Board Agenda
Wednesday, Aug. 18, 2021
LCRA General Office Complex
Board Room – Hancock Building
3700 Lake Austin Blvd.
Austin, TX 78703
Earliest start time: 9:15 a.m.

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

Items From the General Manager
   General Manager’s Update
2. Resolutions ....................................................................................... 5

Items From the Chief Financial Officer

Consent Items
4. Proposed LCRA Board and Committee Meeting Dates
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5. Sale of Land in Llano County (Parcel BW-09) .................................... 10
6. Directors’ Fees, Expenses .................................................................. 13
7. Minutes of Prior Meetings .................................................................. 14

Action Items
8. Contracts and Contract Changes ....................................................... 28

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

Executive Session
1. Enterprise Risk Portfolio Briefing
2. Litigation Report
3. Legislative Update
4. General Manager Fiscal Year 2021 Performance Evaluation and
   Fiscal Year 2022 Goals Review
5. General Auditor Fiscal Year 2021 Performance Evaluation and
   Fiscal Year 2022 Goals Review

   The Board also may go into executive session for advice from legal counsel on any
   item(s) 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.
LCRA General Office Complex
Location Map
3700 Lake Austin Blvd.
Austin, Texas
FOR DISCUSSION

1. Comments From the Public

Summary
This part of the meeting is intended for comments from the public on topics under LCRA’s jurisdiction but not related to an item on the Board of Directors agenda. No responses or action may be taken by the Board during public comments.

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

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

Exhibit(s)
A – Protocols for Public Communication at Board and Committee Meetings
EXHIBIT A

PROTOCOLS FOR PUBLIC COMMUNICATION
AT BOARD AND COMMITTEE MEETINGS
Approved by the LCRA Board of Directors on Dec. 11, 2018

1. Oral Presentations on Issues Under LCRA’s Jurisdiction. Any person wishing to make an oral presentation at a Board meeting on any matter under LCRA’s jurisdiction must complete a registration form that indicates the agenda item or other topic on which they wish to comment, along with the speaker’s name, address and other relevant information. Any person making an oral presentation to the Board may distribute related materials to the Board at the meeting.

2. Time Allocation. The presiding officer may limit the length of time for each speaker. Speakers may not trade or donate time to other speakers without permission from the presiding officer, and repetitive testimony shall be minimized.

3. Rules of Decorum. Speakers and members of the audience must avoid disruptive behavior that interferes with the orderly conduct of a public meeting. Placards, banners, and hand-held signs are not allowed in Board or committee meetings, and speakers and members of the audience must avoid personal affronts, profanity, booing, excessive noise, and other disruptive conduct. The presiding officer may direct that anyone who disrupts a meeting be removed from the room.

4. Recording. Any person making an audio or video recording of all or any part of a Board meeting must do so in a manner that is not disruptive to the meeting. During a meeting, members of the public must remain in or behind the public seating area and are not permitted to record from any other area of the meeting room.

5. Committee Meetings. The protocols outlined in 1-4 above also apply to members of the public wishing to address any LCRA Board committee whose membership comprises the entirety of the LCRA Board on matters within the scope of each of those committees.
FOR ACTION

2. Resolutions

Proposed Motion
Approve the LCRA Board of Directors resolutions as presented to the Board.

Board Consideration
The Board will be asked to approve honorary and retiree resolutions as they occur.

Summary
LCRA recognizes longtime employees who have retired from the organization with a retiree resolution. Other individuals may be recognized from time to time with an honorary resolution.

Presenter(s)
Phil Wilson
General Manager

Timothy Timmerman
LCRA Board Chair
Resolution of the Board of Directors  
Of the Lower Colorado River Authority  
Honoring  
Charles B. “Bart” Johnson

Whereas, Charles B. “Bart” Johnson served on the Lower Colorado River Authority Board of Directors from June 1, 2015, to June 14, 2021, having been appointed by Gov. Greg Abbott as an LCRA electric service area representative from Brown County; and

Whereas, Bart served the organization and his state with unwavering dedication. He holds a deep appreciation for the rural areas of our state, but he served on the Board with a basinwide perspective. He demonstrated his leadership skills when selected to chair a new Board committee created to represent LCRA’s fastest-growing business. As Transmission Committee chair and a member of the LCRA Transmission Services Corporation Board, Bart helped LCRA move forward with plans to invest more than $2 billion in transmission projects over the next five years to help ensure reliability and support growth throughout the state; and

Whereas, Bart helped strengthen LCRA’s relationships with its wholesale electric customers during his tenure on the Energy Operations Committee. Through his service on the boards of LCRA WSC Energy and WSC Energy II, Bart supported efforts to increase cost-effective power sales to benefit LCRA’s wholesale electric customers. He served as a member of the Planning and Public Policy Committee, initiating insightful discussions about LCRA’s future direction. Bart added a beneficial sense of levity to the Board by not taking himself too seriously even as he always took LCRA’s work extremely seriously; and

Whereas, Bart brought his strong financial background to the Finance Committee, where he served as vice chair and provided a thoughtful approach to LCRA's bottom line, striving to make the best financial decisions in all circumstances. His financial prowess benefitted LCRA’s Retirement Benefits Board of Trustees, where he served as a member known for delving into details and asking thought-provoking questions that compelled LCRA staff and advisers to look at processes from new perspectives. While serving on the Water Operations Committee, Bart forged strong relationships with his fellow directors and helped navigate through the challenges of flood and drought while working to increase the region’s water supplies. Also, through his service on the Community Development Partnership Program Review Committee, Bart helped strengthen communities with much-needed grants to volunteer fire departments, emergency medical services, school districts, libraries, civic groups, local governments and nonprofit organizations; and

Whereas, during his six years of serving on the LCRA Board, Bart helped oversee investments of more than $2.3 billion in capital projects to benefit Texans. During his tenure, LCRA undertook projects such as transmission asset acquisitions, dam rehabilitation projects and telecommunication projects. Bart was instrumental in helping secure a radio project in Brown County to provide better coverage to first responders and public officials;

Now, Therefore, Be It Resolved that LCRA and the LCRA Board of Directors are grateful to Charles B. “Bart” Johnson for his leadership on the LCRA Board that has helped LCRA serve the people of Texas, including during a pandemic never before experienced in our lifetimes. The directors will miss his cool, calm, fun and charismatic personality, as well as his love of seafood towers and side dishes, and they wish him well in Baffin Bay fishing, golfing and all of his future endeavors.

Approved this 18th day of August 2021.

______________________________
Timothy Timmerman, Board Chair

______________________________
Phil Wilson, General Manager
Resolution of the Board of Directors
Of the Lower Colorado River Authority

Honoring
George W. Russell

Whereas, George W. Russell served on the Lower Colorado River Authority Board of Directors from June 2, 2015, to June 6, 2021, having been appointed by Gov. Greg Abbott as a representative of LCRA’s service area from Burnet County; and

Whereas, George demonstrated his commitment to public service by joining in LCRA’s work to serve Texans. He is a gifted problem-solver and peacemaker whose contributions to discussions were always measured and highly valued. Through his leadership as vice chair of the Planning and Public Policy Committee, George shared his extensive civic knowledge and contributed to building a resilient LCRA that is able to continue delivering critical services even when navigating unprecedented challenges. George wanted to learn about LCRA’s issues in detail. On the Energy Operations Committee, George’s attentiveness to stakeholders helped strengthen relationships with wholesale power customers, and through his service on the boards of LCRA WSC Energy and WSC Energy II, he supported efforts to increase cost-effective power sales to benefit LCRA’s wholesale customers; and

Whereas, George’s experience as an elected official in Highland Lakes communities fit well with LCRA’s stewardship role. His service on the Water Operations Committee contributed to increasing the region’s water supplies. His participation on the Water Conservation Incentives Program Review Committee led to more water conservation as a result of cost-sharing projects. During his six years serving on the LCRA Board, George helped oversee investments of more than $2.3 billion in capital projects to benefit Texans. During his tenure, LCRA undertook projects such as Water Management Plan amendments, dam rehabilitation projects and transmission facility acquisitions. George’s service on the LCRA Transmission Services Corporation Board of Directors and the Transmission Committee helped LCRA move forward with plans to invest more than $2 billion in transmission projects over the next five years to help ensure reliability and support growth throughout the state; and

Whereas, George knows the importance of teamwork, and he always came to meetings prepared and ready to work with his fellow Board members to solve problems. He drew upon his public office expertise and always served on LCRA’s Board with a basinwide perspective. His goal was to help make LCRA even better through his service. George’s participation on the Land and Community Resources Committee assisted the Board in fulfilling its land management responsibilities and providing opportunities for people to experience LCRA parks. George possesses a great sense of duty, and one of his favorite LCRA events is Veterans Recognition Day. His propensity to volunteer and help others drew him to participate in LCRA Steps Forward Day and to serve on the Community Development Partnership Program Review Committee to provide grants that help emergency responders and nonprofit organizations fund capital improvement projects;

Now, Therefore, Be It Resolved that LCRA and the LCRA Board of Directors are grateful to George W. Russell for his leadership on the LCRA Board that has helped LCRA serve the people of Texas. The directors will miss his kind and compassionate personality, his quiet humor and his genuine friendship, and they wish him enjoyable days ahead with the love of his life – his wife, Cynthia – as they take to the open road in their RV and embark on truly memorable journeys.

Approved this 18th day of August 2021.

Timothy Timmerman, Board Chair

Phil Wilson, General Manager
FOR DISCUSSION

3. Financial Report

Summary
The financial report for LCRA covers fiscal year 2021.

Presenter(s)
Jim Travis
Chief Financial Officer
Lower Colorado River Authority
Financial Highlights
June 2021
Lower Colorado River Authority
June 30, 2021
(Dollars in Millions)
Budget-to-Actual Highlights

Net Margin Fiscal Year-to-Date Variances

<table>
<thead>
<tr>
<th></th>
<th>Actual Variance</th>
<th>% Variance from Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale Power</td>
<td>$(16)</td>
<td>(10%)</td>
</tr>
<tr>
<td>Transmission</td>
<td>$(12)</td>
<td>2%</td>
</tr>
<tr>
<td>Water</td>
<td>$(8)</td>
<td>22%</td>
</tr>
<tr>
<td>Strategic Services</td>
<td>$(4)</td>
<td>15%</td>
</tr>
<tr>
<td>Public Services</td>
<td>$4</td>
<td>13%</td>
</tr>
<tr>
<td>Total LCRA</td>
<td>$8</td>
<td>(&lt;1%)</td>
</tr>
</tbody>
</table>

Debt Service Coverage

- Actual DSC ratio
- Board requirement
- Fiscal year 2021 budget

Key takeaways:

- Higher-than-budgeted costs to serve load due to the winter storm Uri 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, water quality and natural resource expenses and higher-than-budgeted park revenues primarily drove Public Services’ year-to-date performance.
- Lower-than-budgeted debt service drove the higher-than-budgeted debt service coverage.

Note: Wholesale Power includes nonprofit corporations.
Lower Colorado River Authority

June 30, 2021

(Dollars in Millions)

Capital Performance

Key takeaways:

- LCRA capital spending for FY 2021 was $24.8 million under the capital plan budget of $99.4 million.
- The primary driver for the FY 2021 variance was decreased fiscal year spending on multiple projects across LCRA, including Lane City Dam Rehabilitation and Hurricane Harvey Recovery, Matagorda Bay Nature Park Improvements, LCRA Fiber Backbone – FY 2020 Telecommunication Upgrade and Wirtz Dam Floodgate Phase 2 projects.

General manager project approval:

- For any project not previously authorized by the Board in the capital plan, authority is delegated to the general manager to approve any capital project with a lifetime budget not to exceed $1.5 million, according to LCRA Board Policy 301. The GM approved no new projects this quarter.
## 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**

<table>
<thead>
<tr>
<th>Month</th>
<th>Change in equity - FY 2020</th>
<th>Change in equity - FY 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul</td>
<td>$0</td>
<td>($20)</td>
</tr>
<tr>
<td>Aug</td>
<td>$20</td>
<td>$0</td>
</tr>
<tr>
<td>Sep</td>
<td>$40</td>
<td>$20</td>
</tr>
<tr>
<td>Oct</td>
<td>$60</td>
<td>$40</td>
</tr>
<tr>
<td>Nov</td>
<td>$80</td>
<td>$60</td>
</tr>
<tr>
<td>Dec</td>
<td>$100</td>
<td>$80</td>
</tr>
<tr>
<td>Jan</td>
<td>$120</td>
<td>$100</td>
</tr>
<tr>
<td>Feb</td>
<td>$140</td>
<td>$120</td>
</tr>
<tr>
<td>Mar</td>
<td>$160</td>
<td>$140</td>
</tr>
<tr>
<td>Apr</td>
<td>$180</td>
<td>$160</td>
</tr>
<tr>
<td>May</td>
<td>$200</td>
<td>$180</td>
</tr>
<tr>
<td>Jun</td>
<td>$220</td>
<td>$200</td>
</tr>
</tbody>
</table>

The decrease in monthly and year-to-date net income is driven by the early paydown of debt in February 2020.

**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.
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.
## Condensed Balance Sheets

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2021</th>
<th>June 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>$ 421.4</td>
<td>$ 377.7</td>
</tr>
<tr>
<td>Current assets</td>
<td>$ 516.9</td>
<td>$ 358.9</td>
</tr>
<tr>
<td>Total current assets</td>
<td>$ 938.3</td>
<td>$ 736.6</td>
</tr>
<tr>
<td>Capital assets</td>
<td>$ 5,200.1</td>
<td>$ 4,941.4</td>
</tr>
<tr>
<td>Long-term assets</td>
<td>$ 850.9</td>
<td>$ 871.3</td>
</tr>
<tr>
<td>Total long-term assets</td>
<td>$ 6,051.0</td>
<td>$ 5,812.7</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$ 6,989.3</td>
<td>$ 6,549.3</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds, notes and loans payable</td>
<td>$ 628.9</td>
<td>$ 432.0</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>$ 265.6</td>
<td>$ 252.4</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>$ 894.5</td>
<td>$ 684.4</td>
</tr>
<tr>
<td>Bonds, notes and loans payable</td>
<td>$ 3,810.9</td>
<td>$ 3,622.7</td>
</tr>
<tr>
<td>Pension liability</td>
<td>$ 168.2</td>
<td>$ 207.6</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>$ 375.8</td>
<td>$ 379.5</td>
</tr>
<tr>
<td>Total long-term liabilities</td>
<td>$ 4,354.9</td>
<td>$ 4,209.8</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total equity</td>
<td>$ 1,739.9</td>
<td>$ 1,655.1</td>
</tr>
<tr>
<td><strong>Total Liabilities and Equity</strong></td>
<td>$ 6,989.3</td>
<td>$ 6,549.3</td>
</tr>
</tbody>
</table>

**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>$1,153.6</td>
<td>$965.1</td>
</tr>
<tr>
<td>Water and irrigation</td>
<td>32.5</td>
<td>29.7</td>
</tr>
<tr>
<td>Other</td>
<td>56.4</td>
<td>47.9</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td><strong>1,242.5</strong></td>
<td><strong>1,042.7</strong></td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel</td>
<td>341.3</td>
<td>233.7</td>
</tr>
<tr>
<td>Purchased power</td>
<td>126.8</td>
<td>173.5</td>
</tr>
<tr>
<td>Operations</td>
<td>271.7</td>
<td>148.2</td>
</tr>
<tr>
<td>Maintenance</td>
<td>58.9</td>
<td>47.4</td>
</tr>
<tr>
<td>Depreciation, depletion and amortization</td>
<td>208.3</td>
<td>215.6</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>1,007.0</strong></td>
<td><strong>818.4</strong></td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>235.5</td>
<td>224.3</td>
</tr>
<tr>
<td><strong>Nonoperating Revenues (Expenses)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on debt</td>
<td>(137.1)</td>
<td>(160.5)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>(13.6)</td>
<td>(44.8)</td>
</tr>
<tr>
<td><strong>Total Nonoperating Revenues (Expenses)</strong></td>
<td><strong>(150.7)</strong></td>
<td><strong>(205.3)</strong></td>
</tr>
<tr>
<td><strong>Change in Equity</strong></td>
<td>84.8</td>
<td>19.0</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><strong>1,739.9</strong></td>
<td><strong>1,655.1</strong></td>
</tr>
</tbody>
</table>

*UNAUDITED*
Lower Colorado River Authority
June 30, 2021
(Dollars in Millions)

Condensed Statements of Cash Flows

<table>
<thead>
<tr>
<th>Fiscal Year to Date</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows From Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Received from customers</td>
<td>$1,038.6</td>
<td>$1,070.4</td>
</tr>
<tr>
<td>Payments</td>
<td>(811.5)</td>
<td>(626.1)</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>227.1</td>
<td>444.3</td>
</tr>
<tr>
<td><strong>Cash Flows From Noncapital Financing Activities</strong></td>
<td>6.0</td>
<td>5.4</td>
</tr>
<tr>
<td><strong>Cash Flows From Capital and Related Financing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(488.2)</td>
<td>(446.9)</td>
</tr>
<tr>
<td>Debt principal payments</td>
<td>(92.4)</td>
<td>(105.7)</td>
</tr>
<tr>
<td>Other capital and financing activities</td>
<td>343.2</td>
<td>94.3</td>
</tr>
<tr>
<td>Net cash used in capital and financing activities</td>
<td>(237.4)</td>
<td>(458.3)</td>
</tr>
<tr>
<td><strong>Cash Flows From Investing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale and maturity of investment securities</td>
<td>399.1</td>
<td>890.6</td>
</tr>
<tr>
<td>Purchase of investment securities</td>
<td>(341.3)</td>
<td>(858.7)</td>
</tr>
<tr>
<td>Note payments and interest received</td>
<td>8.6</td>
<td>17.5</td>
</tr>
<tr>
<td>Net cash provided by investing activities</td>
<td>66.4</td>
<td>49.4</td>
</tr>
<tr>
<td><strong>Net Increase in Cash and Cash Equivalents</strong></td>
<td>62.1</td>
<td>40.8</td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents - Beginning of Period</strong></td>
<td>449.1</td>
<td>408.3</td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents - End of Period</strong></td>
<td>$511.2</td>
<td>$449.1</td>
</tr>
</tbody>
</table>

UNAUDITED
Key takeaway:
- The Federal Open Market Committee has noted that “indicators of economic activity and employment have strengthened” but will hold the benchmark rate steady at 0-0.25% through 2022.
FOR ACTION (CONSENT)

4. Proposed LCRA Board and Committee Meeting Dates for Calendar Year 2022

Proposed Motion
Approve the proposed LCRA Board and committee meeting dates for calendar year 2022 as listed in Exhibit A.

Board Consideration
The LCRA bylaws provide that the regular meeting of the Board takes place on the last Wednesday before the 25th day of each month. Any deviation from that schedule requires Board approval.

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

Summary
The proposed Board and committee meeting dates for calendar year 2022 as listed in Exhibit A were reviewed by the Executive Committee at its meeting on June 16, 2021.

Exhibit(s)
A – Proposed LCRA Board and Committee Meeting Dates for Calendar Year 2022
EXHIBIT A

Proposed LCRA Board and Committee Meeting Dates for Calendar Year 2022

<table>
<thead>
<tr>
<th>Month</th>
<th>Committee Meetings</th>
<th>Board Meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td>February</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>23</td>
<td></td>
</tr>
<tr>
<td>April</td>
<td>20*</td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>17</td>
<td>18</td>
</tr>
<tr>
<td>June</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>July</td>
<td>No Meeting</td>
<td></td>
</tr>
<tr>
<td>August</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>September</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>October</td>
<td>18</td>
<td>19</td>
</tr>
<tr>
<td>November</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>13</td>
<td></td>
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</tbody>
</table>

*This Board meeting will include the annual business and capital plans work session.
FOR ACTION (CONSENT)

5. Sale of Land in Llano County (Parcel BW-09)

Proposed Motion
Declare an approximately 0.309-acre tract of land, being a portion of LCRA Parcel BW-09 in Llano County, nonessential and authorize the general manager or his designee to sell the property to the adjoining landowner.

Board Consideration
Section 8503.020(b) of the Texas Special District Local Laws Code requires the approval of at least 12 members of the LCRA Board of Directors to convey any interest in real property. LCRA Board Policy 401 – Land Resources requires at least 12 members of the LCRA Board to declare the land no longer necessary or convenient 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 2022 business plan contains the administrative costs associated with the sale of this land. The proceeds of $40,447 will be credited to the LCRA Strategic Reserve Fund.

Summary
Steve and Tammie Lea Englert, the adjacent landowners, have agreed to purchase a 0.309-acre fill encroachment (13,460 square feet), which will permanently resolve the encroachment. The 0.309-acre tract is priced at $40,447. Staff determined the price based on the Llano County Appraisal District’s assessed values of Englert’s adjacent lot and other nearby 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 Buchanan for use by the public as required by Section 8503.023(d) of the Texas Special District Local Laws Code.
3) LCRA will retain the right to inundate 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)

6. **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)

7. Minutes of Prior Meetings

Proposed Motion
Approve the minutes of the April 28, 2021, May 19, 2021, and June 16, 2021, meetings.

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

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

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

Exhibit(s)
A – Minutes of April 28, 2021, meeting
B – Minutes of May 19, 2021, meeting
C – Minutes of June 16, 2021, meeting
EXHIBIT A

Minutes Digest
April 28, 2021

21-23 Appointment of David Thompson to serve on the GenTex Power Corporation Board of Directors to complete the unexpired term of Julie C. Parsley.

21-24 Adoption of the resolution making determinations regarding the payment from LCRA Transmission Services Corporation of an Extraordinary LCRA Optional Purchase Price Payment for fiscal year 2021 and, when such payment is made, reserve those funds in the LCRA Strategic Reserve.
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 8:31 a.m. Wednesday, April 28, 2021, in the Live Oak Room at Canyon of the Eagles Nature Park, 16942 Ranch Road 2341, Burnet, Burnet County, Texas. 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.
Thomas L. “Tom” Kelley
Robert “Bobby” Lewis
Thomas Michael Martine
George W. Russell
Margaret D. “Meg” Voelter
Martha Leigh M. Whitten
Nancy Eckert Yeary

Absent: Laura D. Figueroa
Charles B. “Bart” Johnson

Chair Timmerman convened the meeting at 8:31 a.m. Burnet County Judge James Oakley welcomed the Board.

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

Chief Financial Officer Jim Travis presented financial highlights for March 2021 and the fiscal year to date [Agenda Item 2].

The Board next took action on the consent agenda.

21-23 Upon motion by Director Russell, seconded by Director Berger, the Board unanimously appointed David Thompson to serve on the GenTex Power Corporation Board of Directors to complete the unexpired term of Julie C. Parsley, as recommended in Consent Item 3 [attached hereto as Exhibit A], by a vote of 13 to 0.

21-24 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 4 [attached hereto as Exhibit B], that the Board adopt a resolution making determinations regarding the payment from
LCRA Transmission Services Corporation of an Extraordinary LCRA Optional Purchase Price Payment for fiscal year 2021 and, when such payment is made, reserve those funds in the LCRA Strategic Reserve. Upon motion by Director Allen, seconded by Director Whitten, the recommendation was unanimously approved by a vote of 13 to 0.

Chair Timmerman declared the meeting to be in executive session at 8:42 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 9:34 a.m.

The Board next began the work session on the proposed FY 2022 business and capital plans.

[Prior to this meeting, staff provided the Board copies of the business and capital plans for LCRA and each of its affiliated nonprofit corporations: LCRA Transmission Services Corporation, LCRA Wholesale Energy Services Corporation, WSC Energy II and GenTex Power Corporation.]

Wilson gave opening remarks and outlined the format of the work session. Focusing on LCRA’s safety core value, he provided an update on the LCRA safety team’s performance during the February 2021 winter weather event. He noted LCRA staff worked with the Rates and Resources Council (RRC), a representative group of LCRA’s wholesale electric customers, while developing the business plan in order to understand and respond to their needs. Wilson expressed appreciation to LCRA’s customers. He highlighted LCRA’s mission, vision and strategic goals contained in the business plan. He said the business plan shows how LCRA is committed to continuing to serve the people of Texas in the years ahead.

Chief Financial Officer Jim Travis said the business plan remains financially strong and each of LCRA’s business areas meets the requirements of LCRA Board Policy 301—Finance, including requirements for debt service coverage and reserves. He noted staff worked with the RRC while developing the portion of the business plan related to LCRA’s Wholesale Power business. Travis gave a general overview of the business and capital plans.

Senior Vice President of Finance Stephen Kellicker gave a detailed review of the LCRA business plan, including the proposed budget for operations; key drivers of LCRA’s costs; rate development assumptions; and nonconfidential portions of the business plan and budgets for LCRA’s business units and services.

Chair Timmerman welcomed the following LCRA wholesale electric customer representatives who were in attendance: Grant Gutierrez and Will Holford from Bluebonnet Electric Cooperative. Gutierrez addressed the Board regarding the proposed FY 2022 business plan and expressed concerns about operations and financial impact of the February 2021 winter weather event. He asked LCRA to pursue all options to reduce costs and rates charged to BBEC. Gutierrez expressed
appreciation for the long-standing relationship between LCRA and BBEC. Holford also expressed appreciation for BBEC’s relationship with LCRA.

Kellicker continued the review of the business plan.

Kellicker provided a detailed overview of the nonconfidential portions of the LCRA capital plan, highlighting the proposed budget for FY 2022 capital spending, including recommended new projects and projects the Board approved previously. He gave an overview of some of the key projects in the plan.

Kellicker provided a detailed review of the LCRA TSC business and capital plans.

Staff responded to various questions from the Board throughout the discussion on the business and capital plans.

Chair Timmerman declared the meeting to be in executive session at 11:01 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 12:15 p.m.

There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 12:16 p.m.

Joseph M. Crane  
Secretary  
LCRA Board of Directors  
Approved: Aug. 18, 2021
EXHIBIT B

Minutes Digest
May 19, 2021

21-25 Declaration of an approximately 0.0193-acre tract of land, being a portion of LCRA Parcel JW-06 in Llano County on Lake LBJ, nonessential and authorization for the general manager or his designee to sell the property to the adjoining landowner.

21-26 Adoption of the regulation for contracting for construction projects.

21-27 Approval of directors’ fees and expense reimbursements.


21-29 Approval of amendments to LCRA Board Policy 220 – Telecommunications.

21-30 Authorization for 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.

21-31 Authorization for 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.

21-32 Adoption and approval of 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, 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.

21-33 Approval of an amendment to the fiscal year 2021 LCRA business plan to increase the spending authorization in fiscal year 2021 from $390.4 million to $415.4 million.
21-34 Adoption of resolutions approving the fiscal year 2022 business and capital plans for LCRA and each of its affiliated nonprofit corporations: LCRA Transmission Services Corporation, LCRA Wholesale Energy Services Corporation, WSC Energy II and GenTex Power Corporation.

21-35 Adoption and approval of the Sixty-first Supplemental Resolution to the Master Resolution to authorize the issuance of a taxable private placement note program in an amount not to exceed $150 million principal amount, and to authorize the general manager or the chief financial officer to execute a related note purchase agreement and all associated agreements necessary to support a letter of credit to the Electric Reliability Council of Texas to satisfy LCRA's financial security credit requirements pursuant to the ERCOT protocols for nodal market participants.

21-36 Adoption and approval of the Sixty-second Supplemental Resolution to the Master Resolution to authorize the issuance of a taxable private placement note program in an amount not to exceed $150 million principal amount, and to authorize the general manager or the chief financial officer to execute a related note purchase agreement and all associated agreements necessary to support a letter of credit to the Electric Reliability Council of Texas to satisfy LCRA’s financial security credit requirements pursuant to the ERCOT protocols for nodal market participants.
MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER COLORADO RIVER AUTHORITY
Austin, Texas
May 19, 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 1:06 p.m. Wednesday, May 19, 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
Michael L. “Mike” Allen
Lori A. Berger
Laura D. Figueroa
Raymond A. “Ray” Gill Jr.
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: Charles B. “Bart” Johnson

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 1:06 p.m.

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

General Manager Phil Wilson gave the Board an update on safety, including the
LCRA safety program’s focus on reducing employee distractions and Transmission’s
safety initiatives geared toward construction and maintenance employees in the field.
Wilson commented on the fiscal year 2022 business and capital plans (Agenda Item
12). He noted LCRA worked with the Rates and Resources Council, a representative
group of LCRA’s wholesale electric customers, during development of the plans and
described how the capital plan will help address the growing needs for power and water
in Texas.
Director Berger gave an update on Community Development Partnership Program grants and shared a video showing CDPP grant funded projects.

Chief Financial Officer Jim Travis presented financial highlights for April 2021 and the fiscal year to date [Agenda Item 2].

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

21-25 Declaration of an approximately 0.0193-acre tract of land, being a portion of LCRA Parcel JW-06 in Llano County on Lake LBJ, nonessential (no longer necessary, convenient or of beneficial use to the business of LCRA), and authorization for the general manager or his designee to sell the property to the adjoining landowner, as recommended by staff in Consent Item 3 [attached hereto as Exhibit A].

21-26 Adoption of the regulation for contracting for construction projects, as recommended by staff in Consent Item 4 [attached hereto as Exhibit B].

21-27 Approval of directors’ fees and expense reimbursements, as recommended in Consent Item 5 [attached hereto as Exhibit C].


21-29 Vice President of Transmission Strategic Services Clint Harp presented for consideration a staff recommendation, described in Agenda Item 7 [attached hereto as Exhibit D], that the Board approve amendments to LCRA Board Policy 220 – Telecommunications. Upon motion by Vice Chair Cooper, seconded by Director Berger, the recommendation was unanimously approved by a vote of 14 to 0.

21-30 Vice President of Water Resources Monica Masters presented for consideration a staff recommendation, described in Agenda Item 8 [attached hereto as Exhibit E], that the Board 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. Upon motion by Director Yeary, seconded by Director Martine, the recommendation was unanimously approved by a vote of 13 to 0. [Director Berger was absent for voting on this item in addition to Director Johnson, who was absent from the meeting.]

21-31 Vice President of Water Resources Monica Masters presented for consideration a staff recommendation, described in Agenda Item 9 [attached hereto as Exhibit F], that the Board 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. Upon motion by Vice Chair Cooper, seconded by Director Crane, the recommendation was unanimously approved by a vote of 14 to 0.

21-32 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 10 [attached hereto as Exhibit G], that the Board 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, setting forth the terms and conditions governing the issuance of the direct-pay letter of credit securing the Series B Notes in the amount of $150 million. Upon motion by Director Lewis, seconded by Director Gill, the recommendation was unanimously approved by a vote of 14 to 0.

21-33 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 11 [attached hereto as Exhibit H], that the Board 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. Upon motion by Director Allen, seconded by Director Voelter, the recommendation was unanimously approved by a vote of 14 to 0.

21-34 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 12 [attached hereto as Exhibit I], that the Board adopt resolutions approving the fiscal year 2022 business and capital plans for LCRA and each of its affiliated nonprofit corporations: LCRA Transmission Services Corporation, LCRA Wholesale Energy Services Corporation, WSC Energy II and GenTex Power Corporation. The Board had a detailed discussion on the FY 2022 business and capital plans during a work session on April 28. Upon motion by Director Whitten, seconded by Director Figueroa, the recommendation was unanimously approved by a vote of 14 to 0.

Chair Timmerman declared the meeting to be in executive session at 1:43 p.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 2:09 p.m.

21-35 Director Gill moved, seconded by Director Crane, that the Board adopt and approve the Sixty-first Supplemental Resolution to the Master Resolution [attached hereto as Exhibit J], as discussed in executive session, to authorize the issuance of a taxable private placement note program in an amount not to exceed $150 million principal amount, and also authorize the general manager or the chief financial officer to execute a related note purchase agreement and all associated agreements necessary to support a letter of credit to the Electric Reliability Council of Texas to satisfy LCRA’s financial security credit requirements pursuant to the ERCOT protocols for nodal market participants. The Board unanimously approved the motion by a vote of 14 to 0.
21-36  Director Gill moved, seconded by Director Crane, that the Board adopt and approve the Sixty-second Supplemental Resolution to the Master Resolution [attached hereto as Exhibit K], as discussed in executive session, to authorize the issuance of a taxable private placement note program in an amount not to exceed $150 million principal amount, and also authorize the general manager or the chief financial officer to execute a related note purchase agreement and all associated agreements necessary to support a letter of credit to the Electric Reliability Council of Texas to satisfy LCRA's financial security credit requirements pursuant to the ERCOT protocols for nodal market participants. The Board unanimously approved the motion by a vote of 14 to 0.

There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 2:11 p.m.

____________________________________
Joseph M. Crane
Secretary
LCRA Board of Directors
Approved: Aug. 18, 2021
EXHIBIT C

Minutes Digest
June 16, 2021

21-37  Appointment of LCRA Board committee members as follows: Director Carol Freeman to the Land and Community Resources Committee, and Director Melissa K. Blanding to the Finance Committee and Transmission Committee.

21-38  Approval of changing the dates of the August 2021 committee and LCRA Board of Directors meetings to Tuesday, Aug. 17, and Wednesday, Aug. 18, respectively.

21-39  Adoption of the Amended and Restated Twentieth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program to authorize an increase in the capacity of the LCRA Transmission Contract Revenue Notes, Series C and Taxable Series C and other amendments. The adoption also authorizes the general manager or his designee to negotiate and execute all related documents setting forth the terms and conditions governing the issuance of such in an amount up to $200 million, including but not limited to, a new note purchase agreement and among LCRA, LCRA Transmission Services Corporation and Bank of America, N.A. and an amended and restated supplement to the restated Transmission Contract Revenue Debt Installment Payment Agreement between LCRA and LCRA TSC.
MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER COLORADO RIVER AUTHORITY
Austin, Texas
June 16, 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 10:09 a.m. Wednesday, June 16, 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
Michael L. “Mike” Allen
Lori A. Berger
Melissa K. Blanding
Carol Freeman
Raymond A. “Ray” Gill Jr.
Thomas L. “Tom” Kelley
Thomas Michael Martine
Margaret D. “Meg” Voelter
Martha Leigh M. Whitten
Nancy Eckert Yeary [arrived at 10:12 a.m.]

Absent: Joseph M. “Joe” Crane, Secretary
Laura D. Figueroa
Robert “Bobby” Lewis

Chair Timmerman convened the meeting at 10:09 a.m. and welcomed new Directors Melissa K. Blanding from Hays County and Carol Freeman from Llano County, who were attending their first LCRA Board meeting as Board members. [Directors Blanding and Freeman replaced former Directors Charles B. “Bart” Johnson and George W. Russell on the Board, respectively.]

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

21-37 Chair Timmerman presented for consideration a recommendation, described in Agenda Item 2 [attached hereto as Exhibit A], that the Board approve the appointment of LCRA Board committee members as follows: Director Carol Freeman to the Land and Community Resources Committee, and Director Melissa K. Blanding to the Finance Committee and Transmission Committee. Upon motion by Director Berger, seconded by Director Kelley, the recommendation was unanimously approved by a vote of 11 to 0.
Chair Timmerman also noted he appointed Director Carol Freeman to the Community Development Partnership Program Review Committee and the Water Conservation Incentives Program Review Committee. [These appointments do not require Board approval.]

The Board next took action on the consent agenda.

21-38 Upon motion by Director Voelter, seconded by Vice Chair Cooper, the Board unanimously approved changing the dates of the August 2021 committee and LCRA Board of Directors meetings to Tuesday, Aug. 17, and Wednesday, Aug. 18, respectively, as recommended by staff in Consent Item 3 [attached hereto as Exhibit B], by a vote of 11 to 0.

[Director Yeary joined the meeting.]

21-39 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 4 [attached hereto as Exhibit C], that the Board adopt the Amended and Restated Twentieth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program to authorize an increase in the capacity of the LCRA Transmission Contract Revenue Notes, Series C and Taxable Series C and other amendments. The staff recommendation also included that the Board authorize the general manager or his designee to negotiate and execute all related documents setting forth the terms and conditions governing the issuance of such in an amount up to $200 million, including but not limited to, a new note purchase agreement and among LCRA, LCRA Transmission Services Corporation and Bank of America, N.A. and an amended and restated supplement to the restated Transmission Contract Revenue Debt Installment Payment Agreement between LCRA and LCRA TSC. [In conjunction with the amended Series C Notes Program, LCRA and LCRA TSC will terminate the LCRA Transmission Contract Revenue Notes, Series F and Taxable Series F program.] Upon motion by Director Berger, seconded by Director Whitten, the recommendation was unanimously approved by a vote of 12 to 0.

There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 10:14 a.m.

____________________________________
Joseph M. Crane
Secretary
LCRA Board of Directors
Approved: Aug. 18, 2021
FOR ACTION

8. Contracts and Contract Changes

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

Board Consideration
LCRA Board Policy 308 – Purchasing Contracts establishes requirements for contracts for the purchase of goods, services, construction and software. LCRA has two types of contracts, master and one-time.
- Master contract: Establishes the terms and conditions under which LCRA may purchase goods and/or services during a fixed period of time to fulfill its business plan. These purchases are budgeted in the capital and operations and maintenance budgets. Master contracts are not commitments to expend funds. Rather, purchase orders placed against these master contracts are commitments to spend.
- One-time contract: A contract for the purchase of a definite quantity of goods or services under a single scope of work either during a fixed period of time or for an indefinite period of time until the goods have been delivered or services have been completed. These contracts normally include commitments to expend funds.

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

Summary

<table>
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<tr>
<th>Supplier (Contract Number)</th>
<th>Contract Type</th>
<th>Approval Amount</th>
<th>Contract Description</th>
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<tbody>
<tr>
<td>New Contracts</td>
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<tr>
<td>Delta Star, Inc. (5838) and Hyundai Electric America Corporation (5839)</td>
<td>Master</td>
<td>$20 million</td>
<td>Power autotransformers and small megavolt-amperes autotransformers</td>
</tr>
<tr>
<td>Contract Changes</td>
<td></td>
<td></td>
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<tr>
<td>Gregory Geotechnical (5210)</td>
<td>One-Time</td>
<td>$135,790</td>
<td>Technical Review Board for Arbuckle Reservoir</td>
</tr>
<tr>
<td>Steven G. Wright, PE (5236)</td>
<td>One-Time</td>
<td>$260,000</td>
<td>Technical Review Board for Arbuckle Reservoir</td>
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<tr>
<td>Presidio Networked Solutions Group LLC (4931)</td>
<td>Master</td>
<td>$46 million</td>
<td>Technology infrastructure and networking equipment</td>
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</table>

Presenter(s)
Matt Chavez
Vice President, Supply Chain
Exhibit(s)
A – New Contracts
B – Contract Administration
New Contracts

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

Contract No. 5838 and 5839
Supplier: Delta Star, Inc. (5838) and Hyundai Electric America Corporation (5839)
Contract Amount: Not to exceed $20 million in the aggregate
Contract Length: One-year contracts with four additional, optional one-year terms
Description: These master contracts are for the procurement of power autotransformers and small MVA autotransformers used by LCRA Transmission Services Corporation.

Background:
- LCRA uses power autotransformers and small MVA autotransformers to aid in the transfer of electricity across Texas’ electric grid.
- Hyundai Electric America Corporation is an incumbent supplier.
- The order history under the prior contract was about $10.2 million over the past five years.
- Forecast spend is based on project requirements in the approved LCRA TSC fiscal year 2022 business and capital plans and projected transmission load growth.

Power and Small MVA Autotransformer Order History and Forecast

- Historical: $1,756, $2,350, $2,350, $1,756, $1,118, $3,048, $3,062, $4,952, $5,861
- Forecast: $106, $2,317, $2,350, $1,756, $1,118, $3,048, $3,062, $4,952, $5,861
Actions:
- Staff recommends awarding these contracts based on a fully competitive process.
- Staff evaluated 12 proposals.
- Staff evaluated suppliers based on quality and technical requirement compliance, delivery lead time, and price.
- The contract award amount is not to exceed $20 million. This amount represents a shared sum from which the proposed contracts may draw.
- Based upon the evaluation and subsequent negotiations, staff recommends Delta Star, Inc. and Hyundai Electric America Corporation as the suppliers for this category.
Contract Administration

Contract changes that require Board approval under Board Policy 308 are noted in Exhibit B.

- A Change Order is a change to the statement of work, specifications or schedule of the contract.
- An Amendment is a change to a contract that affects other terms and conditions of the contract.
- An Increase in Estimate is a request to spend more funds than previously were estimated to be spent through a given contract. The contract is not changed; only the internal estimate of the amount to be spent with the supplier.

Contract No. 5210
Supplier: Gregory Geotechnical
Contract Amount: Not to exceed $135,790
Contract Length: Until the contract is fulfilled
Description: This one-time contract is for service on the Arbuckle Reservoir Technical Review Board used by Water Services.

Background:
- The Arbuckle Reservoir Technical Review Board is composed of multiple independent experts, of which Gregory Geotechnical is a member.
- In May 2019, LCRA executed a $60,000 one-time contract with Gregory Geotechnical for consulting services. The contract value was increased by an additional $39,790 for trench stability analysis.
- In two years, LCRA has issued almost $100,000 in consulting services to Gregory Geotechnical, or 100% of the contract value.
- Additional funds are required because of an extended construction schedule.
- Based on LCRA’s continued use of Gregory Geotechnical, staff is requesting approval to add an additional $36,000 to the contract amount, bringing the total contract value to $135,790.
Contract History:

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<th>Contract History</th>
<th>Amount</th>
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<tr>
<td>Original Contract (May 2019)</td>
<td>$60,000</td>
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<tr>
<td>Increase in Estimate No. 1 (March 2020)</td>
<td>$39,790</td>
</tr>
<tr>
<td>Increase in Estimate No. 2 (August 2021) (Board Approval)</td>
<td>$36,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$135,790</strong></td>
</tr>
</tbody>
</table>

Contract No. 5236
Supplier: Stephen G. Wright, PE
Contract Amount: Not to exceed $260,000
Contract Length: Until the contract is fulfilled
Description: This one-time contract is for service on the Arbuckle Reservoir Technical Review Board used by Water Services.

Background:
- The Arbuckle Reservoir Technical Review Board is composed of multiple independent experts, of which Stephen G. Wright, PE is a member.
- In May 2013, LCRA executed a $39,000 contract with Steven G. Wright, PE for consulting services. The contract value previously was increased to $207,853 through Board approval and administrative processes.
- In eight years, LCRA has issued more than $199,000 in consulting services to Stephen G. Wright, PE or 96% of the contract value.
- Additional funds are required because of an extended construction schedule.
- Approval is requested to add an additional $49,000 to the total contract.
## Contract History:

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<th>Description</th>
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<tbody>
<tr>
<td>Original Contract (May 2013)</td>
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<tr>
<td>Increase in Estimate No. 1 (March 2014) (Board Approval)</td>
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<td>Increase in Estimate No. 2 (June 2015)</td>
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<td><strong>Total</strong></td>
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### Steven G. Wright Order History and Forecast

<table>
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<tr>
<th>Year</th>
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<td>GY 2023</td>
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Contract No. 4931
Supplier: Presidio Networked Solutions Group LLC
Contract Amount: Not to exceed $46 million
Contract Length: One-year contract with four additional, optional one-year terms
Description: This master contract is for technology infrastructure and networking equipment used by Digital Services, Cybersecurity and Telecommunications.

Background:
- In September 2018, the Board approved a master contract with Presidio Networked Solutions Group LLC for network hardware, servers, storage, firewalls, peripherals, maintenance, licensing, support and configuration services used by the Digital Services, Cybersecurity and Telecommunications departments.
- Presidio Networked Solutions Group LLC does not manufacture these products themselves. As a value-added reseller, Presidio combines LCRA’s buying power with many other organizations to negotiate more favorable prices and terms with equipment manufacturers such as Cisco, Citrix, NetApp and CommVault. This results in better value than LCRA would receive if it negotiated with each manufacturer on its own.
- When the original contract was approved by the Board in 2018, the contract value was limited to $25 million. This amount was intended to cover five years of LCRA spend based on the technology priorities at the time. An additional $1 million of purchasing authority was added in May 2021.
- Since the contract was initially put in place, LCRA’s technology investment priorities have shifted to a greater focus on network upgrades to support LCRA’s strategic initiatives in cybersecurity, technology system reliability and the expansion of LCRA’s broadband capability.
- Staff is requesting an additional $20 million in purchasing authority for this contract to meet the needs of the FY 2022 business plan and capital forecast approved by the Board in May 2021. This is expected to serve LCRA’s needs until September 2023.
### Contract History:

<table>
<thead>
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<th>Description</th>
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#### Presidio Digital Services Hardware Order History and Forecast

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