefinite quantity of supplies or work during a fixed period of time. LCRA may prequalify and enter into long term contracts (for not greater than five years) with contractors to execute a wide variety of IDIQ construction projects. Entering into an IDIQ contract does not obligate LCRA to award work to a contractor; award of work will be contingent on the contractors’ proven ability to provide best value to LCRA. LCRA will ensure competitiveness of IDIQ contracts through competition or competitive benchmarking.

E. **Competitive Proposals Method.** In appropriate cases, LCRA may award a contract on the basis of an RFP which combines the qualification and proposal process into a single stage with a single assurance of supply, quality, service, cost and innovation (AQSCI) scorecard.

F. —

G. **Multiple Firms in Contracting.** While in many cases an offeror is a single company, there are instances when the offeror is comprised of two or more companies submitting a single joint proposal. LCRA is authorized to execute a contract with multiple companies for a single proposal, provided that all of the contracted companies execute the final agreement and are jointly and severally liable for the entire project.

H. —

I.C. **Compliance wWith Chapter 2254, Texas Government Code, Chapter 2254.** Each offeror under an EPC or Design-Build contract must certify to LCRA during the request for qualification process that each engineer, architect and land surveyor (and any other provider of professional services governed by Chapter 2254, Texas Government Code, Ch. 2254) that who is a member of its team was selected based on demonstrated competence and qualifications in the manner required by Chapter 2254, Texas Government Code, Ch. 2254. Continued participation in the selection process will be contingent on providing such certification signed by an officer with the authority to bind the offeror. In addition to written certification in the request for quotes process, LCRA’s standard contract language will contain the requirement for the counterparty to comply with Chapter 2254, Texas Government Code, Ch. 2254.

J. — If any construction contract other than an Design-Build EPC contract requires the performance of incidental or unforeseen services subject to Chapter 2254, Texas Government Code, the contractor will certify to LCRA that the service provider was
selected based on demonstrated competence and qualifications in the manner required by Chapter 2254, Texas Government Code, Ch. 2254.

K. **Owner’s Engineer or Architect.** LCRA will select an owner’s engineer and/or architect (OE/OA), independent of the offeror firms, to act as its representative. The OE/OA will assist with development of technical documents necessary to select an offeror and will assist LCRA for the duration of the construction of the facility. If the OE/OA is not an employee of LCRA, selection of the OE/OA will be in accordance with Government Code Section §2254.004. It will be at the discretion of LCRA to determine the amount of design detail the OE/OA will complete in order to solicit the best value from offerors during the RFP process.

M. **Request for Qualification (RFQ).** If the delivery method is not based on Competitive Proposal, then the RFQ is the first stage of the selection process and will include such information as LCRA considers necessary to describe the project and assist the offeror in submitting its qualifications. For EPC, no more than five (5) offerors will be qualified to receive an RFP; for all other procurement methods, LCRA has the right to consider a greater number of candidates. For EPC and CMR, this stage will not include an evaluation of price.

N. **Request for Proposal (RFP).** If the delivery method is not based on Competitive Proposal, then the RFP is the second stage of the selection process and will include such information as LCRA considers necessary to describe the project and assist the offeror in submitting a proposal. The RFP will specify the requirements for selection. Proposed price will be considered in the RFP evaluation. For IDIQ contracts, pricing responses will constitute the RFP.

P. **Development and Evaluation of Proposals for Construction.** LCRA will develop relevant scoring criteria for each solicitation in order to ensure The criteria categories of assurance of supply, quality, service, cost and innovation (AQSCI) will be used to evaluate responses from offerors. Each such category will include multiple questions designed to determine the offeror who is the selection of the most qualified offeror or offerors or offers with the best value to LCRA. Two separate AQSCI scorecards will be used to evaluate offerors.

E. The RFQ scorecard will evaluate general information such as relevant experience, safety record, and quality control programs. This scorecard will not include an evaluation of price (the Cost category under AQSCI). The RFQ scorecard can be used to disqualify an offeror.

The RFP scorecard will use some, if not all, of the criteria of the first scorecard, but will be expanded to evaluate RFP in greater detail. The RFP scorecard will include an evaluation of price (the Cost category under AQSCI) and the scorecard will be used to select an offeror.
The weights of the AQSCI scorecards for both the RFQ and RFP will be determined by LCRA and will not be pre-published. For IDIQ contracts, a second scorecard is optional and LCRA may instead select a pre-qualified contractor who proposes the best price.

**Market Intelligence.** From conception to award of the contract, LCRA has the discretion to use intelligence to raise or lower a score in the AQSCI scorecard.

**R.F. Negotiation.** Except where otherwise prohibited by applicable law, LCRA may negotiate simultaneously with delivery method finalists and LCRA may select the best price.

**S. Best Evaluated Offer.** LCRA will award projects based on the best evaluated offer as determined in completing the AQSCI scorecard for the RFP solicitation. Unsuccessful offerors will be notified upon award of the contract. At its discretion, LCRA may publicly identify the winning offeror.

**T.G. Tie Scores for the AQSCI.** LCRA will extend negotiations until there is no longer a tie in the scores of two or more offerors.

**U.H. Advertisement and Budgets.** LCRA, at its sole discretion, will use any advertising method that creates an environment of fairness and competition.

**V.**

LCRA project budgets will not be publicized as part of the solicitation or review process before a final selection of an offeror is made.

**L.** Public Disclosure and Confidentiality. LCRA will not open proposals publicly. Confidential information will be protected under the terms of a confidentiality agreement signed by LCRA and an offeror in advance of initial disclosure. Disclosure of information will conform to the Texas Public Information Act; provided, however, that nothing in this regulation waives an applicable exception under that Act.

**W.** Bond Amounts. LCRA will require contractors to post payment and performance bonds in accordance with Chapter 2253, Texas Government Code. LCRA may, in the general manager’s discretion, require contractors to post payment and performance bonds where not otherwise required by statute.

**X.**

LCRA may require offerors to submit with their proposals a bid bond or other financial security acceptable to LCRA with their proposals.

For CMR, LCRA has the option to defer requiring the acquisition of bonds until after the establishment of the GMP. The GMP will be established prior to the
commencement of field work. For CMR, bonds will be furnished to LCRA no later than seven days after the GMP has been agreed, unless otherwise agreed to by LCRA. For EPC, bonds will be furnished to LCRA no later than seven days after the contract has been signed, unless otherwise agreed to by LCRA. For IDIQ contracts, bonds will be provided at a time mutually agreed by LCRA, but before the commencement of field work.

**M. Quality Control.** LCRA may consider all available options to assure that all workmanship and materials meet the highest level of quality required by LCRA. If quality control includes selecting engineers or architects, LCRA will select those engineers and architects in compliance with Government Code, Ch. 2254.

**N. Electronic Auctions.** LCRA may use an electronic auction in conjunction with any of the delivery methods outlined herein. If an RFP specifies the use of an auction, such use is optional, and LCRA may later forego use of an auction if in LCRA’s best interest. In addition, although an RFP will request pricing, cost criteria will not be assessed until the auction(s) are completed. The names and number of participants will not be disclosed for auctions; provided, however, that such information disclosure will be subject to the Public Information Act. Any such auction will comply with applicable law and will be consistent with best practices in the market and will assure fairness to participants.

**O. Proposal Expenses of Offerors.** LCRA has the option to compensate (in an amount determined by LCRA) an unsuccessful offeror at the final selection stage. Such compensation is intended to cover certain expenses, and will be offered if LCRA feels it will facilitate a more competitive process.

**P. Grants.** LCRA may alter any provision herein to the extent necessary to meet a grant requirement.

**Z. General Procedures.** The General Manager may authorize the Chief Procurement Officer-Supply Chain department to create procedures to carry out the regulations set forth herein.

**AA. Chapter 271, Subchapter J of the Local Government Code.** This regulation does not apply to EPC contracts for civil works projects governed by Subchapter J, Chapter 271 of the Local Government Code. If LCRA ever elects to construct a civil works project using the EPC method, it will comply with the requirements of Subchapter J.
EXHIBIT B

REGULATION FOR CONTRACTING FOR CONSTRUCTION PROJECTS
May 19, 2021

Under the authority granted in Section 2269.003(e), Texas Government Code; Sections 8503.004(j) and (u) and 8503.018, Texas Special District Local Laws Code; and Sections 49.211(a) and (b), Texas Water Code, the Lower Colorado River Authority, by and through its Board of Directors, has adopted the following regulation to govern the procurement of construction services for facilities and other improvements to real property (“construction projects”). This regulation is intended to prevail over any conflicting provision of Chapter 2269, Texas Government Code, except those provisions of Subchapter H.

A. Selection of Alternative Construction Delivery Methods. The general manager may elect to use the following project delivery methods for construction projects:
   i. Design-Build;
   ii. Construction Manager-at-Risk;
   iii. Competitive proposals; or
   iv. Any other method available to LCRA.

B. Chapter 2269, Texas Government Code. This regulation does not apply to Design-Build contracts for civil works projects governed by Chapter 2269, Subchapter H, Texas Government Code. As used in these regulations, “civil works project” has the meaning set out in Chapter 2269, Subchapter H, Texas Government Code. If LCRA elects to construct a civil works project using the Design-Build method, it will comply with the requirements of Subchapter H.

C. Compliance With Chapter 2254, Texas Government Code. Each offeror under a Design-Build contract must certify to LCRA during the request for qualification process that each engineer, architect and land surveyor (and any other provider of professional services governed by Chapter 2254, Texas Government Code) who is a member of its team was selected based on demonstrated competence and qualifications in the manner required by Chapter 2254, Texas Government Code. Continued participation in the selection process will be contingent on providing such certification signed by an officer with the authority to bind the offeror. In addition to written certification in the request for quotes process, LCRA’s standard contract language will contain the requirement for the counterparty to comply with Chapter 2254, Texas Government Code.

D. If any construction contract other than a Design-Build contract requires the performance of incidental or unforeseen services subject to Chapter. 2254, Texas Government Code, the contractor will certify to LCRA that the service provider was selected based on demonstrated competence and qualifications in the manner required by Chapter 2254, Texas Government Code.
E. Development and Evaluation of Proposals for Construction. LCRA will develop relevant scoring criteria for each solicitation in order to ensure the selection of the most qualified offeror or offerors with the best value for LCRA.

F. Negotiation. Except where otherwise prohibited by applicable law, LCRA may negotiate simultaneously with multiple respondents on any and all facets of the project to ensure LCRA receives maximum value.

G. Best Evaluated Offer. LCRA will award projects based on the best evaluated offer as determined in completing the scorecard for the solicitation. Unsuccessful offerors will be notified.

H. Advertisement. LCRA, at its sole discretion and in accordance with any applicable regulations, will use any advertising method that creates an environment of fairness and competition.

I. Bond Amounts. LCRA will require contractors to post payment and performance bonds in accordance with Chapter 2253, Texas Government Code. LCRA may, in the general manager’s discretion, require contractors to post payment and performance bonds where not otherwise required by statute. LCRA may require offerors to submit with their proposals a bid bond or other financial security acceptable to LCRA.

J. General Procedures. The general manager may authorize the Supply Chain department to create procedures to carry out the regulations set forth herein.
FOR ACTION (CONSENT)

5. 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)

6. Minutes of Prior Meetings

Proposed Motion

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 Jan. 20, 2021, meeting
B – Minutes of Feb. 24, 2021, meeting
C – Minutes of March 1, 2021, meeting
D – Minutes of March 24, 2021, meeting
EXHIBIT A

Minutes Digest
Jan. 20, 2021

21-01 Appointment or reappointment of directors to the GenTex Power Corporation Board of Directors to serve as follows:
  • Four customer directors – Matt Bentke, Bluebonnet Electric Cooperative general manager/CEO; Kevin Coleman, Yoakum city manager; Robert Lindsey III, Goldthwaite city manager; and Julie C. Parsley, Pedernales Electric Cooperative CEO – to serve two-year terms expiring Dec. 31, 2022.


21-03 Authorization for the general manager or his designee to grant to American Electric Power Texas Inc. an approximately 0.696-acre transmission line easement that will cross two LCRA canals in the Gulf Coast Agricultural Division in Matagorda County.

21-04 Approval and authorization for the Board of Directors chair or his designee to execute Amendment No. Five to the Lower Colorado River Authority 401(k) Plan, Amendment No. Four to the Lower Colorado River Authority Retirement Plan and Trust Agreement, and Amendment No. Eight to the Lower Colorado River Authority Deferred Compensation Plan.

21-05 Approval of proposed changes to LCRA Board Policy 303 – Banking and Investments.

21-06 Approval of directors’ fees and expense reimbursements.

21-07 Approval of the minutes of the Dec. 15, 2020, meeting.

21-08 Approval of an updated interruptible agricultural Drought Contingency Plan for customers in the Garwood, Gulf Coast and Lakeside agricultural divisions and Pierce Ranch.

21-09 Approval of updated interruptible agricultural water contract rules and rates for the Garwood, Gulf Coast and Lakeside agricultural divisions.

21-10 Approval of 1) the distribution rate for long-term industrial customers delivered firm water through the Gulf Coast Agricultural Division canals;
and 2) the distribution rate for temporary customers delivered firm water through either the Gulf Coast Agricultural Division or Lakeside Agricultural Division canals.

21-11 Approval of a resolution delegating authority to the general manager and chief executive officer on a short-term basis to approve additional funding for capital projects expected to exceed a lifetime budget by 10% and $300,000.

21-12 Adoption and approval of the Thirty-fourth 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 2021 (Bonds) in an amount not to exceed $600 million for the following purposes: (i) currently refund 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; (ii) currently refund certain outstanding long-term Transmission Contract Debt; (iii) fund a debt service reserve fund for the Bonds; and (iv) pay for issuance costs of the Bonds.

21-13 Adoption and approval of the Thirty-fifth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program authorizing the renewal of the $150 million Transmission Services Tax-Exempt Commercial Paper Program credit facility, and authorization for the general manager, chief financial officer and/or treasurer to negotiate and execute certain related agreements, including the amendments to the Amended and Restated Letter of Credit Reimbursement Agreement among LCRA; LCRA Transmission Services Corporation (LCRA TSC); JPMorgan Chase Bank, National Association; 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 tax-exempt commercial paper program for LCRA TSC in the amount of $150 million.

21-14 Adoption of the Thirty-sixth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program to authorize the renewal of the note purchase agreement among LCRA, LCRA Transmission Services Corporation (LCRA TSC) and Bank of America, N.A. for the LCRA Transmission Contract Revenue Notes, Series F and Taxable Series F, and authorization for the general manager or his designee to negotiate and execute all related documents setting forth the terms and conditions governing the issuance of the debt directly to Bank of America in an amount up to $50 million for the Series F Notes.
21-15 Authorization for the general manager or his designee to negotiate and execute contract numbers 5746 and 5747 (Anixter, Inc. and TESSCO, Inc.).

21-16 Authorization for the general manager or his designee to negotiate and execute a contract for the sale of the Lometa raw water system assets to Corix Utilities (Texas), and further authorization for the general manager or his designee to do all things reasonably necessary to accomplish the purposes hereof.
MINUTES OF THE REGULAR MEETING OF THE 
BOARD OF DIRECTORS OF THE 
LOWER COLORADO RIVER AUTHORITY 
Austin, Texas 
Jan. 20, 2021

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 11:25 a.m. Wednesday, Jan. 20, 2021, 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:

Timothy Timmerman, Chair
Stephen F. Cooper, Vice Chair
Joseph M. “Joe” Crane, Secretary
Lori A. Berger
Raymond A. “Ray” Gill Jr.
Charles B. “Bart” Johnson [attended via videoconference]
Thomas L. “Tom” Kelley [attended via videoconference]
Robert “Bobby” Lewis [attended via videoconference]
Thomas Michael Martine
George W. Russell
Margaret D. “Meg” Voelter
Martha Leigh M. Whitten
Nancy Eckert Yeary

Absent: Michael L. “Mike” Allen
Laura D. Figueroa

Due to health and safety concerns related to the COVID-19 pandemic, and in accordance with the governor’s disaster declaration and subsequent temporary suspension of certain provisions of the Texas Open Meetings Act, the public was not allowed to attend this meeting in person but had access to the open session portions of this meeting via livestream and via telephone for comment.

Chair Timmerman convened the meeting at 11:25 a.m.

The Board heard public comments (Agenda Item 1). Jim Maury, a resident of Lake Buchanan and a member of the Central Texas Water Coalition (CTWC), addressed the Board in his individual capacity regarding Agenda Item 11 – LCRA Interruptible Agricultural Water Contract Rules and Rates for the Garwood, Gulf Coast and Lakeside Agricultural Divisions. Maury also submitted written comments. Attorney Cindy Smiley, on behalf of CTWC, addressed the Board regarding Agenda Item 10 – LCRA Interruptible Agricultural Drought Contingency Plan, Agenda Item 11 – LCRA Interruptible Agricultural Water Contract Rules and Rates for Garwood, Gulf Coast and Lakeside Agricultural Divisions, and water supply and water management issues. CTWC also submitted written comments.
Chair Timmerman presented for consideration a recommendation, described in Agenda Item 2 [attached hereto as Exhibit A], that the Board appoint or reappoint directors to the GenTex Power Corporation Board of Directors to serve as follows:

- Four customer directors – Matt Bentke, Bluebonnet Electric Cooperative general manager/CEO; Kevin Coleman, Yoakum city manager; Robert Lindsey III, Goldthwaite city manager; and Julie C. Parsley, Pedernales Electric Cooperative CEO – to serve two-year terms expiring Dec. 31, 2022.

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

Chair Timmerman presented for consideration a recommendation, described in Agenda Item 3 [attached hereto as Exhibit B], that the Board reappoint Raymond A. “Ray” Gill Jr. and appoint Michael L. “Mike” Allen to serve on LCRA’s Retirement Benefits Board of Trustees for three-year terms expiring Dec. 31, 2023.

Upon motion by Director Whitten, seconded by Vice Chair Cooper, the recommendation was unanimously approved by a vote of 13 to 0.

General Manager Phil Wilson gave the Board an update. He highlighted one of LCRA’s core values, focus on safety, and discussed continued efforts to help keep employees safe during the pandemic. He discussed the investments in LCRA’s dams for their continued safe operation. He also gave updates on LCRA-managed parks and conservation grants awarded through LCRA’s firm water conservation cost-sharing program.

Chief Financial Officer Jim Travis presented financial highlights for December 2020 and the fiscal year to date [Agenda Item 4].

The Board next took action on the consent agenda. Upon motion by Director Whitten, seconded by Director Russell, the Board unanimously approved consent items 5, 6, 7, 8 and 9 by a vote of 13 to 0 as follows:

Authorization for the general manager or his designee to grant to American Electric Power Texas Inc. an approximately 0.696-acre transmission line easement that will cross two LCRA canals in the Gulf Coast Agricultural Division in Matagorda County, as recommended by staff in Consent Item 5 [attached hereto as Exhibit C].

Approval and authorization for the Board of Directors chair or his designee to execute Amendment No. Five to the Lower Colorado River Authority 401(k) Plan, Amendment No. Four to the Lower Colorado River Authority Retirement Plan and Trust Agreement, and Amendment No. Eight to the Lower Colorado River Authority Deferred Compensation Plan, as recommended by staff in Consent Item 6 [attached hereto as Exhibit D].
21-05  Approval of proposed changes to LCRA Board Policy 303 – Banking and Investments, as recommended by staff in Consent Item 7 [attached hereto as Exhibit E].

21-06  Approval of directors’ fees and expense reimbursements, as recommended in Consent Item 8 [attached hereto as Exhibit F].

21-07  Approval of the minutes of the Dec. 15, 2020, meeting [Consent Item 9].

Executive Vice President of Water John B. Hofmann presented for consideration and action Agenda Item 10 – LCRA Interruptible Agricultural Drought Contingency Plan, Agenda Item 11 – LCRA Interruptible Agricultural Water Contract Rules and Rates for Garwood, Gulf Coast and Lakeside Agricultural Divisions and Agenda Item 12 – LCRA Firm Customer Canal Distribution Rates. Hofmann noted that on Dec. 15, 2020, staff gave the Board a detailed overview regarding the calendar year 2021 projected firm and interruptible water rates, water rate methodology, availability of water, and planned updates to the drought contingency plan and contract rules for interruptible agriculture water customers. Hofmann described the public input process, and discussed comments received from CTWC, Maury and OQ Chemicals (formerly Oxea), on the agenda items. Throughout the discussion on the items, Hofmann and General Manager Phil Wilson responded to various questions from Board members.

After discussion, upon motion by Director Martine, seconded by Director Whitten, the Board took action on agenda items 10, 11 and 12, by a unanimous vote of 13 to 0, as follows:

21-08  Approved an updated interruptible agricultural Drought Contingency Plan for customers in the Garwood, Gulf Coast and Lakeside agricultural divisions and Pierce Ranch, as recommended by staff in Agenda Item 10 [attached hereto as Exhibit G].

21-09  Approved updated interruptible agricultural water contract rules and rates for the Garwood, Gulf Coast and Lakeside agricultural divisions, as recommended by staff in Agenda Item 11 [attached hereto as Exhibit H].

21-10  Approved 1) the distribution rate for long-term industrial customers delivered firm water through the Gulf Coast Agricultural Division canals; and 2) the distribution rate for temporary customers delivered firm water through either the Gulf Coast Agricultural Division or Lakeside Agricultural Division canals, as recommended by staff in Agenda Item 12 [attached hereto as Exhibit I].

21-11  Chief Financial Officer Jim Travis and General Manager Phil Wilson presented for consideration a staff recommendation, described in Agenda Item 13 [attached hereto as Exhibit J], that the Board approve a resolution delegating authority to the general manager and chief executive officer on a short-term basis to approve additional funding for capital projects expected to exceed a lifetime budget by 10% and $300,000. Upon motion by Director Johnson, seconded by Director Berger, the recommendation was unanimously approved by a vote of 13 to 0.
21-12 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 14 [attached hereto as Exhibit K], that the Board adopt and approve the Thirty-fourth 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 2021 (Bonds) in an amount not to exceed $600 million for the following purposes: (i) currently refund 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; (ii) currently refund certain outstanding long-term Transmission Contract Debt; (iii) fund a debt service reserve fund for the Bonds; and (iv) pay for issuance costs of the Bonds.

The resolution also will:
1. Approve related documents in substantially final form, including the escrow agreement, the paying agent/registrar agreement, the Preliminary Official Statement and the Transmission Contract Revenue Debt Installment Payment Agreement Supplement Related to the Bonds. 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 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.
   d. Approve the terms of the sale of the Bonds to an underwriting team led by BofA Securities.
   e. Execute a bond purchase agreement.

Upon motion by Director Gill, seconded by Director Crane, the recommendation was unanimously approved by a vote of 12 to 0. [Director Lewis was absent for voting on this item in addition to Directors Allen and Figueroa, who were absent from the meeting.]

21-13 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 15 [attached hereto as Exhibit L], that the Board adopt and approve the Thirty-fifth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program authorizing the renewal of the $150 million Transmission Services Tax-Exempt Commercial Paper Program credit facility, and authorize the general manager, chief financial officer and/or treasurer to negotiate and execute certain related agreements, including the amendments to the Amended and Restated Letter of Credit Reimbursement Agreement among LCRA; LCRA Transmission Services Corporation...
Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 16 [attached hereto as Exhibit M], that the Board adopt the Thirty-sixth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program to authorize the renewal of the note purchase agreement among LCRA, LCRA Transmission Services Corporation (LCRA TSC) and Bank of America, N.A. for the LCRA Transmission Contract Revenue Notes, Series F and Taxable Series F, and authorize the general manager or his designee to negotiate and execute all related documents setting forth the terms and conditions governing the issuance of the debt directly to Bank of America in an amount up to $50 million for the Series F Notes. Upon motion by Director Whitten, seconded by Director Yeary, the recommendation was unanimously approved by a vote of 12 to 0. [Director Lewis was absent for voting on this item in addition to Directors Allen and Figueroa, who were absent from the meeting.]

Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 17 [attached hereto as Exhibit N], that the Board authorize the general manager or his designee to negotiate and execute contract numbers 5746 and 5747 (Anixter, Inc. and TESSCO, Inc.). Upon motion by Director Russell, seconded by Director Voelter, the recommendation was unanimously approved by a vote of 13 to 0.

General Manager Phil Wilson introduced for discussion Agenda Item 18 – LCRA Parks Business Development Review. Chief Administrative Officer John Miri discussed the vision and goals for parks, including financial self-sufficiency. Vice President of Community Resources Margo Richards presented the item, including parks strategic goals, unified long-term parks portfolio planning and qualifying third-party development proposals. Senior Director of Parks and Business Development Kenny Reed discussed two proposed property developments: Lease of TS-13A and TS-13B – Camp Chautauqua (Legacy DCS LLC) and Lease of Pedernales River Nature Park (Sun Communities Inc.).

Chair Timmerman declared the meeting to be in executive session at 1:35 p.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 2:40 p.m.

Director Martine moved, seconded by Director Whitten, that the Board authorize the general manager or his designee to negotiate and execute a contract for
the sale of the Lometa raw water system assets to Corix Utilities (Texas) as discussed in executive session, and further authorize the general manager or his designee to do all things reasonably necessary to accomplish the purposes hereof. The Board unanimously approved the motion by a vote of 13 to 0.

There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 2:42 p.m.

Joseph M. Crane
Secretary
LCRA Board of Directors
Approved: May 19, 2021
21-17 Authorization for the general manager or his designee to negotiate and execute a land lease (at the Arbuckle Reservoir site) with Leeward Renewable Energy Development LLC.

21-18 Authorization for the general manager or his designee to negotiate and execute a 66-year lease agreement with Legacy DCS LLC for the development and operation of TS-13A and TS-13B (Camp Chautauqua).

21-19 Authorization for the general manager or his designee to negotiate and execute a 50-year lease agreement with Sun Communities Inc. for the development and operation of Pedernales River Nature Park.

21-20 Adoption of a resolution relating to certain dredging activities on the Highland Lakes.
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 11:06 a.m. Wednesday, Feb. 24, 2021, 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:

Timothy Timmerman, Chair
Stephen F. Cooper, Vice Chair [attended via videoconference]
Michael L. “Mike” Allen [attended via videoconference]
Lori A. Berger
Laura D. Figueroa [attended via videoconference]
Raymond A. “Ray” Gill Jr.
Charles B. “Bart” Johnson
Robert “Bobby” Lewis
Thomas L. “Tom” Kelley [attended via videoconference]
Thomas Michael Martine
George W. Russell
Margaret D. “Meg” Voelter [attended via videoconference]
Martha Leigh M. Whitten
Nancy Eckert Yeary [attended via videoconference]

Absent: Joseph M. “Joe” Crane, Secretary

Due to health and safety concerns related to the COVID-19 pandemic, and in accordance with the governor’s disaster declaration and subsequent temporary suspension of certain provisions of the Texas Open Meetings Act, the public was not allowed to attend this meeting in person but had access to the open session portions of this meeting via livestream and via telephone for comment.

Chair Timmerman convened the meeting at 11:06 a.m. and led the Board in pledges of allegiance to the American and Texas flags. Director Whitten provided an invocation.

The Board heard public comments (Agenda Item 1). Nancy Davis addressed the Board regarding the recent severe winter storm and power outages.

General Manager Phil Wilson gave the Board an update on LCRA’s response to the recent winter storm.

21-17 Mark Sumrall presented for consideration a staff recommendation, described in Agenda Item 2 [attached hereto as Exhibit A], that the Board authorize the general manager or his designee to negotiate and execute a land lease agreement (at
the Arbuckle Reservoir site) with Leeward Renewable Energy Development LLC. Upon motion by Director Martine, seconded by Director Russell, the recommendation was unanimously approved by a vote of 14 to 0.

Chief Administrative Officer John Miri introduced, and Vice President of Community Resources Margo Richards presented for the Board’s consideration and action, Agenda Item 3 – lease agreement with Legacy DCS LLC for the development and operation of TS-13A and TS-13B (Camp Chautauqua) and Agenda Item 4 – lease agreement with Sun Communities Inc. for the development and operation of Pedernales River Nature Park. Richards noted staff briefed the Board on the proposed property developments on Jan. 20, 2021.

Chair Timmerman declared the meeting to be in executive session at 11:37 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 1:59 p.m.

21-18 Upon motion by Director Russell, seconded by Director Lewis, the Board unanimously authorized the general manager or his designee to negotiate and execute a 66-year lease agreement with Legacy DCS LLC for the development and operation of TS-13A and TS-13B (Camp Chautauqua), by a vote of 12 to 0, as recommended by staff in Agenda Item 3 [attached hereto as Exhibit B]. [Vice Chair Cooper and Director Kelley were absent for voting on this item in addition to Director Crane, who was absent from the meeting.]

21-19 Upon motion by Director Berger, seconded by Director Johnson, the Board unanimously authorized the general manager or his designee to negotiate and execute a 50-year lease agreement with Sun Communities Inc. for the development and operation of Pedernales River Nature Park, by a vote of 12 to 0, as recommended by staff in Agenda Item 4 [attached hereto as Exhibit C]. [Vice Chair Cooper and Director Kelley were absent for voting on this item in addition to Director Crane, who was absent from the meeting.]

21-20 Executive Vice President of Water John B. Hofmann presented for consideration a staff recommendation, described in Agenda Item 5 [attached hereto as Exhibit D], that the Board adopt a resolution relating to certain dredging activities on the Highland Lakes. Staff responded to various questions from Board members on this item. After discussion, upon motion by Director Johnson, seconded by Director Berger, the recommendation was unanimously approved by a vote of 10 to 0. [Vice Chair Cooper, Director Figueroa and Director Kelley were absent for voting on this item in addition to Director Crane, who was absent from the meeting. Director Allen abstained from voting on this item.]
There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 2:24 p.m.

Joseph M. Crane
Secretary
LCRA Board of Directors
Approved: May 19, 2021
EXHIBIT C

Minutes Digest
March 1, 2021

21-21 Adoption and approval of the Amended and Restated Forty-ninth Supplemental Resolution to the Master Resolution establishing the LCRA Financing Program that authorizes the LCRA Revenue Revolving Notes, Series C, and authorization for the general manager or his designee to negotiate and execute related agreements, including the Amended and Restated Note Purchase Agreement between LCRA and U.S. Bank National Association, setting forth the terms and conditions governing the issuance of the debt directly to U.S. Bank National Association in an amount up to $160 million.

21-22 Adoption and approval of the Amended and Restated Fifty-second Supplemental Resolution to the Master Resolution establishing the LCRA Financing Program that authorizes the LCRA Revenue Revolving Notes, Series E, and authorization for the general manager or his designee to negotiate and execute related documents, including an amended and restated note purchase agreement with Bank of America, N.A., setting forth the terms and conditions governing the issuance of the debt directly to Bank of America, N.A. in an amount up to $225 million.
MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER COLORADO RIVER AUTHORITY
Austin, Texas
March 1, 2021

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 special meeting at 8:31 a.m. Monday, March 1, 2021, by videoconference. The following directors were present, constituting a quorum:

Timothy Timmerman, Chair
Stephen F. Cooper, Vice Chair
Michael L. “Mike” Allen
Lori A. Berger
Laura D. Figueroa
Raymond A. “Ray” Gill Jr.
Charles B. “Bart” Johnson
Robert “Bobby” Lewis
Thomas L. “Tom” Kelley
Thomas Michael Martine
George W. Russell
Margaret D. “Meg” Voelter
Martha Leigh M. Whitten
Nancy Eckert Yeary

Absent: Joseph M. “Joe” Crane, Secretary

Chair Timmerman convened the meeting at 8:31 a.m.

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

21-21 Chief Financial Officer Jim Travis presented for consideration a staff recommendation [Agenda Item 2], that the Board adopt and approve the Amended and Restated Forty-ninth Supplemental Resolution to the Master Resolution [attached hereto as Exhibit A] establishing the LCRA Financing Program that authorizes the LCRA Revenue Revolving Notes, Series C, and authorize the general manager or his designee to negotiate and execute related agreements, including the Amended and Restated Note Purchase Agreement between LCRA and U.S. Bank National Association, setting forth the terms and conditions governing the issuance of the debt directly to U.S. Bank National Association in an amount up to $160 million. Upon motion by Director Johnson, seconded by Director Allen, the recommendation was unanimously approved by a vote of 14 to 0.

21-22 Chief Financial Officer Jim Travis presented for consideration a staff recommendation [Agenda Item 3], that the Board adopt and approve the Amended and Restated Fifty-second Supplemental Resolution to the Master Resolution [attached
hereto as Exhibit B] establishing the LCRA Financing Program that authorizes the LCRA Revenue Revolving Notes, Series E, and authorize the general manager or his designee to negotiate and execute related documents, including an amended and restated note purchase agreement with Bank of America, N.A., setting forth the terms and conditions governing the issuance of the debt directly to Bank of America, N.A. in an amount up to $225 million. Upon motion by Director Lewis, seconded by Director Berger, the recommendation was unanimously approved by a vote of 14 to 0.

There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 8:39 a.m.

Joseph M. Crane
Secretary
LCRA Board of Directors
Approved: May 19, 2021
EXHIBIT D

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER COLORADO RIVER AUTHORITY
Austin, Texas
March 24, 2021

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 9:06 a.m. Wednesday, March 24, 2021, by videoconference. The following directors were present, constituting a quorum:

Timothy Timmerman, Chair
Stephen F. Cooper, Vice Chair
Joseph M. “Joe” Crane, Secretary
Michael L. “Mike” Allen
Lori A. Berger
Raymond A. “Ray” Gill Jr.
Charles B. “Bart” Johnson
Robert “Bobby” Lewis
Thomas L. “Tom” Kelley
Thomas Michael Martine
George W. Russell
Margaret D. “Meg” Voelter
Martha Leigh M. Whitten
Nancy Eckert Yeary

Absent: Laura D. Figueroa

Chair Timmerman convened the meeting at 9:06 a.m.

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

Chair Timmerman declared the meeting to be in executive session at 9:07 a.m., pursuant to sections 551.071 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 10:35 a.m.

There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 10:35 a.m.

____________________________________
Joseph M. Crane
Secretary
LCRA Board of Directors
Approved: May 19, 2021
FOR ACTION

7. LCRA Board Policy 220 – Telecommunications

Proposed Motion
Approve amendments to LCRA Board Policy 220 – Telecommunications as attached in Exhibit A.

Board Consideration
Board of Directors approval is required for any changes to LCRA Board policies.

Budget Status and Fiscal Impact
Approval of this item will have no budgetary or fiscal impact.

Summary
During the current 87th Texas Legislative Session, Senate Bill 632 was passed, and it was signed into law by Gov. Abbott on April 30, 2021. The bill – which amends LCRA’s enabling legislation – is effective immediately. It authorizes LCRA to provide fiber capacity or facilities for the purpose of facilitating broadband service connectivity.

Staff recommends the proposed amendments to Board Policy 220 – Telecommunications as an update to address LCRA’s new authority to provide capacity and facilities to promote enhanced broadband connectivity in the state.

Presenter(s)
Phil Wilson
General Manager

Exhibit(s)
A – Proposed amendments to LCRA Board Policy 220 – Telecommunications
**EXHIBIT A**

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**LCRA BOARD POLICY**

**220 – TELECOMMUNICATIONS**

*Sept. 21, 2016 May 19, 2021*

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**220.10 PURPOSE**

To fulfill its statutory mission, LCRA requires reliable and secure telecommunications systems to cost-effectively support the delivery of electric services, flood control and communications for its day-to-day operations. Telecommunications technology also is an essential element of economic development and other public service goals. This policy outlines establishes the framework strategy for providing telecommunications services to LCRA and the customers and communities it serves.

**220.20 POLICY**

LCRA will satisfy its telecommunications requirements in the most cost-effective manner and may upgrade or construct new telecommunication systems as technology and business demands change.

If it will not interfere with LCRA’s internal telecommunications needs, LCRA will may provide excess capacity in its telecommunication systems to its customers, communities, utilities, and electric transmission and distribution service providers, governmental entities, and nonprofit organizations, internet service providers, and other third parties.

*It is the policy of LCRA to use its resources to help satisfy a need for enhanced broadband connectivity within the state of Texas. LCRA may provide fiber capacity and facilities for the purpose of facilitating broadband service connectivity but may not provide broadband service directly to retail customers. Fiber capacity and facilities will only be offered on a reasonable and nondiscriminatory basis.*

LCRA may, through agreements with third parties, facilitate the availability of telecommunication services within the region. LCRA may make available, on an individual contract basis at market rates and cost-shared basis, excess telecommunication system capacity, other than broadband, to private entities, if it will not interfere with LCRA’s internal requirements and to the extent no legal constraints exist.

*LCRA may contract with LCRA Transmission Services Corporation and other third parties for use of LCRA TSC or other third-party facilities to enable LCRA to fulfill its telecommunications goals.*
LCRA will not offer telecommunication or broadband services as a common carrier.

220.30  STRATEGIC FOCUS

To ensure that LCRA implements its telecommunications policy effectively, LCRA will maintain a strategic plan for telecommunications infrastructure required to support LCRA’s and LCRA’s affiliated corporations’ transmission, generation, water and other activities as well as the infrastructure required to implement its third-party broadband and radio programs. The plan will include requirements to ensure LCRA’s telecommunication systems use appropriate technologies and methods to achieve, in a cost-effective manner, the appropriate levels of reliability and security.

220.40  AUTHORITY

Texas Special District Local Laws Code, Sections 8503.004 and 8503.032
Texas Water Code, Section 152.301

FOR ACTION

8. Firm Water Contract for Municipal Use – Hurst Creek Municipal Utility District

Proposed Motion
Authorize the general manager or his designee to negotiate and execute a standard firm raw water contract renewal with Hurst Creek Municipal Utility District for municipal use of LCRA’s firm water supply of up to 1,200 acre-feet per year for a term of 40 years.

Board Consideration
Consistent with LCRA water contract rules, all contract requests for 500 a-f per year or more require Board of Directors consideration.

Budget Status and Fiscal Impact
This action for a renewal contract is not anticipated to have any budgetary or fiscal impact. This contract renewal with Hurst Creek MUD will reduce its maximum annual quantity from 1,600 a-f to 1,200 a-f. However, as a result of updating to the current standard terms, including the payment of reservation fees, the new contract will result in maintaining revenues similar to those generated from the current contract.

Summary
In 1980, following its creation a year earlier, Hurst Creek MUD entered into a 40-year raw water contract with LCRA for the right to divert up to 1,600 a-f per year for municipal purposes. Hurst Creek MUD has requested a renewal contract. The proposed contract represents a reduction in the contract quantity to 1,200 a-f per year, which is reflective of the customer’s demand projections.

Hurst Creek MUD’s surface water resource is used in a 798-acre residential community located in The Hills of Lakeway. The subdivision consists of about 1,042 single family homes, 158 condominium lots, an assisted living community, a skilled nursing center and a single office complex. New construction in the community is relatively limited because the area has reached near total build-out. Hurst Creek MUD is a landlocked community near the banks of Lake Travis. Water purchased from LCRA is pumped from the lake and piped to one of three water treatment plants, each with a capacity of 1 million gallons per day.

Staff has reviewed and approved Hurst Creek MUD’s current conservation and drought contingency plans, which include the implementation of an automated meter reading system, a customizable alert system for leak detection and a backwash recovery system. The additions are estimated to have saved the system a total of 28.5 million gallons of water.

Staff recommends the Board approve the renewal contract for 1,200 a-f per year of firm water supply.

LCRA staff has determined there are sufficient firm water supplies in lakes Buchanan and Travis or other sources of supply, including LCRA run-of-river water rights, to meet the recommended amount. This replacement contract will not result in an increase in LCRA’s total firm water commitments.
Presenter(s)
Monica Masters
Vice President, Water Resources

Exhibit(s)
A – General Location Map
EXHIBIT A

General Location Map
Hurst Creek MUD
Firm Water Sale Contract
for Municipal Use

- Service Areas
- Out of District Service Areas
- Delivery Points
FOR ACTION


Proposed Motion
Authorize the general manager or his designee to negotiate and execute a standard firm raw water contract renewal with the Highway 71 Municipal Utility District for municipal use of LCRA’s firm water supply of up to 640 acre-feet per year for a term of 40 years.

Board Consideration
Consistent with LCRA water contract rules, all contract requests for 500 a-f per year or more require Board of Directors consideration.

Budget Status and Fiscal Impact
This action for a renewal contract is not anticipated to have any budgetary or fiscal impact.

Summary
In late 2020, Highway 71 MUD purchased from South Central Water Company its infrastructure and the right to supply treated water to a 643-acre service area. In conjunction with the purchase, LCRA agreed to the assignment of SCWC’s raw water contract, subject to Highway 71 MUD submitting an application for a new standard form contract.

Highway 71 MUD’s service area is located near the banks of Lake Travis in the southeast corner of Burnet County, as depicted in Exhibit A. The service territory still is in the developmental phase, but it is anticipated that full build-out will consist of about 1,500 residential single-family lots with a population estimate of 5,250. Currently, water is not being diverted under the existing contract.

Staff has reviewed and approved Highway 71 MUD’s conservation and drought contingency plans, which include a permanent twice-per-week watering schedule, irrigation audits, Texas Commission on Environmental Quality irrigation standards and reuse.

Staff recommends the Board approve the renewal contract for 640 a-f per year of firm water supply.

LCRA staff has determined there are sufficient firm water supplies in lakes Buchanan and Travis or other sources of supply, including LCRA run-of-river water rights, to meet the recommended amount. This replacement contract will not result in an increase in LCRA’s total firm water commitments.

Presenter(s)
Monica Masters
Vice President, Water Resources

Exhibit(s)
A – General Location Map
10. Authorize the Sixtieth Supplemental Resolution for the Extension of the Credit Facility Supporting the LCRA Commercial Paper Notes, Series B

Proposed Motion
Staff recommends the Board of Directors adopt and approve the Sixtieth Supplemental Resolution extending 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 authorizing the general manager or chief financial officer to negotiate and execute certain related agreements, including the Fourth Amendment to the Reimbursement Agreement between LCRA and State Street Bank and Trust Company (State Street) (the Amended Reimbursement Agreement), 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. This item requires approval of at least 12 members of the Board.

Board Consideration
The extension of the credit facility supporting the Series B Notes requires Board authorization and complies with the covenants of the Master Resolution establishing the LCRA Revenue Financing Program and 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 proposed agreements will allow LCRA to issue commercial paper to finance construction of facilities and funding of eligible projects, and delay the issuance of long-term bonds, which have higher interest rates in the current market. As a result, staff anticipates LCRA will experience lower debt service costs until long-term bonds are issued.

Summary
Staff recommends the Board approve the attached Resolution and authorize the general manager or chief financial officer to negotiate and execute the related Fourth Amendment to the Reimbursement Agreement as well as any related fee letter.

Background. In August 2012, the LCRA Board adopted the Thirty-Seventh Supplemental Resolution, which authorized the issuance of the tax-exempt and taxable commercial paper notes in an amount of principal and interest not to exceed $250 million, and also authorized a Reimbursement Agreement and Letter of Credit to secure such commercial paper with State Street Bank in the amount of $100 million. In December 2014, the First Amendment to the Reimbursement Agreement was completed to clarify language in one of the covenants. In September 2015, the Second
Amendment to the Reimbursement Agreement and Letter of Credit was executed to increase the commercial paper secured by State Street Bank from $100 million to $150 million. In August 2018, the Third Amendment to the Reimbursement Agreement and Letter of Credit was executed to extend the maturity date to Sept. 9, 2021.

LCRA and the bank are proposing the Fourth Amendment to the Reimbursement Agreement supporting the commercial paper notes to reflect the current terms of the agreement, extend the bank's commitment for three years to Sept. 9, 2024, and reflect the current market pricing of the credit facility. Staff requests the Board authorize the general manager or chief financial officer to negotiate and execute all necessary documents.

LCRA issues commercial paper notes to reimburse for eligible projects and expenses and maintains a level of short-term debt until market conditions are favorable for refunding that short-term debt with long-term bonds. Merrill Lynch, Pierce, Fenner & Smith Incorporated is the LCRA dealer for the commercial paper program. The Bank of New York Mellon Trust Company is the paying agent for the notes.

Presenter(s)
Jim Travis
Chief Financial Officer
FOR ACTION

11. Fiscal Year 2021 LCRA Business Plan Amendment

Proposed Motion
Approve an amendment to the fiscal year 2021 LCRA business plan to increase authorization for spending in fiscal year 2021 from $390.4 million to $415.4 million.

Board Consideration
LCRA Board Policy 301 – Finance requires annual approval of a business plan by the LCRA Board of Directors. The policy requires additional Board approval if annual expenditures for operations or capital are expected to exceed Board-authorized levels. LCRA operating and maintenance expenditures exceeded the Board-approved amounts, and staff is seeking approval to increase the FY 2020 operations budget.

Budget Status and Fiscal Impact
LCRA’s actual spending for FY 2021 operations expense is expected to exceed the business plan operations budget of $390.4 million by $25 million. This variance is due to higher-than-budgeted costs to serve load and for nonfuel expenses due to the February 2021 winter storm and expenses related to telecommunications radio sales. These additional expenses will be covered by revenues from customers or prior-year reserves.

Summary
The LCRA Board of Directors approved the FY 2021 business and capital plans in May 2020, establishing a spending limit for FY 2021 operations of $390.4 million. The current year-end actual spending for FY 2021 operations is expected to be $415.4 million, an increase of $25 million or about 6%.

The FY 2021 business plan increase in operational expenses is due to higher-than-budgeted costs to serve load and for nonfuel expenses due to the February 2021 winter storm and expenses related to telecommunications radio sales. These additional expenses will be covered by revenues from customers or prior-year reserves.

Presenter(s)
Jim Travis
Chief Financial Officer
FOR ACTION

12. Fiscal Year 2022 Business and Capital Plans

Proposed Motion
Adopt resolutions (exhibits A, B, C, D and E) approving the fiscal year 2022 business and capital plans for LCRA and each of its affiliated nonprofit corporations.

Board Consideration
LCRA Board Policy 301 – Finance requires approval of a business plan before the start of each fiscal year. Texas Water Code Chapter 152 requires the Board of Directors to approve each of the affiliated corporation’s budgets and capital plans.

Budget Status and Fiscal Impact
The proposed business and capital plans and the budgets included therein provide targets for revenue, operating and maintenance expenses, and capital spending for FY 2022.

Summary
Staff provided to the Board under separate cover the FY 2022 business and capital plan documents. The work session on April 28 included a discussion on the compensation plan, pension plan and assumptions for FY 2022.

The business and capital plans are LCRA’s comprehensive operations and capital plans and budgets. Approval of the FY 2022 business and capital plans provides authorization for all expenditures and plans of LCRA, including LCRA’s affiliated nonprofit corporations: LCRA Transmission Services Corporation; GenTex Power Corporation; LCRA Wholesale Energy Services Corporation, known as LCRA WSC Energy; and WSC Energy II.

Each entity’s Board must approve its respective business plan and capital plan. The LCRA TSC Board is expected to take action on its FY 2022 business and capital plans today at the LCRA TSC Board meeting. The GenTex Board is expected to take action on its FY 2022 business and capital plans today at the GenTex Board meeting. The LCRA WSC Energy Board and WSC Energy II Board are expected to take action on their FY 2022 business plans at their respective Board meetings today.

Presenter(s)
Jim Travis
Chief Financial Officer
Exhibit(s)

A – LCRA Board Resolution: Lower Colorado River Authority FY 2022 Business and Capital Plans
B – LCRA Board Resolution: LCRA Transmission Services Corporation FY 2022 Business and Capital Plans
C – LCRA Board Resolution: GenTex Power Corporation FY 2022 Business and Capital Plans
D – LCRA Board Resolution: LCRA Wholesale Energy Services Corporation FY 2022 Business Plan
E – LCRA Board Resolution: WSC Energy II FY 2022 Business Plan
F – LCRA, Affiliated Corporations and Nonprofit Corporations Financial Summary
G – LCRA Transmission Services Corporation Financial Summary
H – LCRA Capital Plan Summary of FY 2022 Recommended Projects
I – LCRA Capital Plan Summary of FY 2022 Spending Budget
EXHIBIT A

LCRA BOARD RESOLUTION
LOWER COLORADO RIVER AUTHORITY
FISCAL YEAR 2022 BUSINESS AND CAPITAL PLANS

BE IT RESOLVED that the LCRA Board of Directors hereby adopts and approves the Lower Colorado River Authority Fiscal Year 2022 Business and Capital Plans, including the operations budget, capital spending and initiation of recommended capital projects, funding levels for wages and benefits, and the comprehensive operations plan, as presented by management and staff. The general manager is instructed to proceed with implementation of the FY 2022 business and capital plans within the budget amounts shown therein consistent with Board policies and bylaws. The FY 2022 operating expense and capital amounts are $395.5 million and $517.5 million, respectively.

Within these budget amounts, the general manager and chief executive officer has the authority to reallocate funds between the various programs and projects in order to make the best use of budgeted funds. The Board recognizes that through its normal agenda process it will approve capital projects and other major expenditures not included in the business and capital plans, and the general manager and chief executive officer is instructed to inform the Board when a capital project or other major expenditure is proposed on the agenda that significantly changes or varies from the approved budget, in accordance with LCRA Board Policy 301 – Finance. Furthermore, the general manager and chief executive officer shall keep the LCRA Board apprised of the progress toward the accomplishment of LCRA’s goals within the budgeted amounts approved by the Board.

Adoption of the Lower Colorado River Authority FY 2022 Business and Capital Plans provides authorization for all expenditures and plans in the business and capital plans and approves budgets for each of LCRA’s product lines as required by LCRA Board policies 102 – Authority and Responsibilities and 301 – Finance. Individual purchases and contracts to implement the plans fall under various state laws and LCRA Board policies and may require additional approval.
WHEREAS, the LCRA Board of Directors must approve the budgets of nonprofit corporations created by the river authority pursuant to Chapter 152 of the Texas Water Code;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts and approves the LCRA Transmission Services Corporation Fiscal Year 2022 Business and Capital Plans.

LCRA Transmission Services Corporation has budgeted FY 2022 operating and capital amounts at $136.7 million and $406.8 million, respectively. Staff will bring future projects individually to the Board for approval after scope and cost estimates have been further refined.

The Board recognizes that the LCRA Transmission Services Corporation Board of Directors will approve capital projects and other major expenditures not included in the business and capital plans in its normal agenda process. Furthermore, the president and chief executive officer shall keep the LCRA Board apprised of the progress toward the accomplishment of LCRA Transmission Services Corporation’s goals within the budgeted amounts approved by the Board.

Adoption of the LCRA Transmission Services Corporation FY 2022 Business and Capital Plans provides authorization for all expenditures and plans in the business and capital plans and approves the budget for LCRA Transmission Services Corporation, as required by state law. Individual purchases and contracts to implement the business and capital plans fall under various state laws and Board policies and may require additional approval.
WHEREAS, the LCRA Board of Directors must approve the budget of GenTex Power Corporation;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts and approves the GenTex Power Corporation Fiscal Year 2022 Business and Capital Plans, as submitted to the Board by the GenTex Power Corporation Board of Directors.

The GenTex Power Corporation FY 2022 operating and capital budget is presented to the Board under separate cover as a confidential competitive electric matter.

The Board recognizes that the GenTex Power Corporation Board of Directors may approve capital projects and other major expenditures not included in the business and capital plans in its normal agenda process. Furthermore, the president and chief executive officer shall keep the LCRA Board apprised of the progress toward the accomplishment of GenTex Power Corporation's goals within the budgeted amounts approved by the Board.

Adoption of the GenTex Power Corporation FY 2022 Business and Capital Plans provides authorization for all expenditures and plans in the business and capital plans and approves the budget for GenTex, as required by state law. Individual purchases and contracts to implement the business and capital plans fall under various state laws and Board policies and may require additional approval.
EXHIBIT D

LCRA BOARD RESOLUTION
LCRA WHOLESALE ENERGY SERVICES CORPORATION
FISCAL YEAR 2022 BUSINESS PLAN

WHEREAS, the LCRA Board of Directors must approve the budgets of nonprofit corporations created by the river authority pursuant to Chapter 152 of the Texas Water Code;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts and approves the LCRA Wholesale Energy Services Corporation Fiscal Year 2022 Business Plan.

The LCRA Wholesale Energy Services Corporation FY 2022 operating and capital budget is presented to the Board under separate cover as a confidential competitive electric matter.

The Board recognizes that the LCRA Wholesale Energy Services Corporation Board of Directors will approve capital projects and other major expenditures not included in the business plan in its normal agenda process. Furthermore, the president and chief executive officer shall keep the LCRA Board apprised of the progress toward the accomplishment of LCRA Wholesale Energy Services Corporation’s goals within the budgeted amounts approved by the Board.

Adoption of the LCRA Wholesale Energy Services Corporation FY 2022 Business Plan provides authorization for all expenditures and plans in the business plan and approves the budget for LCRA Wholesale Energy Services Corporation, as required by state law. Individual purchases and contracts to implement the business plan fall under various state laws and Board policies and may require additional approval.
WHEREAS, the LCRA Board of Directors must approve the budgets of nonprofit corporations created by the river authority pursuant to Chapter 152 of the Texas Water Code;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts and approves the WSC Energy II Fiscal Year 2022 Business Plan.

The WSC Energy II FY 2022 Business Plan is presented to the Board under separate cover as a confidential competitive electric matter.

The Board recognizes that the WSC Energy II Board of Directors will approve capital projects and other major expenditures not included in the business plan in its normal agenda process. Furthermore, the president and chief executive officer shall keep the LCRA Board apprised of the progress toward the accomplishment of WSC Energy II’s goals within the budgeted amounts approved by the Board.

Adoption of the WSC Energy II FY 2022 Business Plan provides authorization for all expenditures and plans in the business plan and approves the budget for WSC Energy II, as required by state law. Individual purchases and contracts to implement the business plan fall under various state laws and Board policies and may require additional approval.
## EXHIBIT F

### LCRA, Affiliated Corporations and Nonprofit Corporations Financial Summary

(Dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th>Budgeted FY 2021</th>
<th>Proposed FY 2022</th>
<th>Proposed FY 2023</th>
<th>Proposed FY 2024</th>
<th>Proposed FY 2025</th>
<th>Proposed FY 2026</th>
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<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total Net Revenue¹</td>
<td>$ 982.3</td>
<td>1,039.3</td>
<td>1,079.7</td>
<td>1,111.9</td>
<td>1,240.6</td>
<td>1,285.9</td>
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<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Net Expense¹</td>
<td>528.4</td>
<td>572.9</td>
<td>608.3</td>
<td>615.8</td>
<td>629.7</td>
<td>661.3</td>
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<tr>
<td><strong>Net Operating Margin</strong></td>
<td>453.8</td>
<td>466.4</td>
<td>471.4</td>
<td>496.0</td>
<td>610.9</td>
<td>624.5</td>
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<tr>
<td>Less: GenTex Funds²</td>
<td>(0.5)</td>
<td>(3.2)</td>
<td>(1.6)</td>
<td>(1.8)</td>
<td>(2.3)</td>
<td>(1.5)</td>
</tr>
<tr>
<td><strong>Net Margin for Debt Service, Adjusted</strong></td>
<td>453.3</td>
<td>463.2</td>
<td>469.7</td>
<td>494.3</td>
<td>608.6</td>
<td>623.0</td>
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<td><strong>Debt Service</strong></td>
<td>$ 304.6</td>
<td>325.3</td>
<td>325.9</td>
<td>345.7</td>
<td>399.9</td>
<td>404.9</td>
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<td><strong>Debt Service Coverage, Adjusted</strong></td>
<td>1.49x</td>
<td>1.42x</td>
<td>1.44x</td>
<td>1.43x</td>
<td>1.52x</td>
<td>1.54x</td>
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<td><strong>Net Margin After Debt Service³</strong></td>
<td>$ 149.3</td>
<td>141.2</td>
<td>145.4</td>
<td>150.4</td>
<td>211.0</td>
<td>219.6</td>
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<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Operating Reserves</td>
<td>12.7</td>
<td>23.4</td>
<td>22.4</td>
<td>17.1</td>
<td>15.2</td>
<td>16.6</td>
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<tr>
<td>Revenue-Funded Capital</td>
<td>110.7</td>
<td>107.0</td>
<td>116.8</td>
<td>121.5</td>
<td>177.7</td>
<td>184.6</td>
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<td>Noncash Revenue</td>
<td>2.6</td>
<td>2.6</td>
<td>2.6</td>
<td>2.6</td>
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<td>2.6</td>
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<tr>
<td>Restricted for Reserves</td>
<td>15.0</td>
<td>2.5</td>
<td>0.7</td>
<td>2.3</td>
<td>9.7</td>
<td>13.2</td>
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<td>Restricted for Capital/Debt Retirement</td>
<td>5.6</td>
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<td>0.4</td>
<td>4.3</td>
<td>3.2</td>
<td>0.0</td>
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<tr>
<td>Grants</td>
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<td>2.6</td>
<td>2.6</td>
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<tr>
<td><strong>Net Cash Flow</strong></td>
<td>$ 0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

¹ Total net revenues and total net expenses are net of intracompany transfers. Total revenues include interest income. Operations and maintenance expense excludes the LCRA TSC capital charge, which is a capital expense for LCRA consolidated.

² Includes adjustments related to GenTex capital funding and reserve funding.

³ Net margin after debt service includes funds dedicated to GenTex.
## LCRA Transmission Services Corporation Financial Summary

(Dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th>Budgeted</th>
<th>Proposed</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2021</td>
<td>FY 2022</td>
<td>FY 2023</td>
</tr>
<tr>
<td>Revenues</td>
<td>$494.0</td>
<td>538.8</td>
<td>560.7</td>
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<tr>
<td>Operations and</td>
<td>131.2</td>
<td>136.7</td>
<td>144.9</td>
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<tr>
<td>Maintenance</td>
<td></td>
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<tr>
<td>Net Operating Margin</td>
<td>362.8</td>
<td>402.2</td>
<td>415.7</td>
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<tr>
<td>Plus:</td>
<td></td>
<td></td>
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<tr>
<td>Interest Income</td>
<td>4.1</td>
<td>1.1</td>
<td>1.2</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
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<tr>
<td>Assigned Enterprise</td>
<td>53.9</td>
<td>60.8</td>
<td>62.5</td>
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<tr>
<td>Expense</td>
<td>14.8</td>
<td>16.2</td>
<td>16.8</td>
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<tr>
<td>Public Service Fund</td>
<td>9.9</td>
<td>10.8</td>
<td>11.2</td>
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<tr>
<td>Resource Development Fund</td>
<td>9.9</td>
<td>10.8</td>
<td>11.2</td>
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<tr>
<td>Net Margin Available for Debt Service</td>
<td>288.3</td>
<td>315.6</td>
<td>326.4</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$210.6</td>
<td>231.6</td>
<td>245.1</td>
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<tr>
<td>Debt Service Coverage</td>
<td>1.37x</td>
<td>1.38x</td>
<td>1.33x</td>
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<tr>
<td>Net Margin After Debt Service</td>
<td>$77.7</td>
<td>83.9</td>
<td>81.3</td>
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<tr>
<td>Less:</td>
<td></td>
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<tr>
<td>Operating Reserves</td>
<td>7.9</td>
<td>12.1</td>
<td>12.8</td>
</tr>
<tr>
<td>Assigned Enterprise</td>
<td>17.3</td>
<td>14.4</td>
<td>15.6</td>
</tr>
<tr>
<td>Capital</td>
<td></td>
<td></td>
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<tr>
<td>Assigned Transmission Minor Capital</td>
<td>7.3</td>
<td>9.2</td>
<td>9.6</td>
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<tr>
<td>Revenue-Funded Capital</td>
<td>55.6</td>
<td>60.0</td>
<td>58.2</td>
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<tr>
<td>Transfer to LCRA¹</td>
<td>1.1</td>
<td>1.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Plus:</td>
<td></td>
<td></td>
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<tr>
<td>Amortization of</td>
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<td>12.8</td>
<td>14.9</td>
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<tr>
<td>Enterprise/Minor</td>
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</tr>
<tr>
<td>Capital²</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Cash Flow</td>
<td>$0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

¹ An initial transfer from LCRA TSC to LCRA was authorized by the LCRA and LCRA TSC boards of directors in April 2014. Under the initial contractual commitment, the LCRA and LCRA TSC boards must make an annual determination to authorize each year’s transfer. Such annual transfers are payable only if all other financial commitments have been met as required by LCRA TSC’s financial policies.

² In FY 2012, LCRA TSC began funding minor capital and its share of enterprise capital with current year revenues. It will include an amortization of the amount in each year to recover in rates.
**EXHIBIT H**

**LCRA Capital Plan Summary of Fiscal Year 2022 Recommended Projects**

Approval of this capital plan authorizes the initiation of recommended projects at their stated lifetime budgets totaling $37.1 million in fiscal year 2022.

<table>
<thead>
<tr>
<th>Recommended Projects</th>
<th>FY 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale Power¹</td>
<td>$8.6</td>
</tr>
<tr>
<td>Water</td>
<td>$2.0</td>
</tr>
<tr>
<td>Public Services</td>
<td>$0.9</td>
</tr>
<tr>
<td>Strategic Services</td>
<td>$1.2</td>
</tr>
<tr>
<td>Enterprise Support</td>
<td>$24.5</td>
</tr>
<tr>
<td>Total Lifetime Recommended Projects</td>
<td>$37.1</td>
</tr>
</tbody>
</table>

¹Includes Austin Energy’s and San Marcos’ shares.
**EXHIBIT I**

**LCRA Capital Plan Summary of Fiscal Year 2022 Spending Budget**

In addition, approval of this capital plan authorizes LCRA to spend the following in fiscal year 2022:

<table>
<thead>
<tr>
<th>Fiscal Year 2022 LCRA Capital Plan</th>
<th>FY 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(Dollars in millions)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>FY 2022 Spending Summary</strong></td>
<td></td>
</tr>
<tr>
<td>Recommended Projects(^1)</td>
<td>$37.1</td>
</tr>
<tr>
<td>Approved Projects(^1)</td>
<td>$279.5</td>
</tr>
<tr>
<td>Future Projects(^2)</td>
<td>$200.9</td>
</tr>
<tr>
<td>Total FY 2022 Spending(^3)</td>
<td>$517.5</td>
</tr>
</tbody>
</table>

\(^1\)Includes Austin Energy’s and San Marcos’ shares.
\(^2\)Includes future transmission projects that staff will bring individually to the Board for approval after scope and cost estimates have been further refined.
\(^3\)LCRA total FY 2022 capital spending includes $14.7 million for Wholesale Power, $406.8 million for Transmission, $60.9 million for Water, $3.7 million for Public Services, $1.2 million for Strategic Services and $30.2 million for Enterprise Support.