



# Board Agenda

Wednesday, June 17, 2026  
LCRA General Office Complex  
Board Room – Hancock Building  
3700 Lake Austin Blvd.  
Austin, TX 78703  
Earliest start time: noon

## Item From the Chair

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## Consent Items

- 2. Auditing Services Fiscal Year 2027 Resource and Audit Plan .....5
- 3. LCRA Board Policy 603 – Energy Transactions ..... 7
- 4. Directors’ Fees, Expenses..... 13
- 5. Minutes of Prior Meeting..... 14

## Action/Discussion Items

- 6. Fiscal Year 2026 LCRA Business Plan Amendment .....21
- 7. Fiscal Year 2026 LCRA Capital Plan Amendment.....22
- \*8. Approve the LCRA Transmission Services Corporation Transmission Contract Refunding Revenue Bonds Issuance and Fifty-second Supplemental Resolution.....23
- 9. Contracts and Contract Changes .....26

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

## Executive Session

- 1. Competitive Electric Matters, Including Generation and Generation Project Updates, Market and Risk Updates, Resource Planning, Resource Options and Agreements
  - a. Competitive Electric Matters – Appendix A – Delegation and Procurement Limits to LCRA Board Policy 603 – Energy Transactions
  - b. Competitive Electric Matters – Capital Improvement Project Approval
  - c. Competitive Electric Matters – Contracts and Contract Changes
- 2. Legal Advice on Pending and Anticipated Litigation, Claims and Settlements
- 3. Legal Advice on Legal Matters

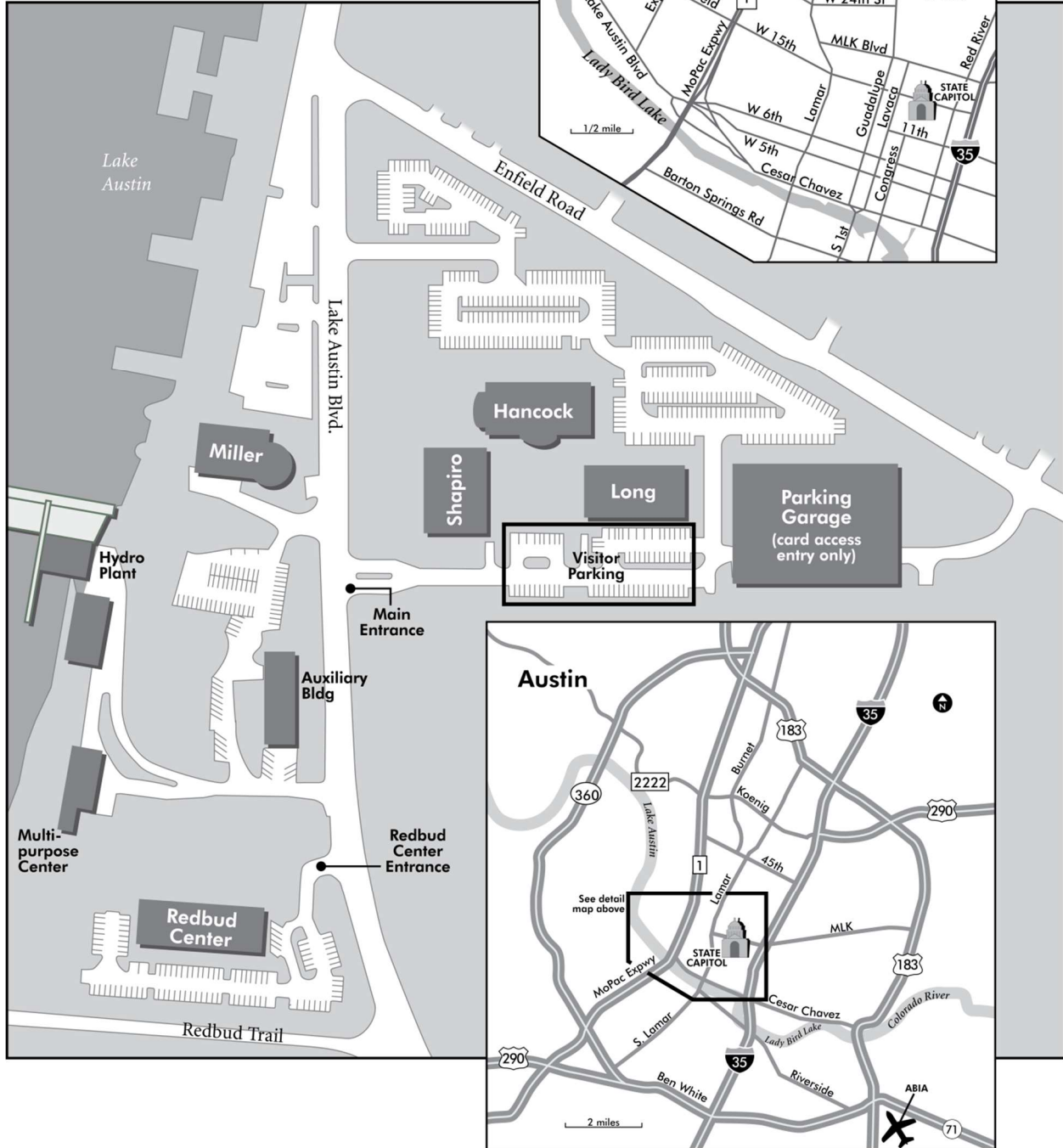
The Board also may go into executive session on any item listed above, pursuant to Chapter 551 of the Texas Government Code, including, but not limited to, sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code.

## Legal Notice

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

# LCRA General Office Complex Location Map

3700 Lake Austin Blvd.  
Austin, Texas



# 1. Comments From the Public

## Summary

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

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

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

## Exhibit(s)

A – Protocols for Public Communication at Board and Committee Meetings

## **EXHIBIT A**

### **PROTOCOLS FOR PUBLIC COMMUNICATION AT BOARD AND COMMITTEE MEETINGS**

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

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

**FOR ACTION (CONSENT)**

## **2. Auditing Services Fiscal Year 2027 Resource and Audit Plan**

**Proposed Motion**

Approve the Auditing Services fiscal year 2027 resource and audit plan.

**Board Consideration**

LCRA Board Policy 221 – Independent and Internal Auditors requires the Board of Directors to approve the Auditing Services resource plan and annual audit plan.

**Budget Status and Fiscal Impact**

The Board previously approved the budget for Auditing Services as part of the FY 2027 business plan.

**Summary**

LCRA staff gave the Audit and Risk Committee an overview of Auditing Services' proposed budget, resource plan and annual audit plan for FY 2027. Auditing Services' resource plan and annual audit plan are attached as Exhibit A. The Audit and Risk Committee has reviewed and approved the proposed plan. The Audit and Risk Committee and staff recommend approval of the proposed FY 2027 Auditing Services resource and audit plan.

**Exhibit(s)**

A – Auditing Services fiscal year 2027 resource and audit plan

**EXHIBIT A**

**Auditing Services Fiscal Year 2027 Resource and Audit Plan**

Resource plan:

Outsourced staff – tailored to scope with flexible schedule (agile auditing)

Audit plan:

Projects are listed as advisory, assurance or falling into both categories.

Timing	Audit Project	Type	Objective
First Half of FY 2027	Operational Safety	Both	How Operations Implement Safety Practices
	Succession Planning	Advisory	Review Plans for Critical Succession / Development
	Cyber - Restricted Access Review	Assurance	How Controls over Access Are Implemented
	Emergency After-Action Review	Both	How After-Action Improvements Are Implemented
	System Implementation	Advisory	New Applicant Tracking System
Second Half of FY 2027	Outage Management	Advisory	Power Outage Processes and Resulting Improvements
	Maintenance Reliability <sup>1</sup>	Both	Assess Processes, Data and Practices Effectiveness
	Materials Management <sup>1</sup>	Both	Planning and Governance for Critical Supplies
	Third Party Performance <sup>1</sup>	Advisory	Evaluate Standards, Governance and Practices
	Vendor Master Payment Control	Assurance	Governance and Approval over System Access
Full Fiscal Year	Collaborative Analytics	Assurance	Fraud Detection and Prevention Technology
	Cyber - Disaster Recovery	Assurance	Restoration from Ransomware and Other Events
<sup>1</sup> limited scope in FY 2027 - remaining scope to be covered in a future audit plan			

**Note:** A number of the proposed reports in the audit plan will be confidential or attorney-client privileged.

**FOR ACTION (CONSENT)**

### **3. LCRA Board Policy 603 – Energy Transactions**

**Proposed Motion**

Reaffirm LCRA Board Policy 603 – Energy Transactions as attached in Exhibit A.

**Board Consideration**

Section 603.80 of LCRA Board Policy 603 requires annual review of the policy by the Board of Directors.

**Budget Status and Fiscal Impact**

Reaffirming this item will have no budgetary or fiscal impact.

**Summary**

The Office of General Counsel and LCRA staff have reviewed LCRA Board Policy 603 and are recommending reaffirming without changes.

Review of the appendix to Board Policy 603 containing competitive electric information will be considered separately in executive session.

**Exhibit(s)**

A – LCRA Board Policy 603 – Energy Transactions (without Appendix A)

## EXHIBIT A

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### LCRA BOARD POLICY

#### 603 – ENERGY TRANSACTIONS

~~June 18, 2025~~ June 17, 2026

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##### **603.10 PURPOSE**

This policy governs the management of LCRA's wholesale power portfolio to ensure the use of those assets, along with appropriate market products, provides a cost-effective, risk-managed supply portfolio for LCRA's wholesale electric customers.

##### **603.20 OVERVIEW**

The purchase and sale of fuels, power and other power-related products are necessary to satisfy LCRA's contractual obligations to its wholesale electric customers. These activities expose LCRA to the price fluctuations inherent in the fuel and power markets. LCRA strives to reduce its financial uncertainty driven by market volatility, within established risk tolerances. This policy articulates the objectives, framework and delegation of authorities necessary to govern LCRA's activities related to its Energy Commodity Risk Control Program (program).

LCRA will conduct energy risk management activities in a manner that supports the objectives stated herein. All program objectives, activities, controls and procedures will be conducted in accordance with this policy.

##### **603.30 RISK MANAGEMENT OBJECTIVES**

Activities conducted pursuant to the program are intended to decrease financial risks inherent in providing wholesale electrical power and related services in the Electric Reliability Council of Texas (ERCOT) market compared to the financial uncertainty present without a program. The program's objectives are: identifying exposures to movements in energy prices and related market prices; quantifying the impacts of these exposures on LCRA's financial objectives; and mitigating these exposures in line with LCRA's identified level of risk tolerance. LCRA will conduct its program activities solely for appropriate risk mitigation objectives herein and never for purposes of financial speculation.

Risk mitigating activities, including hedging activities permitted by Texas Water Code Section 152.251, include:

**Market Risk Mitigation Activities:** Given volatile energy markets, manage costs from

energy and fuel purchases and revenues from LCRA's generation and purchased power assets, mitigating potentially unfavorable financial results and promoting financial results that fall within acceptable boundaries.

**Transaction Risk Mitigation Activities:** Mitigate transactional risk by monitoring execution of the program for compliance with risk program documentation approved by the general manager (GM)/CEO and measuring the potential impact of commodity price movements with respect to the approved financial objectives of LCRA.

Subject to the program's objectives and risk mitigation activities, activities conducted pursuant to the program also may seek to improve upon LCRA's financial expectations.

## **603.40 DELEGATION OF AUTHORITY**

**603.401 General Manager/Chief Executive Officer.** The GM/CEO is charged with administration of this policy and is granted authority and responsibilities:

1. To ensure all program activities of LCRA are in accordance with this policy.
2. To approve documentation for the administration of the program.
3. To approve initially, and from time to time modify, LCRA's tolerance for exposure to energy price volatility.
4. To delineate responsibilities and activities assigned to front, middle and back office functions to ensure a clear separation of duties.
5. To approve controls and periodically review the effectiveness of all aspects of the program.
6. To approve contracts and other transactions necessary to implement the program.

**603.402 Risk Management Committee.** The GM/CEO will create a Risk Management Committee (RMC) comprised of employees of LCRA to monitor program performance and compliance with the program documentation. The RMC will establish and from time to time modify program risk limits consistent with risk tolerances approved by the GM/CEO. Additionally, the RMC will advise the GM/CEO regarding:

1. Creation, amendment, approval and administration of program documentation.
2. Setting risk tolerances.
3. Ensuring all program activities are performed in accordance with the policy and approved program documentation.
4. Material violations or potential material violations of the policy or program requirements.

**603.403 Chief Financial Officer.** The chief financial officer (CFO) is charged with the daily administration and management of the program and will serve as the chair of the RMC. The CFO, in addition to other duties, will report periodically to the GM/CEO and the LCRA Board of Directors. The CFO will maintain appropriate financial controls, maintain a separation of duties between individuals authorized to execute commodity transactions

and those who monitor and report on such transactions, and ensure documents and procedures developed to execute this policy are reviewed periodically.

## **603.50 ENERGY TRANSACTING AND RISK MANAGEMENT ACTIVITIES**

**603.501 Energy Transacting and Risk Management Activities.** LCRA's energy transacting and risk management activities will comply with this policy, other related Board directives, and all applicable laws, rules and requirements, including those of ERCOT, the Public Utility Commission of Texas (PUC), and the Commodity Futures Trading Commission (CFTC). Energy transacting and risk management activities will include:

1. **Commodity-related transactions** – LCRA may enter into transactions as needed to effectively manage its fuel and power portfolio position. Commodity-related transactions include financial and physical transactions related to the purchase and sale of power and related services, natural gas and associated transportation, coal and associated transportation, instruments necessary to manage transmission and transportation risks, instruments to manage full load requirement risk, including load following and weather products, and transactions related to emissions and renewable energy.
2. **Physical resources** – Consistent with Board Policy 401 – Land Resources, LCRA may construct, purchase, sell, retire, exchange and/or lease wholesale power resources, including generation resources, energy and fuel storage facilities, transportation systems, pipelines and related equipment, railcars and related equipment, and other facilities.
3. **Credit risk management** – LCRA will integrate credit provisions into contracts as appropriate, evaluate counterparty risk, require collateral as needed and monitor credit-related financial exposure with the goal of preserving LCRA's financial integrity.

**603.502 Power and Energy Not Immediately Needed.** From time to time, LCRA produces power and energy that is not immediately needed. The Board delegates to the GM/CEO or his or her designee the authority to determine the available amount and to negotiate terms and conditions for the sale of such power and energy.

**603.503 Posting of Collateral.** The Board finds it is necessary and convenient to the exercise of LCRA's authority to enter into energy transacting and risk management activities for LCRA to be able to post collateral to counterparties to such transactions. The Board authorizes the use of designated reserves, debt or available revenues for such purposes as deemed appropriate by the GM/CEO.

**603.504 Transactions Related to Affiliated Corporations.** LCRA may enter into energy and risk management transactions on behalf of affiliated corporations, provided that LCRA does so pursuant to an agreement between LCRA and such affiliated corporation, and provided that the GM/CEO or his or her designee determines that such transactions

do not materially increase risks to LCRA or otherwise conflict with the objectives of this policy.

### **603.60 DELEGATION AND PROCUREMENT LIMITS**

All transactions under the program will be conducted subject to the following delegation and procurement limits specified in Appendix A (confidential):

1. Approved transacting activities and products.
2. Term/tenor limits.
3. Approved product locations and sources.
4. Approved counterparties.

Under no circumstances may transactions be executed that are not related to LCRA's core business objectives.

### **603.70 STANDARDS**

**603.701 Standards of Conduct.** All LCRA Wholesale Power personnel and others in the procurement, trading, risk management, information technology, and finance and accounting functions who are involved in any program activities will conduct themselves in a manner consistent with sound business practices and LCRA's Code of Ethics, under standards established in the program documentation to avoid impropriety or the appearance of impropriety. All such employees will be required to annually read and attest in writing to compliance with this policy and the program documentation.

**603.702 Standard of Care.** The program will be managed in a way that a person of ordinary prudence, discretion and intelligence, exercising the judgment and care under the circumstances then prevailing, would follow in the management of the person's own affairs, not in regard to speculation but in regard to the permanent disposition of the person's money considering: (1) the probable income; and (2) the probable safety of the person's capital.

### **603.80 REPORTING AND INTERNAL CONTROLS**

The GM/CEO will update the Energy Operations Committee at least quarterly on the actions taken pursuant to the policy covering, at a minimum, risk tolerances, program impacts and material changes in program requirements. The Board will review this policy at least annually.

### **603.90 AUTHORITY**

LCRA enabling legislation, Chapter 8503, Texas Special District Local Laws Code  
Texas Water Code, Chapter 152  
Texas Government Code, Chapter 1371  
Texas Utilities Code, Title 2 (Public Utility Regulatory Act)

Clean Air Act, Acid Deposition Control, § 401 et seq.; 42 U.S.C.A. § 7651 et seq.  
Code of Federal Regulations, Title 17  
Code of Federal Regulations, Title 40, parts 72, 73 and 75

**EFFECTIVE:** April 19, 1990. Amended July 17, 1991; May 20, 1993; May 18, 1995; Oct. 28, 1998; Dec. 13, 2000; March 20, 2002; Jan. 22, 2003; Feb. 20, 2008; Nov. 18, 2009; Dec. 15, 2010; and April 18, 2012. Replaced Sept. 17, 2014. Amended Aug. 19, 2015; and Sept. 21, 2016. Reaffirmed Oct. 18, 2017; and Oct. 17, 2018. Amended Oct. 23, 2019. Reaffirmed Oct. 21, 2020; Oct. 20, 2021; Oct. 19, 2022; Nov. 15, 2023; and Nov. 13, 2024. Amended June 18, 2025. Reaffirmed June 17, 2026.

**FOR ACTION (CONSENT)**

## **4. Directors' Fees, Expenses**

**Proposed Motion**

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

**Board Consideration**

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

**Budget Status and Fiscal Impact**

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

**Summary**

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

**FOR ACTION (CONSENT)**

## **5. Minutes of Prior Meeting**

**Proposed Motion**

Approve the minutes of the May 20, 2026, LCRA Board of Directors meeting.

**Board Consideration**

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

**Budget Status and Fiscal Impact**

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

**Summary**

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

**Exhibit(s)**

A – Minutes of May 20, 2026, LCRA Board meeting

## **EXHIBIT A**

LCRA Board of Directors  
Minutes Digest  
May 20, 2026

- 26-32 Declaration of 0.151 acre of land, being a portion of LCRA Parcel BW-32 in Llano County, nonessential, and authorization for the general manager or his designee to sell the property to the adjoining landowner.
- 26-33 Approval of proposed revisions to GenTex Power Corporation bylaws.
- 26-34 Approval of directors' fees and the reimbursement of directors' expenses.
- 26-35 Approval of the minutes of the April 21, 2026, LCRA Board of Directors meeting.
- 26-36 Adoption and approval of the Amended and Restated Fifty-first Supplemental Resolution to the Master Resolution establishing the LCRA Financing Program that authorizes the LCRA Revenue Revolving Notes, Series D and Taxable Series D (Series D Notes); authorization to extend the maximum maturity of the Series D Notes and other amendments and authorization for the general manager, chief financial officer or treasurer to negotiate and execute a note purchase agreement with JP Morgan Chase Bank N.A. for a term not to exceed three years; 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 Series D Notes in an amount up to \$100 million and authorizing any other necessary agreements.
- 26-37 Approval of the Amended and Restated Twentieth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program to authorize an extension and increase in the capacity of the LCRA Transmission Contract Revenue Notes, Series C and Taxable Series C (Series C Notes) not to exceed \$400 million in aggregate principal amount and other amendments; 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 such in an amount up to \$400 million, including but not limited to a new amended and restated note purchase agreement among LCRA, LCRA Transmission Services Corporation and Bank of America N.A. for the Series C Notes.
- 26-38 Adoption of resolutions approving the fiscal year 2027 business and capital plans for LCRA and each of its nonprofit corporations (LCRA Transmission Services Corporation; GenTex Power Corporation;

LCRA Wholesale Energy Services Corporation, known as LCRA WSC Energy; and WSC Energy II), authorizing the initiation of recommended projects and expenditures.

- 26-39 Adoption and approval of the Seventy-fourth Supplemental Resolution to the Master Resolution, as discussed in executive session, authorizing the issuance of a taxable private placement note program in an amount not to exceed \$150 million principal amount, and also authorization for the general manager, chief financial officer or treasurer 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.
- 26-40 Authorization for the Chair to negotiate hiring the general manager and do all things necessary to effectuate the appointment of the general manager, all as authorized under [Section] 8503.007, Special District Local Laws Code, and consistent with the discussion in executive session; and authorization for the acting general manager or his designee to do all things necessary to effectuate the transition plan, all consistent with the discussion in executive session.

MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF THE  
LOWER COLORADO RIVER AUTHORITY  
Austin, Texas  
May 20, 2026

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of the Lower Colorado River Authority (LCRA) convened in a regular meeting at 1:40 p.m. Wednesday, May 20, 2026, in the Board Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The following directors were present, constituting a quorum:

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

Chair Cooper convened the meeting at 1:40 p.m.

The Board heard comments from the following representatives of LCRA's wholesale power customers [Agenda Item 1]: Wayne Berger (city manager), Cuero; Grant Gutierrez (chief financial officer), Bluebonnet Electric Cooperative; and Rob Strobel (director of Power Supply and Delivery), Pedernales Electric Cooperative. Berger also serves as president of the Rates and Resources Council Board of Directors, a group of LCRA's wholesale power customers.

Berger, on behalf of the RRC Board, provided feedback on the fiscal year 2027 LCRA business and capital plans related to wholesale power. Guterrez also provided feedback on the plans. Berger, Gutierrez and Strobel expressed appreciation for the long-standing relationship with LCRA, highlighting the shared collaboration and LCRA's ongoing support for its customers and communities.

There were no comments from the public during the meeting [Agenda Item 2].

Acting General Manager and Chief Financial Officer Jim Travis gave an update on safety, including the launch of LCRA's new water safety campaign, Conquering the

Colorado, and tips shared with employees on how to stay safe while working outdoors in the heat. He noted the summer and winter preparations for LCRA's generation facilities. He highlighted the fiscal year 2027 LCRA business and capital plans, including investment in key projects and how LCRA will continue serving Texans. Travis thanked LCRA employees and Board members for their participation in the recent LCRA Steps Forward Day.

Senior Vice President of Financial Planning and Analysis Dawn Reed presented financial highlights for LCRA covering April 2026 and the fiscal year to date [Agenda Item 3].

The Board next took action on the consent agenda.

Upon motion by Vice Chair Whitten, seconded by Director Blanding, the Board unanimously approved consent items 4, 5, 6 and 7 by a vote of 14 to 0 as follows:

26-32 Declaration of 0.151 acre of land, being a portion of LCRA Parcel BW-32 in Llano County, nonessential (no longer necessary, convenient or of beneficial use to the business of LCRA), and authorization for the general manager or his designee to sell the property to the adjoining landowner, as recommended by staff in Consent Item 4 [attached hereto as Exhibit A].

26-33 Approval of proposed revisions to the GenTex Power Corporation bylaws, as recommended by staff in Consent Item 5 [attached hereto as Exhibit B].

26-34 Approval of directors' fees and the reimbursement of directors' expenses, as recommended in Consent Item 6 [attached hereto as Exhibit C].

26-35 Approval of the minutes of the April 21, 2026, LCRA Board of Directors meeting [Consent Item 7].

26-36 Treasurer David Smith presented for consideration a staff recommendation, described in Agenda Item 8 [attached hereto as Exhibit D], that the Board adopt and approve the Amended and Restated Fifty-first Supplemental Resolution to the Master Resolution establishing the LCRA Financing Program that authorizes the LCRA Revenue Revolving Notes, Series D and Taxable Series D (Series D Notes); authorize extending the maximum maturity of the Series D Notes and other amendments and authorize the general manager, chief financial officer or treasurer to negotiate and execute a note purchase agreement with JP Morgan Chase Bank N.A. for a term not to exceed three years; 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 Series D Notes in an amount up to \$100 million and authorizing any other necessary agreements. Upon motion by Director Willmann, seconded by Director Blanding, the recommendation was unanimously approved by a vote of 14 to 0.

26-37 Treasurer David Smith presented for consideration a staff recommendation, described in Agenda Item 9 [attached hereto as Exhibit E], that the Board approve the Amended and Restated Twentieth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program to authorize an extension and increase in the capacity of the LCRA Transmission Contract Revenue Notes, Series C and Taxable Series C (Series C Notes) not to exceed \$400 million in aggregate principal amount and other amendments; 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 such in an amount up to \$400 million, including but not limited to a new amended and restated note purchase agreement among LCRA, LCRA Transmission Services Corporation and Bank of America N.A. for the Series C Notes. Upon motion by Director Mayo, seconded by Director Arthur, the recommendation was unanimously approved by a vote of 14 to 0.

26-38 Senior Vice President of Financial Planning and Analysis Dawn Reed presented for consideration a staff recommendation, described in Agenda Item 10 [attached hereto as Exhibit F] that the Board adopt resolutions approving the fiscal year 2027 business and capital plans for LCRA and each of its nonprofit corporations (LCRA Transmission Services Corporation; GenTex Power Corporation; LCRA Wholesale Energy Services Corporation, known as LCRA WSC Energy; and WSC Energy II), authorizing the initiation of recommended projects and expenditures. Reed noted that the Board had a detailed discussion on the FY 2027 business and capital plans during a work session on April 21. Upon motion by Director Lewis, seconded by Director Voelter, the recommendation was unanimously approved by a vote of 14 to 0.

Executive Vice President of Water John B. Hofmann presented an update on basin conditions [Agenda Item 11].

Chair Cooper declared the meeting to be in executive session at 2:31 p.m. pursuant to sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code. Executive session ended, and Chair Cooper declared the meeting to be in public session at 3:58 p.m.

26-39 Vice Chair Whitten moved, seconded by Director Lewis, that the Board adopt and approve the Seventy-fourth Supplemental Resolution to the Master Resolution, as discussed in executive session, authorizing 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, chief financial officer or treasurer 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.

26-40 Director Mayo moved, seconded by Director Crane, that the Board authorize the Chair to negotiate hiring the general manager and do all things necessary to

effectuate the appointment of the general manager, all as authorized under Section 8503.007, Special District Local Laws Code, and consistent with the discussion in executive session, and further moved that the Board authorize the acting general manager or his designee to do all things necessary to effectuate the transition plan, all consistent with the discussion in executive session. The Board unanimously approved the motion by a vote of 14 to 0.

There being no further business to come before the Board, the meeting adjourned at 4:01 p.m.

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Joseph M. Crane  
Secretary  
LCRA Board of Directors

Approved: June 17, 2026

## **FOR ACTION**

# **6. Fiscal Year 2026 LCRA Business Plan Amendment**

### **Proposed Motion**

Approve an amendment to the fiscal year 2026 LCRA business plan to increase authorization for spending in fiscal year 2026 from \$591.4 million to \$611.4 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 operations expenditures will exceed the Board-approved amounts, and staff is seeking approval to increase the FY 2026 operations budget.

### **Budget Status and Fiscal Impact**

Staff expects LCRA's year-end actual spending for FY 2026 operations expense to exceed the business plan operations budget of \$591.4 million by \$20 million. This variance is due to higher-than-budgeted nonfuel expenses. These additional expenses will be covered by additional revenues.

### **Summary**

Staff is seeking approval to increase the FY 2026 business plan budget because staff anticipates exceeding LCRA's operations budget. The increase in FY 2026 spending is primarily the result of higher-than-budgeted nonfuel expenses.

The LCRA Board approved the FY 2026 business and capital plans in May 2025, establishing a spending limit for FY 2026 operations of \$591.4 million. The current year-end actual spending for FY 2026 operations is expected to be \$611.4 million, an increase of \$20 million or about 3%.

### **Presenter(s)**

Dawn Reed

Senior Vice President, Financial Planning and Analysis

## **FOR ACTION**

# **7. Fiscal Year 2026 LCRA Capital Plan Amendment**

### **Proposed Motion**

Approve an amendment to the fiscal year 2026 LCRA capital plan to increase authorization for capital spending in FY 2026 from \$285.7 million to \$305 million.

### **Board Consideration**

LCRA Board Policy 301 – Finance requires annual approval of a capital plan by the LCRA Board of Directors. The policy states that if annual expenditures for operations or capital are expected to exceed Board-authorized levels, additional approval from the Board will be required.

### **Budget Status and Fiscal Impact**

The proposed amendment to increase the LCRA capital budget authorization in FY 2026 will have no impact on current LCRA rates.

### **Summary**

Because LCRA anticipates exceeding the capital spending budget, staff is seeking approval to increase the FY 2026 capital budget. The increase in FY 2026 capital spending is primarily the result of new projects and higher spending in Wholesale Power and Telecommunications Enterprise Support, partially offset by lower spending in Water.

The LCRA Board approved the FY 2026 LCRA capital plan in May 2025, establishing a capital spending limit of \$285.7 million for FY 2026. The current fiscal year-end forecast for capital spending is \$305 million. This is an increase of \$19.3 million or about 7%.

### **Presenter(s)**

Dawn Reed

Senior Vice President, Financial Planning and Analysis

**FOR ACTION**

## **8. Approve the LCRA Transmission Services Corporation Transmission Contract Refunding Revenue Bonds Issuance and Fifty-second Supplemental Resolution**

### **Proposed Motion**

Staff recommends the Board of Directors adopt and approve the Fifty-second Supplemental Resolution (Fifty-second Supplement) to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program (Controlling Resolution) authorizing the issuance of Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project) in one or more series (Series of Bonds) in an aggregate amount not to exceed \$500 million for the following purposes: (i) current refunding of certain LCRA Transmission Contract Revenue Commercial Paper Notes (LCRA Transmission Services Corporation Project) Tax-Exempt Series and any series of LCRA Transmission Contract Revenue Revolving Notes (LCRA Transmission Services Corporation Project); (ii) funding certain capital projects of LCRA TSC, if necessary; (iii) funding a debt service reserve fund for any Series of Bonds; and (iv) paying for issuance costs.

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

The resolution also will:

- Approve related documents, in substantially final form, including, if required, an escrow agreement, a paying agent/registrars agreement, a preliminary and final official statement, and a Transmission Contract Revenue Debt Installment Payment Agreement Supplement related to the Series of Bonds (Installment Payment Agreement Supplement). If the Bonds are determined to also fund capital projects of LCRA TSC, the Fifty-second Supplement authorizes “and Improvement” to be added to the name of the Bonds. Bond counsel has prepared or reviewed all documents.
- Delegate authority to the general manager, chief financial officer and/or treasurer to:
  - Select all or a portion of LCRA TSC’s outstanding short-term debt to be refunded by the particular Series of Bonds and provide for appropriate notices of redemption/prepayment/defeasance;
  - Approve any final changes to said documents necessary to facilitate proper issuance of such Series of Bonds;
  - Establish the terms of each Series of Bonds as provided in the Fifty-second Supplement (including issuing such bonds in one or more separate Series of Bonds, issuing the Series of Bonds as tax-exempt or taxable, principal amounts and maturity schedules, interest rates, redemption provisions, and terms of any reserve funds);
  - Determine whether to fund certain capital projects of LCRA TSC with a Series of Bonds; and

- Approve the terms of the sale of each Series of Bonds to an underwriting team and execute a bond purchase agreement for such Series of Bonds.

### **Board Consideration**

Section 8503.004(p) of the Texas Special District Local Laws Code (LCRA Act) requires a resolution approved by at least 12 members of the Board for the issuance of any bonds by LCRA. Section 152.054 of the Texas Water Code requires the LCRA Board to approve any debt issued by LCRA TSC.

### **Budget Status and Fiscal Impact**

The FY 2027 LCRA TSC business plan anticipates the issuance of about \$1.38 billion of short-term obligations to fund LCRA TSC's ongoing capital plan in FY 2027. The issuance of Bonds for capital projects of LCRA TSC will avoid the issuance of short-term debt for such projects.

### **Summary**

With this action, the Board will approve one or more Series of Bonds issued for the purpose of current refunding of certain LCRA TSC commercial paper and revolving notes in an amount not to exceed \$500 million; funding certain capital projects of LCRA TSC, if necessary; establishing one or more debt service reserve funds for a particular Series of Bonds; and paying for the issuance costs related to such bonds. The Board also will approve the execution of documents necessary for the sale of each Series of Bonds further described below.

### **Background**

The Fifty-second Supplement is a supplemental resolution to the Controlling Resolution adopted by the Board in 2001 and readopted in 2003. The Fifty-second Supplement authorizes the bonds to be issued in one or more Series of Bonds, approves the forms of the ancillary agreements relating to such bonds, and delegates to the general manager, the chief financial officer and/or the treasurer authority to set the specific terms of each such Series of Bonds (including obligations to be refunded, maturity, amortization, interest rates, redemption provisions, etc.) according to parameters set forth in the Fifty-second Supplement. State law authorized the Fifty-second Supplement to delegate authority to sell and deliver multiple Series of Bonds within the parameters set forth in such supplement at different times during a 12-month period. The Fifty-second Supplement also requires an officer of LCRA TSC to agree to the specific terms of each Series of Bonds. The Controlling Resolution, the Fifty-second Supplement, and the relevant pricing certificate of the LCRA officer and the LCRA TSC officer establishing the terms of the particular Series of Bonds together constitute the authorization of such Series of Bonds.

The Installment Payment Agreement Supplement is a supplemental agreement to the Transmission Installment Payment Agreement between LCRA and LCRA TSC executed in 2003 and provides for the arm's length obligation of LCRA TSC to pay LCRA the debt service associated with the Series of Bonds and LCRA TSC's ownership of the projects financed or refinanced with the proceeds of the Series of Bonds.

A bond purchase agreement is the contract among LCRA, LCRA TSC and the underwriters of the Series of Bonds that establishes the terms of the sale and delivery of such Series of Bonds from LCRA and LCRA TSC to such underwriters. This agreement

provides for the conditions for closing on the Series of Bonds, including required legal opinions, and provides for certain limited events that may terminate LCRA TSC's obligation to deliver and/or the underwriters' obligation to accept the Series of Bonds at closing.

The paying agent/registrars agreement is the contract between LCRA and a bank, trust company or other financial entity to be chosen at the discretion of LCRA, setting forth the rights, duties and obligations of the parties under which such entity will act as the paying agent and registrar for the particular Series of Bonds. Such entity will provide paying agent and transfer agent services, maintain registration books, and facilitate providing certain notices for the Series of Bonds, among other services.

A preliminary and final official statement is the document that provides disclosure to prospective investors regarding the terms of a Series of Bonds, security, risk factors, and financing and operating information of LCRA TSC.

### **Use of Proceeds**

Proceeds from each Series of Bonds will be used to refund certain LCRA TSC commercial paper notes and revolving notes; fund certain capital projects of LCRA TSC, if necessary; establish a debt service reserve fund for the particular Series of Bonds; and pay for issuance costs.

LCRA and LCRA TSC have authorized the issuance of commercial paper and revolving notes under programs backed by four separate credit facilities. Periodically, staff recommends refunding short-term, variable-rate debt with long-term, fixed-rate debt when market conditions are favorable and the short-term debt credit facilities approach their maximum capacity.

Staff currently expects the bonds to be sold and delivered in a Series of Bonds in summer of 2026, subject to the approving opinions of the Office of the Attorney General and bond counsel.

### **Presenter(s)**

David Smith  
Treasurer

## **FOR ACTION**

# **9. Contracts and Contract Changes**

### **Proposed Motion**

Authorize the general manager or his designee to negotiate and execute the following contracts and contract changes as described in the attached exhibits.

### **Board Consideration**

LCRA Board Policy 308 – Procurement requires Board of Directors approval for any contract for goods or services with projected expenditures exceeding \$5 million, whether under the original contract or as a result of a change.

### **Budget Status and Fiscal Impact**

Board approval of contracts and contract changes does not create a commitment to spend funds. All commitments made under these contracts will be for budgeted items contained in separately authorized operations and capital budgets or pre-spending requirements as outlined in LCRA Board Policy 301 – Finance.

### **Summary**

Each month, the Board approves the contracts and contract changes in accordance with LCRA Board Policy 308.

### **Presenter(s)**

Matt Chavez  
Senior Vice President, Supply Chain

### **Exhibit(s)**

A – New Contracts  
B – Contract Changes

**EXHIBIT A**

<b>New Contracts</b>
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## **EXHIBIT B**

### **Contract Changes**

**Contract Number:** 6683

**Supplier Name:** Gutier LLC

**Current Contract Amount:** \$10 million

**Requested Change:** \$30 million

**New Contract Amount:** \$40 million

**Description:** This master contract originally was approved by the LCRA Board in November 2024 to provide light construction services for all LCRA departments. The term of the contract is for one year with automatic annual renewal periods not to exceed a total maximum term of five years. Staff is requesting Board approval to add \$30 million to the existing approved contract amount to support the upgrades and additions of transmission facilities and sites, as well as enterprise construction needs.

**Contract Number:** 6684

**Supplier Name:** Falkenberg Construction Co., Inc.

**Current Contract Amount:** \$10 million

**Requested Change:** \$30 million

**New Contract Amount:** \$40 million

**Description:** This master contract originally was approved by the LCRA Board in November 2024 to provide light construction services for all LCRA departments as described in the above Contract No. 6683.

**Contract Number:** 6687

**Supplier Name:** HCS Inc., Commercial General Contractor

**Current Contract Amount:** \$10 million

**Requested Change:** \$30 million

**New Contract Amount:** \$40 million

**Description:** This master contract originally was approved by the LCRA Board in November 2024 to provide light construction services for all LCRA departments as described in the above Contract No. 6683.

**Contract Number:** 6354

**Supplier Name:** Presidio Networked Solutions Group LLC

**Current Contract Amount:** \$50 million

**Requested Change:** \$20 million

**New Contract Amount:** \$70 million

**Description:** This master contract originally was approved by the LCRA Board in August 2023 to provide hardware, software and services to LCRA. The contract is used primarily by Digital Services and Telecommunications to serve enterprise needs. Updated contract value estimates reflect increased forecast project demand, as well as shifts in market pricing. Projected costs are expected to rise over the coming years with ongoing technology enablement and telecommunications expansion efforts. Supply Chain is requesting to add \$20 million to the existing approved amount, bringing the total contract value to \$70 million for these services.

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