



## Board Agenda

Wednesday, June 15, 2022  
LCRA General Office Complex  
Board Room – Hancock Building  
3700 Lake Austin Blvd.  
Austin, TX 78703  
Earliest start time: 10 a.m.

### Item From the Chair

- 1. Comments From the Public ..... 3

### Items From the General Manager

- 2. Resolutions..... 5

### Consent Items

- 3. Auditing Services Fiscal Year 2023 Resource and Audit Plan ..... 6
- 4. Minutes of Prior Meeting..... 8

### Action Items

- 5. Fiscal Year 2022 LCRA Business Plan Amendment ..... 15
- 6. Firm Water Contract for Municipal Use – City of Dripping Springs ..... 16
- 7. Water Contract Rule Change for Emergency Interconnections ..... 19

### Executive Session

- 1. Competitive Electric Matters
- 2. Litigation Update

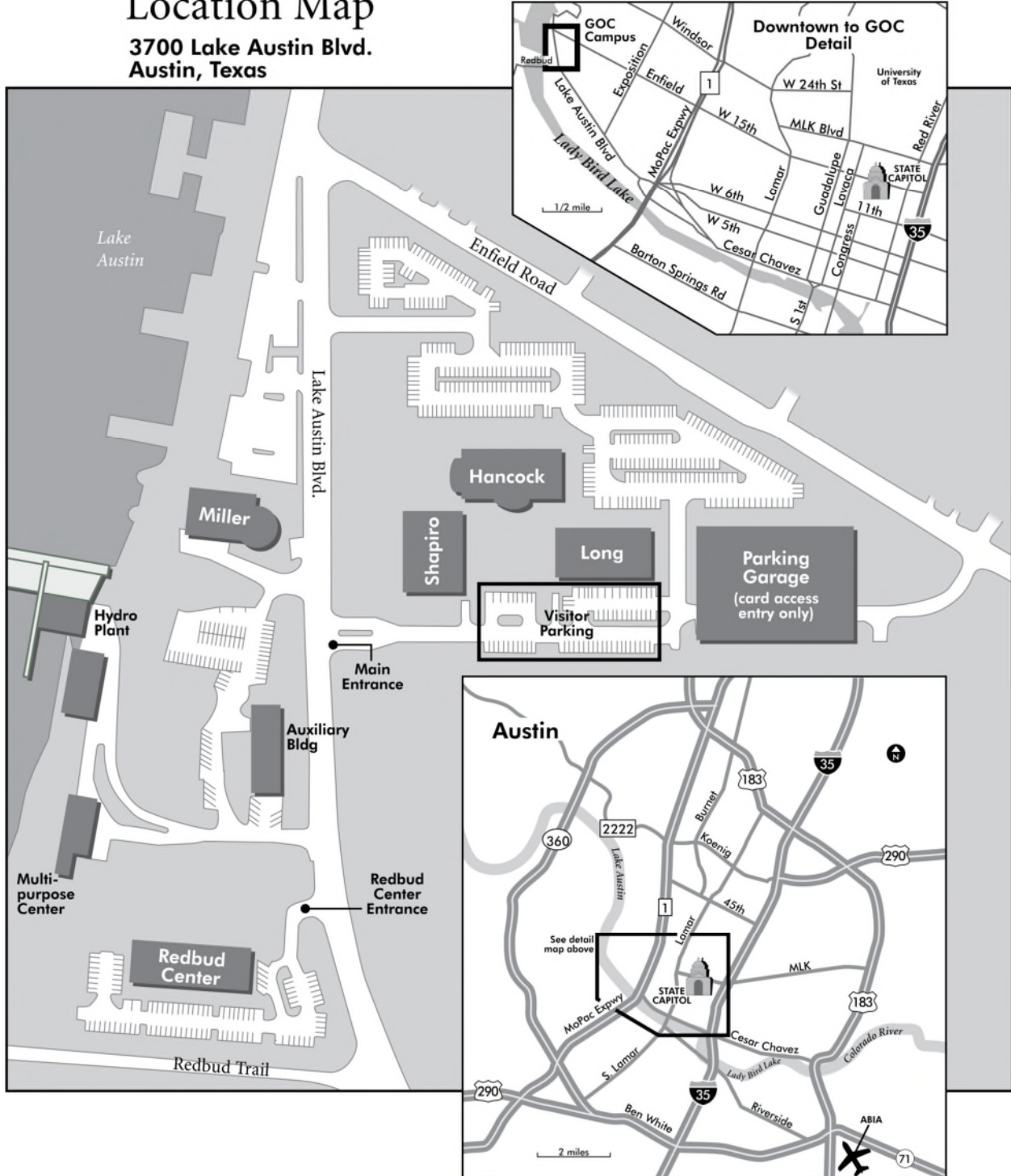
The Board also may go into executive session on any item listed above, pursuant to Chapter 551 of the Texas Government Code, including, but not limited to, sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code.

### 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



## **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 Eustolio Treviño Jr.

Whereas, Eustolio Treviño Jr., known as “Junior,” retired from the Lower Colorado River Authority on May 19, 2022, as a senior facility maintenance technician after 25 years of service to LCRA; and

Whereas, he began his career at LCRA on May 19, 1997, as a general utility worker. During his LCRA tenure, Junior’s career and responsibilities grew within the Facility Services department. His former co-workers say Junior was a true team member and someone on whom you could always count. He wore many hats at LCRA. He could be found performing building and equipment inspections, setting up meeting rooms, and doing any other task required to keep what he called “his buildings” running; and

Whereas, Junior faces every task with optimism and a get-it-done attitude. He has a desire to provide top customer service. When the City of Austin used LCRA’s Board Room for Austin City Council meetings while Austin City Hall was being constructed from 2000-2004, Junior diligently assisted with the behind-the-scenes work for those meetings. Council members took note of his customer service ethic, and in 2004, the Austin City Council presented him with an award for his friendliness, cooperation and extra efforts in helping them. Junior also developed strong relationships with many LCRA employees and gave his full attention to any request he received. It was common for him to get calls on his personal cellphone, and he always answered to ensure everyone had the help they needed; and

Whereas, his peers admire his passion for family and his love for LCRA. He often shares stories about his two daughters and their accomplishments. During each conversation with him, it is clear that his family values extend beyond his immediate family. Junior has never met a stranger, and he truly appreciates life experiences and events. He always asks people how they are doing, and he is genuinely interested in what you have to say; and

Whereas, while Junior’s former co-workers will miss his friendship, positive attitude, sense of humor and the conversations they shared, they are happy he will have more time to do the things he likes most – volunteering at church and enjoying time with his wife, two daughters and parents;

Now, Therefore, Be It Resolved that the LCRA Board of Directors and employees, with extra emphasis from Facility Services, express their appreciation to Eustolio Treviño Jr. for his years of dedication to LCRA and its employees, and they wish him well in all of his future endeavors.

Approved this 15th day of June 2022.

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Timothy Timmerman, Board Chair

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Phil Wilson, General Manager

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**FOR ACTION (CONSENT)**

### **3. Auditing Services Fiscal Year 2023 Resource and Audit Plan**

**Proposed Motion**

Approve the Auditing Services fiscal year 2023 resource and audit plan.

**Board Consideration**

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

**Budget Status and Fiscal Impact**

The Board previously approved the budget for Auditing Services as part of the fiscal year 2023 business plan.

**Summary**

Staff gave the Audit and Risk Committee an overview of Auditing Services' proposed budget, resource plan and annual audit plan for fiscal year 2023. Auditing Services' resource plan and annual audit plan are attached as Exhibit A. Staff recommends approval of the proposed fiscal year 2023 Auditing Services resource and audit plan.

**Exhibit(s)**

A – Auditing Services fiscal year 2023 resource and audit plan



## EXHIBIT A

### **Auditing Services Fiscal Year 2023 Resource and Audit Plan**

Resource plan:

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

Audit plan:

<b>Risks Addressed</b>	<b>Audit Project</b>	<b>Scope Summary</b>	<b>Timing</b>
<b>Enterprise Risk Management Top Nine Risks</b>	Commercial Systems Management	Collaborate with Digital Services on operations systems availability	First half FY 2023
	Human Resources Process Controls	Evaluate inputs/outputs between Human Resources and others	First half FY 2023
	LCRA Transmission Services Corporation Technology Road Map	Collaborate with Strategy/Digital Services on systems development	Second half FY 2023
	Inventory Assessment	Assess best practices in high-value areas	Second half FY 2023
<b>Other Key Risks</b>	Data Governance Maturity	Optimize data ownership and access of select business units	First half FY 2023
	Document Controls	Spot check records management in select business units	First half FY 2023
	Construction Information Management	Compare current practice to restrictions required	First half FY 2023
	Contract Price Compliance	Compare invoice price to negotiation result	Second half FY 2023
	Telecom Risk Assessment	Review business unit risk management	Second half FY 2023
	Billing Process Controls	Analyze process steps between billing and others	Second half FY 2023
	Continuous Monitoring	Develop data analytics for high-risk transactions	Throughout FY 2023

**FOR ACTION (CONSENT)**

## **4. Minutes of Prior Meeting**

**Proposed Motion**

Approve the minutes of the May 18, 2022, meeting.

**Board Consideration**

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

**Budget Status and Fiscal Impact**

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

**Summary**

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

**Exhibit(s)**

A – Minutes of May 18, 2022, meeting

## **EXHIBIT A**

Minutes Digest  
May 18, 2022

- 22-26 Approval of a resolution honoring Christine Rothe, LCRA retiree.
- 22-27 Approval and authorization for the Board of Directors chair or his designee to execute Amendment No. Six to the Lower Colorado River Authority 401(k) Plan.
- Approval and authorization for the Board chair or his designee to execute Amendment No. Three to the Lower Colorado River Authority 415(m) Benefit Plan.
- 22-28 Declaration of an approximately 0.268-acre tract of land, being a portion of LCRA Parcel TS-08 in Travis County, nonessential, and authorization for the general manager or his designee to sell the property to the adjoining landowner.
- 22-29 Approval of directors' fees and expense reimbursements.
- 22-30 Approval of the minutes of the April 19, 2022, meeting.
- 22-31 Approval of replacing LCRA's 2014 "Resolution Reserving Water for LCRA Generation Resources" with a new resolution that commits water for LCRA generation resources.
- 22-32 Authorization for the general manager or his designee to negotiate and execute a standard firm raw water contract with the City of Pflugerville for municipal use of LCRA's firm water supply of up to 24,000 acre-feet per year for a term of 40 years. This contract will include the addition of 12,000 acre-feet to the current contract amount of 12,000 acre-feet.
- 22-33 Adoption of resolutions approving the fiscal year 2023 business and capital plans for LCRA and each of its affiliated nonprofit corporations: LCRA Transmission Services Corporation, GenTex Power Corporation, LCRA Wholesale Energy Services Corporation and WSC Energy II.
- 22-34 Authorization for the general manager or his designee to negotiate and execute or amend the following contracts and contract changes: Contract numbers 6007 and 6008 (Arcosa Industries de Mexico and Pinnacle Steel Inc.); contract numbers 6025 and 6026 (Triple-S Steel Holdings, Inc and Service Steel Warehouse Co LP); and Contract No. 5777 (Massman Construction Co.).

- 22-35 Authorization for the general manager or his designee to negotiate and execute an oil and gas mineral lease on a property in Fayette County to resolve matters as discussed in executive session.
- 22-36 Adoption and approval of the Sixty-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 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.
- 22-37 Adoption and approval of the Sixty-fifth 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 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 18, 2022

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 9:25 a.m. Wednesday, May 18, 2022, 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  
Matthew L. "Matt" Arthur  
Melissa K. Blanding  
Laura D. Figueroa  
Thomas L. "Tom" Kelley  
Robert "Bobby" Lewis  
Thomas Michael Martine  
Margaret D. "Meg" Voelter  
Martha Leigh M. Whitten  
Nancy Eckert Yeary [joined the meeting at 10:31 a.m.]

Absent: Carol Freeman  
Raymond A. "Ray" Gill Jr.

Chair Timmerman convened the meeting at 9:25 a.m. and recognized the following guests in attendance: Will Holford, Bluebonnet Electric Cooperative, and Ed McCarthy, City of Pflugerville.

The Board heard public comments [Agenda Item 1]. Attorney Cindy Smiley, on behalf of the Central Texas Water Coalition, addressed the Board and expressed concerns about the need to initiate the process to update the Water Management Plan considering the current basin and water supply conditions.

General Manager Phil Wilson gave the Board an update. Wilson discussed two key safety performance metrics – LCRA's overall rate of safety incidents and preventable vehicle incident rate, and LCRA's behavior-based safety program. Wilson commented on the fiscal year 2023 business and capital plans (Agenda Item 10), and he noted LCRA's Environmental Laboratory Services team recently received recognition from the Southwest Research Institute for the lab's assistance in a project. Wilson asked Director Voelter to provide an update on Community Development Partnership Program grants. Wilson concluded his update by sharing a video about LCRA Steps Forward Day, held April 1, 2022.

22-26 General Manager Phil Wilson presented for consideration a staff recommendation that the Board approve a resolution [attached hereto as Exhibit A] honoring Christine Rothe for her service to LCRA. Upon motion by Director Martine, seconded by Vice Chair Cooper, the recommendation was unanimously approved by a vote of 12 to 0.

Chief Financial Officer Jim Travis presented financial highlights for LCRA covering April 2022 and the fiscal year to date [Agenda Item 3].

The Board next took action on the consent agenda. Upon motion by Director Voelter, seconded by Director Whitten, the Board unanimously approved consent items 4, 5, 6 and 7 by a vote of 12 to 0 as follows:

22-27 Approval and authorization for the Board of Directors chair or his designee to execute Amendment No. Six to the Lower Colorado River Authority 401(k) Plan, and approval and authorization for the Board chair or his designee to execute Amendment No. Three to the Lower Colorado River Authority 415(m) Benefit Plan, as recommended by staff in Consent Item 4 [attached hereto as Exhibit B].

22-28 Declaration of an approximately 0.268-acre tract of land, being a portion of LCRA Parcel TS-08 in Travis County, nonessential (no longer necessary, convenient or of beneficial use to the business of LCRA), and authorization for the general manager or his designee to sell the property to the adjoining landowner, as recommended by staff in Consent Item 5 [attached hereto as Exhibit C].

22-29 Approval of directors' fees and expense reimbursements, as recommended in Consent Item 6 [attached hereto as Exhibit D].

22-30 Approval of the minutes of the April 19, 2022, meeting [Consent Item 7].

22-31 General Manager Phil Wilson presented for consideration a staff recommendation, described in Agenda Item 8 [attached hereto as Exhibit E], that the Board approve replacing LCRA's 2014 "Resolution Reserving Water for LCRA Generation Resources" with a new resolution that commits water for LCRA generation resources. Upon motion by Vice Chair Cooper, seconded by Director Crane, the recommendation was unanimously approved by a vote of 12 to 0.

22-32 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 with the City of Pflugerville for municipal use of LCRA's firm water supply of up to 24,000 acre-feet per year for a term of 40 years. This contract will include the addition of 12,000 acre-feet to the current contract amount of 12,000 acre-feet. Upon motion by Director Crane, seconded by Vice Chair Cooper, the recommendation was unanimously approved by a vote of 12 to 0.

22-33 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 resolutions approving the fiscal year 2023 business and capital plans for LCRA and each of its affiliated nonprofit corporations: LCRA Transmission Services Corporation, GenTex Power Corporation, LCRA Wholesale Energy Services Corporation and WSC Energy II. The Board had a detailed discussion on the FY 2023 business and capital plans during a work session on April 19. Upon motion by Director Kelley, seconded by Vice Chair Cooper, the recommendation was unanimously approved by a vote of 12 to 0.

22-34 Vice President of Supply Chain Matt Chavez presented for consideration a staff recommendation, described in Agenda Item 11 [attached hereto as Exhibit H], that the Board authorize the general manager or his designee to negotiate and execute or amend the following contracts and contract changes: Contract numbers 6007 and 6008 (Arcosa Industries de Mexico and Pinnacle Steel Inc.); contract numbers 6025 and 6026 (Triple-S Steel Holdings, Inc and Service Steel Warehouse Co LP); and Contract No. 5777 (Massman Construction Co.). Upon motion by Director Crane, seconded by Director Allen, the recommendation was unanimously approved by a vote of 12 to 0.

Chair Timmerman declared the meeting to be in executive session at 10:02 a.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. [Director Yeary joined the meeting at 10:31 a.m. Director Blanding left the meeting at 10:43 a.m.] Executive session ended, and Chair Timmerman declared the meeting to be in public session at 10:45 a.m.

22-35 Director Voelter moved, seconded by Director Crane, that the Board authorize the general manager or his designee to negotiate and execute an oil and gas mineral lease on a property in Fayette County to resolve matters as discussed in executive session. The Board unanimously approved the motion by a vote of 12 to 0.

22-36 Director Allen moved, seconded by Director Arthur, that the Board adopt and approve the Sixty-fourth Supplemental Resolution to the Master Resolution [attached hereto as Exhibit I], 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 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 12 to 0.

22-37 Director Lewis moved, seconded by Director Whitten, that the Board adopt and approve the Sixty-fifth Supplemental Resolution to the Master Resolution [attached hereto as Exhibit J], 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 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 12 to 0.

There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 10:48 a.m.

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Joseph M. Crane  
Secretary  
LCRA Board of Directors  
Approved: June 15, 2022



## **FOR ACTION**

# **5. Fiscal Year 2022 LCRA Business Plan Amendment**

### **Proposed Motion**

Approve an amendment to the fiscal year 2022 LCRA business plan to increase authorization for spending in fiscal year 2022 from \$395.5 million to \$402.5 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 expects operating and maintenance expenditures to exceed the Board-approved amounts, and staff is seeking approval to increase the FY 2022 operations budget.

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

LCRA expects actual spending for FY 2022 operations expenses to exceed the business plan operations budget of \$395.5 million by \$7 million. This variance is due to higher-than-budgeted costs for nonfuel and telecommunications expenses. These additional expenses will be covered by operating revenues.

### **Summary**

The LCRA Board of Directors approved the FY 2022 business and capital plans in May 2021, establishing a spending limit for FY 2022 operations of \$395.5 million. LCRA expects the current year-end actual spending for FY 2022 operations to be \$402.5 million, an increase of \$7 million or 1.8%.

The FY 2022 business plan increase in operational expenses is due to higher-than-budgeted costs for nonfuel and telecommunications expenses. These additional expenses will be covered by operating revenues.

### **Presenter(s)**

Jim Travis  
Chief Financial Officer

## **FOR ACTION**

# **6. Firm Water Contract for Municipal Use – City of Dripping Springs**

### **Proposed Motion**

Authorize the general manager or his designee to negotiate and execute a firm raw water contract with City of Dripping Springs for municipal use of LCRA's firm water supply of up to 2,438 acre-feet per year for a term of 40 years.

### **Board Consideration**

Consistent with the LCRA water contract rules, all contract requests for 500 acre-feet per year or more require Board of Directors consideration.

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

The contract with the City of Dripping Springs, in combination with the recent reduction in the LCRA Board commitment of water for LCRA generation resources and other new or amended contracts, is expected to have a neutral impact on LCRA water revenue.

### **Summary**

The City of Dripping Springs submitted an application to LCRA for a municipal raw water contract for 2,438 acre-feet per year for a 40-year term. Although Dripping Springs currently maintains a separate contract on behalf of Headwaters Municipal Utility District, this contract request is independent of the Headwaters MUD agreement and does not replace that agreement. Dripping Springs plans to use this requested water to serve three separate land development sites in Hays County, totaling 2,061 acres of land. Water use is expected to begin in 2023, with full build-out projected for 2026. This contract is expected to provide water to 4,838 living unit equivalents, or about 17,000 people.

Dripping Springs has instituted water conservation and drought contingency measures to help ensure water is used efficiently and to reduce unnecessary water use. These programs include implementation of mandatory water schedules in response to drought, automated meter infrastructure, leak detection and repair, and promoting LCRA rebates. As part of the raw water contract, Dripping Springs has agreed to implement a mandatory twice-a-week outdoor landscape irrigation schedule under its water conservation plan within 90 days of the effective date of the contract. Given the limited options Dripping Springs has for discharge of treated wastewater that will result from these new developments, staff also is working with Dripping Springs to encourage further consideration of its options for the beneficial reuse of the water, which may ultimately result in negotiated contract terms regarding reuse.

Staff recommends the Board authorize the general manager or his designee to negotiate and execute a firm raw water contract for 2,438 acre-feet per year of firm water supply, including the standard firm water contract terms and any special conditions necessary to implement the items noted above.

LCRA also has determined there are sufficient firm water supplies in lakes Buchanan and Travis or other sources of supply, including LCRA run-of-river water rights, to meet the recommended amount. This contract will result in an increase of 2,438 acre-feet in LCRA's total firm water commitments.

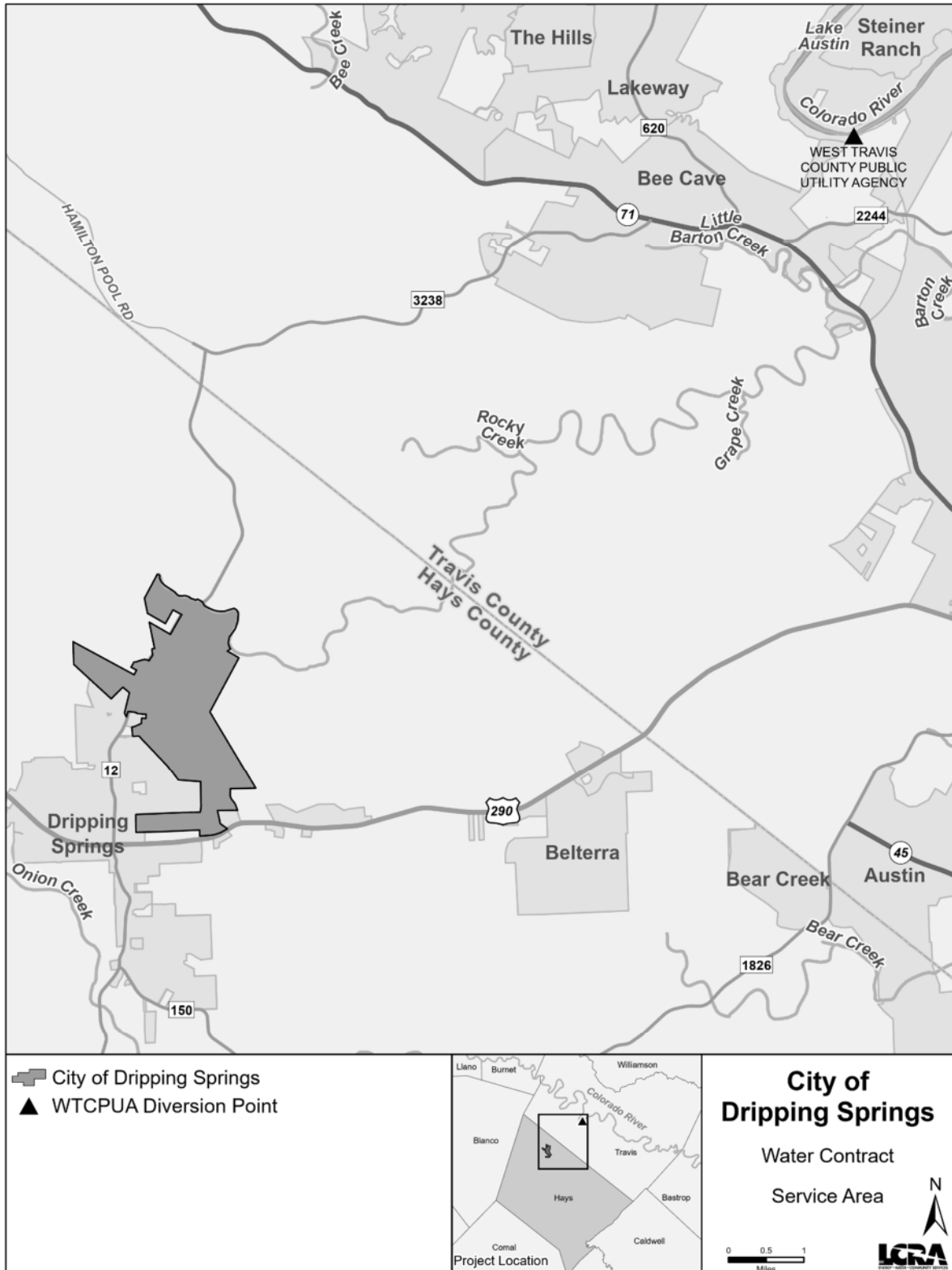
**Presenter(s)**

Monica Masters  
Vice President, Water Resources

**Exhibit(s)**

A – General Location Map

**EXHIBIT A**



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## **FOR ACTION**

# **7. Water Contract Rule Change for Emergency Interconnections**

### **Proposed Motion**

Notwithstanding any water contract rule to the contrary, authorize the general manager to enter into certain amendments to facilitate emergency interconnections and emergency supply of water by LCRA's firm water customers.

### **Board Consideration**

Board of Directors approval is required for changes to LCRA's water contract rules.

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

LCRA expects the proposed action to have no fiscal impact.

### **Summary**

The water contracts between LCRA and its firm water customers include a defined service area that establishes the limits in which the customer may use LCRA-supplied water. LCRA's firm water customers often have interconnections with neighboring entities to facilitate sharing of water during emergency conditions. LCRA's customers also may have the ability to make water available to be trucked to nearby localities. These areas that might be supplied during emergency conditions generally are not included within the original contract service area. Supplying water to these other localities would require an amendment to the water contract.

LCRA's Board-approved water contract rules include administrative requirements related to entering into and amending water contracts. Pursuant to the rules, certain amendments require that the entire contract be updated and/or Board approval. To allow for a prompt response to emergency conditions, staff recommends the general manager be authorized to enter into amendments that modify the service area on an emergency basis without the necessity for other updates to the contract and/or Board approval.

Specifically, upon determination by the general manager or his designee that emergency conditions exist that affect the municipal or treated water supply of an entity within LCRA's water service area in the Colorado River basin, the general manager or his designee is authorized to enter into a temporary amendment with an existing firm water customer to allow for the service area to include the affected entity. Such amendment may be entered into without requiring other changes to the contract or Board approval if the amendment is for a term of no more than one year and does not increase the amount of water under contract.

### **Presenter(s)**

John B. Hofmann  
Executive Vice President, Water

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