

LCRA Transmission Services Corporation

Board Agenda

Wednesday, Aug. 22, 2018
LCRA Board Room
Austin

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Legal Notice

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

Executive Session

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

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

OVERVIEW OF LCRA TRANSMISSION SERVICES CORPORATION

In connection with the implementation of retail competition in the electric utility industry in the State of Texas, LCRA was required by the Texas Legislature in its amendments to the Public Utility Regulatory Act (enacted in 1999 under State legislation known as Senate Bill 7, and referred to as SB 7) to unbundle its electric generation assets from its electric transmission and distribution assets. LCRA conveyed, effective Jan. 1, 2002, all of its existing electric transmission and transformation assets (collectively, the Transferred Transmission Assets) to the LCRA Transmission Services Corporation (LCRA TSC) pursuant to the terms of an Electric Transmission Facilities Contract (the Initial Contractual Commitment), dated Oct. 1, 2001.

LCRA TSC is a nonprofit corporation created by LCRA to act on LCRA's behalf pursuant to Chapter 152, Texas Water Code, as amended. After Jan. 1, 2002, LCRA TSC engaged in the electric transmission and transformation activities previously carried out by LCRA and assumed LCRA's obligation to provide, and the right to collect revenues for, electric transmission and transformation services. LCRA TSC is an electric transmission service provider (a TSP) under the state's open-access electric transmission regulatory scheme within the approximately 85 percent area of the state covered by the Electric Reliability Council of Texas (ERCOT). In such capacity, LCRA TSC is entitled to receive compensation from all electric distribution service providers using the electric transmission system within ERCOT. As a TSP in the ERCOT region of the state, the rates that LCRA TSC will charge for transmission services are regulated by the Public Utility Commission of Texas (PUC) and determined pursuant to transmission cost of service rate proceedings filed with and approved by the PUC.

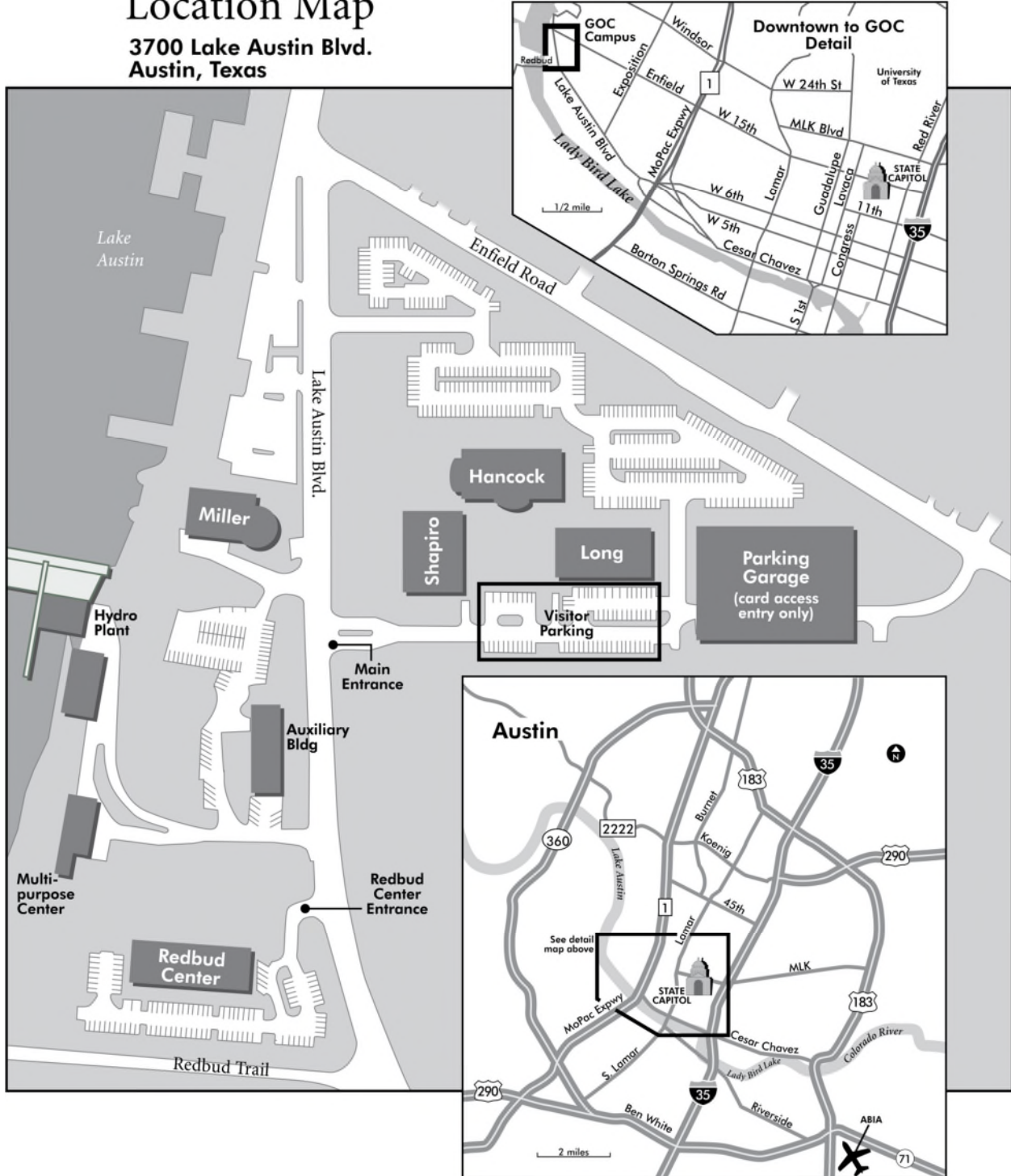
Within the framework of SB 7, LCRA TSC implements the electric transmission business of LCRA, including the expansion of electric transmission services outside of LCRA's traditional electric service territory. LCRA personnel are responsible for performing all of LCRA TSC's activities pursuant to a services agreement between LCRA TSC and LCRA. This includes procuring goods and services on behalf of LCRA TSC and is reflected in the LCRA Board agenda contracts.

Under the LCRA Master Resolution, defined as the LCRA Board resolution governing LCRA's outstanding debt, and certain provisions of state law, the LCRA Board is required to exercise control over all operations of LCRA TSC. This control includes approval of LCRA TSC's Business Plan and of the sale or disposition of any significant assets of LCRA TSC. The Board of Directors of LCRA TSC (LCRA TSC Board) is appointed by and serves at the will of the LCRA Board. The current membership of LCRA TSC Board is made up entirely of the existing LCRA Board.

The LCRA TSC Board Policy on Authority and Responsibilities directs that the business plan of the affiliated corporation include for approval a schedule of capital projects proposed for the fiscal year. The policy also states that only deviations from the approved plan will be brought before LCRA TSC Board. As such, the LCRA TSC Board agenda will not include consent items to approve specific capital projects, unless the project scope or budget changes significantly from what was originally approved.

LCRA General Office Complex Location Map

3700 Lake Austin Blvd.
Austin, Texas



FOR ACTION

1. Appointment of Vice President and Chief Operating Officer

Proposed Motion

Appoint Kristen Senechal as vice president and chief operating officer of LCRA Transmission Services Corporation effective immediately.

Board Consideration

Sections 4.01 and 4.05 of the LCRA TSC bylaws require the Board of Directors to appoint a vice president, who shall be chief operating officer.

Budget Status and Fiscal Impact

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

Summary

The LCRA TSC bylaws require that the vice president and chief operating officer be an officer or employee of LCRA. Kristen Senechal was recently named executive vice president of Transmission for LCRA. The practice of LCRA TSC has been to appoint officers of LCRA TSC who hold similar positions for LCRA.

Presenter(s)

Phil Wilson
President and Chief Executive Officer

FOR DISCUSSION

2. Financial Report

Board Consideration

This report is presented monthly to the Board for discussion.

Summary

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

Presenter(s)

Julie Rogers
Controller

LCRA Transmission Services Corporation
Financial Highlights
July 2018

LCRA Transmission Services Corporation

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Key terms:

ELOPPP – Extraordinary LCRA Optional Purchase Price Payment.

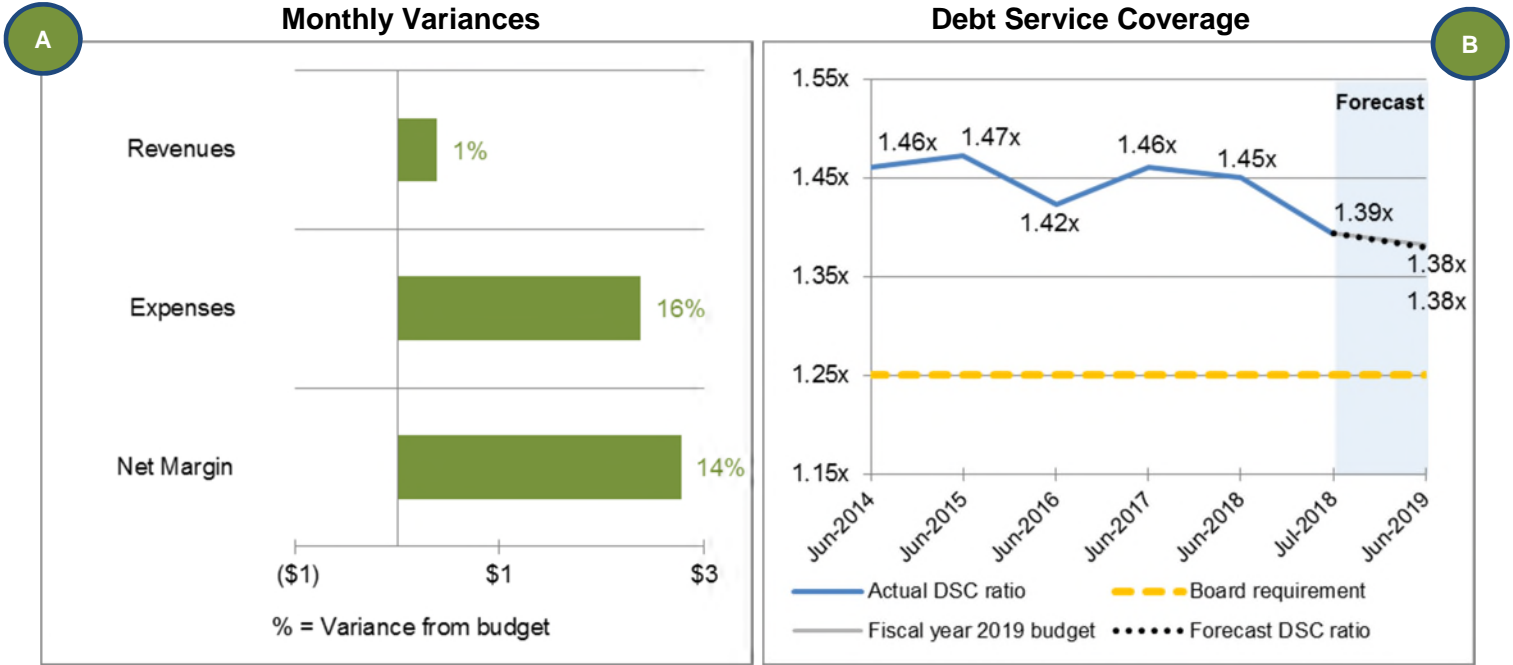
Net margin – Total operating revenues, including interest income, less direct and assigned expenses.

LCRA Transmission Services Corporation

July 31, 2018

(Dollars in Millions)

Budget-to-Actual Highlights

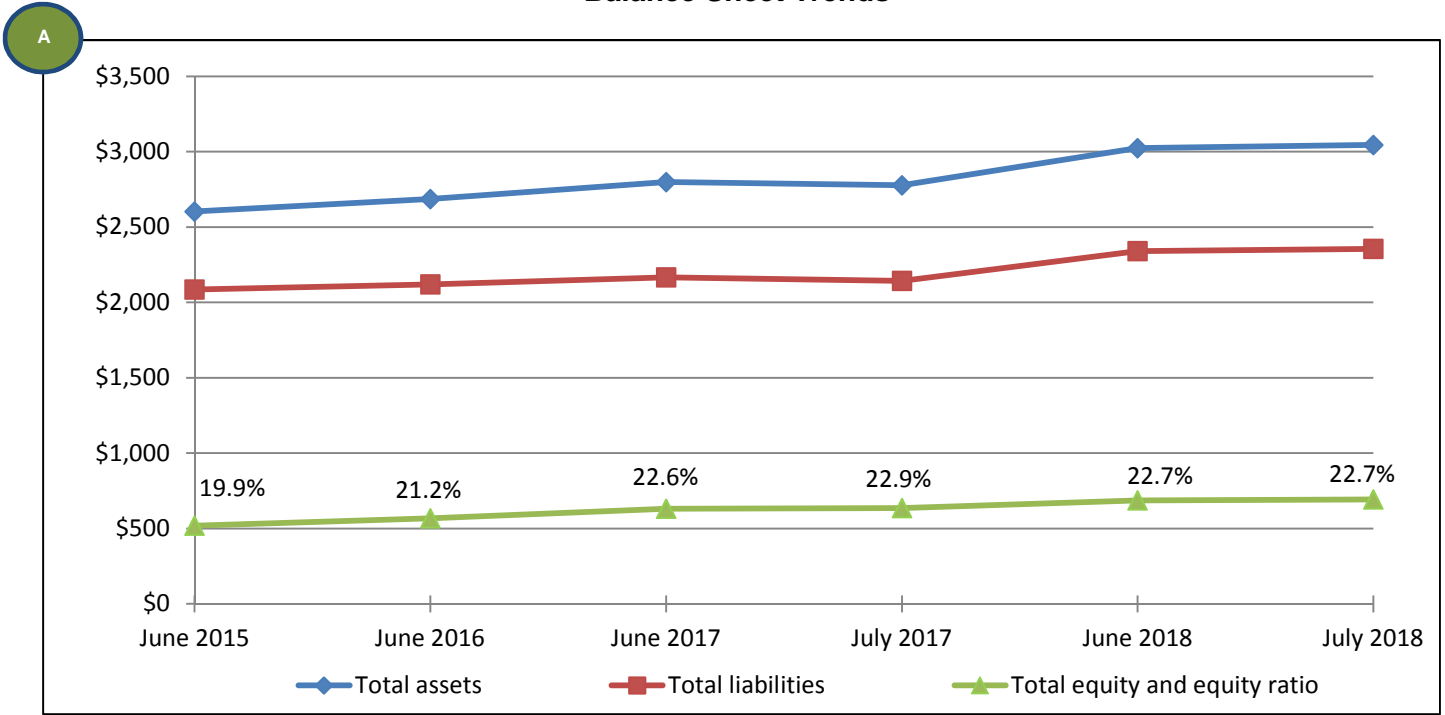


Key takeaways:

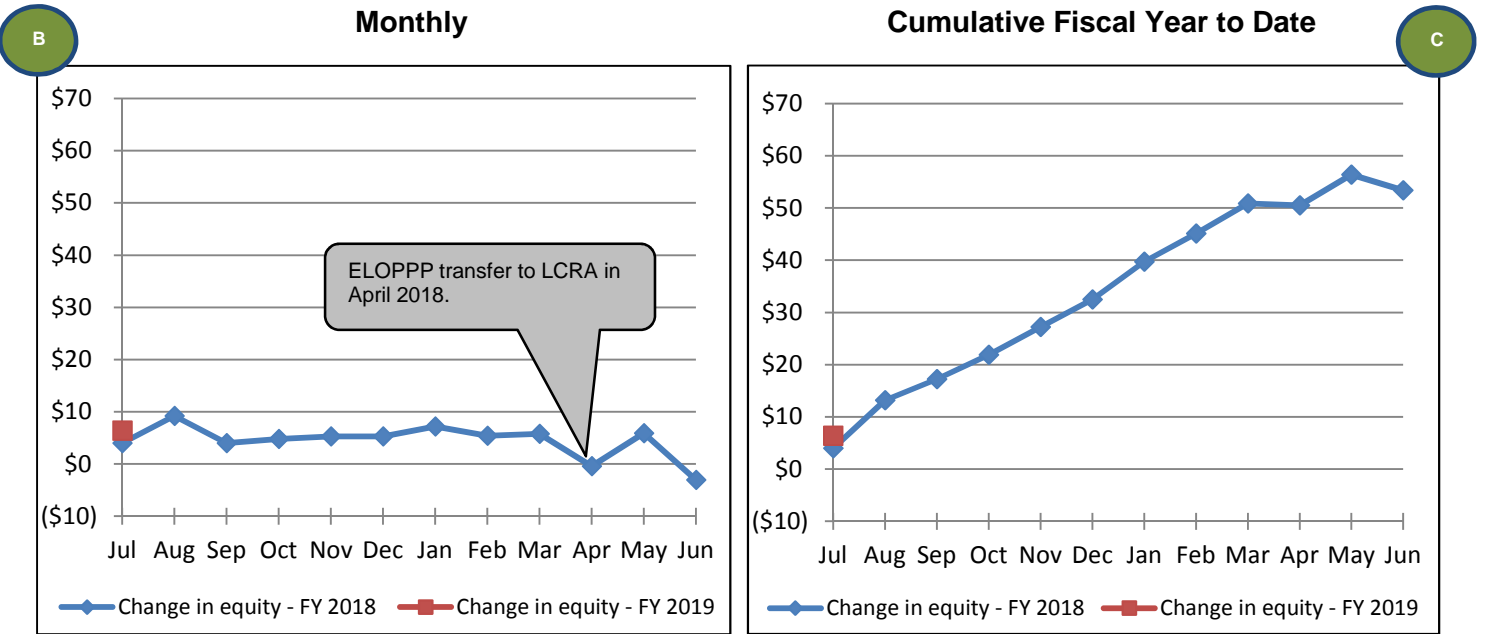
- Cost of service revenues and other income were slightly higher than budgeted.
- Expenses were lower than budget primarily due to timing.
- Staff currently expects debt service coverage to meet the budget of 1.38x.

LCRA Transmission Services Corporation
Financial Statement Trends
July 31, 2018
(Dollars in Millions)

Balance Sheet Trends



Income Statement Trends



Key takeaways:

- Assets increased due to a \$200.5 million increase in property, plant and equipment and construction work in progress compared with July 2017.
- The income statement trend remained steady compared with prior periods.

LCRA Transmission Services Corporation

July 31, 2018

(Dollars in Millions)

Condensed Balance Sheets

	July 31, 2018	July 31, 2017
<i>Assets</i>		
Total current assets	\$ 223.0	\$ 243.2
Total long-term assets	2,823.2	2,535.5
Total Assets	\$ 3,046.2	\$ 2,778.7
<i>Liabilities</i>		
Total current liabilities	\$ 328.1	\$ 273.3
Total long-term liabilities	2,026.4	1,869.5
Total liabilities	2,354.5	2,142.8
<i>Equity</i>		
Total equity	691.7	635.9
Total Liabilities and Equity	\$ 3,046.2	\$ 2,778.7

Condensed Statements of Revenues, Expenses and Changes in Equity

	Fiscal Year to Date	
	2019	2018
Operating Revenues		
Transmission	\$ 33.1	\$ 33.2
Transformation	1.2	1.2
Other	0.1	-
Total Operating Revenues	34.4	34.4
Operating Expenses		
Operations	10.2	9.0
Maintenance	0.6	0.4
Depreciation and amortization	4.0	4.6
Total Operating Expenses	14.8	14.0
Operating Income	19.6	20.4
Nonoperating Expenses		
Interest on debt	(7.5)	(7.3)
Other expenses	(5.7)	(9.1)
Total Nonoperating Expenses	(13.2)	(16.4)
Change in Equity	6.4	4.0
Equity - Beginning of Period	685.3	631.9
Equity - End of Period	\$ 691.7	\$ 635.9

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FOR ACTION (CONSENT)

3. Minutes of Prior Meeting

Proposed Motion

Approve the minutes of the May 16, 2018, meeting.

Board Consideration

Section 4.06 of the LCRA Transmission Services Corporation 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 16, 2018, meeting

EXHIBIT A

Minutes Digest
May 16, 2018

- 18-17 Approval of the minutes of the Jan. 17, Feb. 14 and April 18, 2018, meetings.
- 18-18 Approval of the Capital Improvement Project Authorization Request for the Transmission Facility Development project and authorization for the president and chief executive officer or his designee (i) to negotiate and execute a development agreement with Central Texas Electric Cooperative giving LCRA TSC rights to develop current and future transmission projects within CTEC's retail service area; and (ii) to do all things reasonably necessary to accomplish the purposes hereof.
- 18-19 Approval of the Capital Improvement Project Authorization Request for the Central Texas Electric Cooperative Transmission Facilities Acquisition project and authorization for the president and chief executive officer or his designee (i) to negotiate and execute a purchase agreement to acquire electric transmission facilities and related real property in Llano, Mason and Gillespie counties from CTEC; and (ii) to do all things reasonably necessary to accomplish the purposes hereof.
- 18-20 Approval of an amendment to the fiscal year 2018 LCRA Transmission Services Corporation capital plan to increase authorization for capital spending in FY 2018 from \$255.8 million to \$275.0 million.
- 18-21 Adoption of a resolution approving the fiscal year 2019 business and capital plans for LCRA Transmission Services Corporation.
- 18-22 Approval of the adoption of the Twenty-sixth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program authorizing the issuance of Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project), Series 2018 (the Bonds) in an amount not to exceed \$400 million for the following purposes: (i) current refunding of portions of the LCRA Transmission Contract Revenue Commercial Paper Notes (LCRA Transmission Services Corporation Project) Tax-Exempt Series and LCRA Transmission Contract Revenue Revolving Notes (LCRA Transmission Services Corporation Project) Series C and tax-exempt Series D; (ii) current refunding of certain outstanding long-term Transmission Contract Debt; (iii) funding debt service reserve funds for the Bonds; and (iv) paying for issuance costs.
- 18-23 Adoption of a resolution authorizing the use of the power of eminent domain in Gonzales County to acquire rights in the properties described in Exhibit 1 to

the resolution for the acquisition of easements for the Easement Enhancement System Upgrade project.

- 18-24 Adoption of a resolution authorizing the use of the power of eminent domain in Guadalupe County to acquire rights in the properties described in Exhibit 1 to the resolution for the Darst Creek Substation project.
 - 18-25 Adoption of a resolution authorizing the use of the power of eminent domain in Pecos County to acquire rights in the property described in Exhibit 1 to the resolution for the Fourmile Circuit Breaker Addition project.
 - 18-26 Adoption of a resolution authorizing the use of the power of eminent domain in Pecos County to acquire rights in the properties described in Exhibit 1 to the resolution for the Desert Mesa Circuit Breaker Addition project.
 - 18-27 Adoption of a resolution authorizing the use of the power of eminent domain in Upton County to acquire rights in the properties described in Exhibit 1 to the resolution for the Robbins Switch Circuit Breaker Addition project.
 - 18-28 Adoption of a resolution authorizing the use of the power of eminent domain in Kendall County to acquire rights in the properties described in Exhibit 1 to the resolution for the Esperanza Substation Addition project.
 - 18-29 Authorization for the president and chief executive officer or his designee to negotiate and purchase a tract of land in fee simple and an electric transmission line easement for the Esperanza Substation Addition project in Kendall County; and further authorization for the president and chief executive officer or his designee to do all things necessary to accomplish the purposes hereof.
 - 18-30 Authorization for the president and chief executive officer or his designee to negotiate and purchase a building containing office and warehouse space situated on an approximately 5.4-acre tract of land in Tom Green County; and further authorization for the president and chief executive officer or his designee to do all things necessary to accomplish the purposes hereof.
- No Action: Agenda Item 12 – Acquisition of Interests in Real Property – Use of Eminent Domain in Upton County was pulled from the agenda.

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
LCRA TRANSMISSION SERVICES CORPORATION
Austin, Texas
May 16, 2018

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of the LCRA Transmission Services Corporation (LCRA TSC) convened in a regular meeting at 9:17 a.m. Wednesday, May 16, 2018, in the Board Room of the Hancock Building, at the principal office of the Lower Colorado River Authority, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The meeting was open to the public, and the following directors were present, constituting a quorum:

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

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

Chair Timmerman convened the meeting at 9:17 a.m.

President and Chief Executive Officer Phil Wilson gave the Board an update focused on safety issues in the field.

Controller Julie Rogers presented the financial report for April 2018 [Agenda Item 1].

The Board next took action on the consent agenda.

18-17 Upon motion by Director Berger, seconded by Director Ellison, the Board unanimously approved the minutes of the Jan. 17, Feb. 14 and April 18, 2018, meetings [Consent Item 2] by a vote of 13 to 0.

18-18 Stuart Nelson, senior vice president of Transmission Business Development, presented for consideration a staff recommendation, described in Agenda Item 3 [attached hereto as Exhibit A], that the Board approve the Capital Improvement

Project Authorization Request for the Transmission Facility Development project and authorize the president and chief executive officer or his designee (i) to negotiate and execute a development agreement with Central Texas Electric Cooperative giving LCRA TSC rights to develop current and future transmission projects within CTEC's retail service area; and (ii) to do all things reasonably necessary to accomplish the purposes hereof. Upon motion by Director Balas, seconded by Director Russell, the recommendation was unanimously approved by a vote of 13 to 0.

18-19 Stuart Nelson, senior vice president of Transmission Business Development, presented for consideration a staff recommendation, described in Agenda Item 4 [attached hereto as Exhibit B], that the Board approve the Capital Improvement Project Authorization Request for the Central Texas Electric Cooperative Transmission Facilities Acquisition project and authorize the president and chief executive officer or his designee to (i) negotiate and execute a purchase agreement to acquire electric transmission facilities and related real property in Llano, Mason and Gillespie counties from CTEC; and (ii) to do all things reasonably necessary to accomplish the purposes hereof. Upon motion by Director Gill, seconded by Director Cooper, the recommendation was unanimously approved by a vote of 13 to 0.

18-20 Vice President and Chief Operating Officer Mike Shuba presented for consideration a staff recommendation, described in revised Agenda Item 5 [attached hereto as Exhibit C], that the Board approve an amendment to the fiscal year 2018 LCRA Transmission Services Corporation capital plan to increase authorization for capital spending in FY 2018 from \$255.8 million to \$275.0 million. Upon motion by Director Lewis, seconded by Director Whitten, the recommendation was unanimously approved by a vote of 13 to 0.

18-21 Treasurer and Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 6 [attached hereto as Exhibit D], that the Board adopt a resolution approving the fiscal year 2019 business and capital plans for LCRA Transmission Services Corporation. The Board had a detailed discussion on the FY 2019 business and capital plans during a work session on April 18. Upon motion by Director Whitten, seconded by Director Gill, the recommendation was unanimously approved by a vote of 13 to 0.

18-22 Treasurer and Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 7 [attached hereto as Exhibit E], that the Board approve the adoption of the Twenty-sixth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program authorizing the issuance of Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project), Series 2018 (the Bonds) in an amount not to exceed \$400 million for the following purposes: (i) current refunding of portions of the LCRA Transmission Contract Revenue Commercial Paper Notes (LCRA Transmission Services Corporation Project) Tax-Exempt Series and LCRA Transmission Contract Revenue Revolving Notes (LCRA Transmission Services Corporation Project) Series C and tax-exempt Series D; (ii) current refunding of certain

outstanding long-term Transmission Contract Debt; (iii) funding debt service reserve funds for the Bonds; and (iv) paying for issuance costs. The motion also:

1. Approves related documents, in substantially final form, including the escrow agreement, paying agent/registrars agreement, the Preliminary Official Statement and the Transmission Contract Revenue Debt Installment Payment Agreement Supplement Related to the Bonds. Bond counsel has prepared or reviewed all documents.
2. Delegates authority to the chief executive officer or the chief financial officer to:
 - a. Select all or a portion of LCRA TSC's outstanding debt to be refunded by the Bonds and provide for appropriate notices of redemption/defeasance;
 - b. Approve any final changes to said documents necessary to facilitate proper issuance of such Bonds;
 - c. Establish the terms of the Bonds as provided in the resolution (including issuing such bonds in one or more separate series (tax-exempt and/or taxable), the principal amounts and maturity schedules, interest rates, redemption provisions, and terms of any reserve funds); and
 - d. Approve the terms of the sale of the Bonds to an underwriting team led by Bank of America Merrill Lynch, and to execute a bond purchase agreement.

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

The Board next took up agenda items 8 through 11, 13 and 14 [Agenda Item 12 was pulled from the agenda]. Steven Brown, director of Real Estate Services, presented for consideration staff's recommendation on each of the items. After discussion, the Board approved the items as recommended by staff as follows:

18-23 Director Berger moved, seconded by Director Russell, that the Board adopt the resolution described in Agenda Item 8 – Acquisition of Interests in Real Property – Use of Eminent Domain in Gonzales County [attached hereto as Exhibit F]; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of easements for the Easement Enhancement System Upgrade project; and that the first record vote applies to all units of property to be condemned. The Board unanimously approved the motion by a record vote of 13 to 0.

18-24 Director Cooper moved, seconded by Director Franklin, that the Board adopt the resolution described in Agenda Item 9 – Acquisition of Interests in Real Property – Use of Eminent Domain in Guadalupe County [attached hereto as Exhibit G]; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the Darst Creek Substation project; and that the first record vote applies to all units of property to be condemned. The Board unanimously approved the motion by a record vote of 13 to 0.

18-25 Director Whitten moved, seconded by Director Russell, that the Board adopt the resolution described in revised Agenda Item 10 – Acquisition of Interests in Real

Property – Use of Eminent Domain in Pecos County [attached hereto as Exhibit H]; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the property described in Exhibit 1 to the resolution for the Fourmile Circuit Breaker Addition project; and that the first record vote applies to all units of property to be condemned. The Board unanimously approved the motion by a record vote of 13 to 0.

18-26 Director Ellison moved, seconded by Director Berger, that the Board adopt the resolution described in Agenda Item 11 – Acquisition of Interests in Real Property – Use of Eminent Domain in Pecos County [attached hereto as Exhibit I]; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the Desert Mesa Circuit Breaker Addition project; and that the first record vote applies to all units of property to be condemned. The Board unanimously approved the motion by a record vote of 13 to 0.

18-27 Director Berger moved, seconded by Director Cooper, that the Board adopt the resolution described in Agenda Item 13 – Acquisition of Interests in Real Property – Use of Eminent Domain in Upton County [attached hereto as Exhibit J]; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the Robbins Switch Circuit Breaker Addition project; and that the first record vote applies to all units of property to be condemned. The Board unanimously approved the motion by a record vote of 13 to 0.

18-28 Director Russell moved, seconded by Director Berger, that the Board adopt the resolution described in Agenda Item 14 – Acquisition of Interests in Real Property – Use of Eminent Domain in Kendall County [attached hereto as Exhibit K]; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the Esperanza Substation Addition project; and that the first record vote applies to all units of property to be condemned. The Board unanimously approved the motion by a record vote of 13 to 0.

Chair Timmerman declared the meeting to be in executive session at 9:42 a.m., pursuant to sections 551.071 and 551.072 of the Texas Government Code (Open Meetings Act). Executive session ended, and Chair Timmerman declared the meeting to be in public session at 10:04 a.m.

18-29 Director Lewis moved, seconded by Director Kibby, that the Board authorize the president and chief executive officer or his designee to negotiate and purchase a tract of land in fee simple and an electric transmission line easement for the Esperanza Substation Addition project in Kendall County as discussed in executive session; and further authorize the president and chief executive officer or his designee to do all things necessary to accomplish the purposes hereof. The Board unanimously approved the motion by a vote of 13 to 0.

18-30 Director Franklin moved, seconded by Director Russell, that the Board authorize the president and chief executive officer or his designee to negotiate and purchase a building containing office and warehouse space situated on an approximately 5.4-acre tract of land in Tom Green County as discussed in executive session; and further authorize the president and chief executive officer or his designee to do all things necessary to accomplish the purposes hereof. The Board unanimously approved the motion by a vote of 13 to 0.

There being no further business to come before the Board, the meeting was adjourned at 10:08 a.m.

Thomas E. Oney
Secretary
LCRA Transmission Services Corporation

Approved: Aug. 22, 2018

FOR ACTION

4. FY 2018 LCRA Transmission Services Corporation Capital Plan Amendment

Proposed Motion

Approve and ratify an amendment to the fiscal year 2018 LCRA Transmission Services Corporation capital plan to increase authorization for capital spending in FY 2018 from \$275 million to \$295.6 million.

Board Consideration

LCRA TSC Board Policy T301 – Finance requires annual approval of a capital plan by the LCRA TSC 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. LCRA TSC completed more projects than expected and, therefore, exceeded the capital spending budget. Staff is seeking approval to increase the FY 2018 capital budget.

Budget Status and Fiscal Impact

LCRA TSC's actual capital spending for FY 2018 is \$20.6 million more than the amended capital plan budget of \$275 million. The variance primarily is due to construction-related activities for projects LCRA TSC completed in FY 2018, as well as design, materials, real estate and regulatory-related activities for projects LCRA TSC will complete in FY 2019 and beyond. All of these costs will be recoverable in either the current or future interim capital addition or full rate case process.

Summary

The LCRA TSC Board of Directors approved a revised FY 2018 LCRA TSC capital plan in May 2018, establishing a capital spending limit for FY 2018 of \$275 million. The current year-end actual spend for FY 2018 was \$295.6 million, an increase of \$20.6 million or 7.5 percent.

The FY 2018 capital plan increase is due to project work being completed sooner than forecast. Construction-related activities associated with early completion of the Bergheim Substation and Henne-to-Comal Transmission Line totaling \$7.4 million contributed to the variance. Additionally, support activities associated with transmission capital projects in progress were completed earlier than originally forecast and included \$6.1 million of easement acquisitions, \$4.2 million of engineering and regulatory activities, and \$2.4 million of materials. All of these costs will be recoverable in either the current or future interim capital addition or full rate case process.

The Public Utility Commission of Texas establishes LCRA TSC's rates for regulated transmission services based on the actual costs of capital projects. This amendment does not increase the lifetime budget for any individual capital project, but amends the spending limit established for FY 2018 to reflect changes to LCRA TSC's spending within FY 2018.

Presenter(s)

Stuart Nelson
Senior Adviser

Exhibit(s)

A – Summary of Changes to Fiscal Year Spending Budget

EXHIBIT A

**Amended FY 2018 LCRA TSC Capital Plan
Summary of Changes to Fiscal Year Spending Budget**

FY 2018 LCRA TSC Capital Plan	
FY 2018 Spending Summary	FY 2018 (Millions)
Approved LCRA TSC FY 2018 Capital Budget – May 2017	\$ 255.8
Amended LCRA TSC FY 2018 Capital Budget – May 2018	\$ 275.0
Amended LCRA TSC FY 2018 Capital Budget	\$ 295.6

FOR ACTION

5. New Capital Improvement Project Approval – Wingarten Substation Addition

Proposed Motion

Approve the Capital Improvement Project Authorization Request for the Wingarten Substation Addition project and authorize the president and chief executive officer, or his designee, (i) to negotiate and execute an agreement with Rio Grande Electric Cooperative's retail customer DCP Sandhills Pipeline LLC giving LCRA Transmission Services Corporation rights to acquire DCP's facilities at the Wingarten Substation; and (ii) to do all things reasonably necessary to accomplish the purposes hereof.

Board Consideration

LCRA TSC Board Policy T301 – Finance requires Board of Directors approval for any project exceeding \$1.5 million that is not included in the annual capital plan or any previously approved project expected to exceed its lifetime budget by 10 percent and \$300,000.

Budget Status and Fiscal Impact

- The project is not included in LCRA TSC's fiscal year 2019 capital plan.
- Staff seeks approval for a total lifetime budget of \$3,000,000, all of which staff expects to spend this fiscal year.
- The proposed lifetime budget for the project includes no contingency.
- Staff expects this additional spending can be managed within the existing FY 2019 capital budget and currently do not request additional fiscal year capital budget authorization.
- The chief operating officer will release funds as needed.
- Project costs will be funded through LCRA TSC regulated rates, pending approval by the Public Utility Commission of Texas.

Summary

Staff recommends the Wingarten Substation Addition project located in Zavala County as an addendum to the FY 2019 capital plan. This project was originally brought to LCRA TSC's attention in April 2018.

LCRA TSC will acquire transmission and transformation facilities from DCP at net book value. The acquisition will include land rights in the form of an easement and temporary facilities outside the substation that connect Wingarten to an American Electric Power transmission line.

The required project completion date is October 2018. The funds will pay for the purchase of the DCP assets at net book value and LCRA project management, regulatory, engineering, real estate and necessary land rights. LCRA TSC representatives will perform environmental and cultural due diligence studies and address all identified concerns. A Certificate of Convenience and Necessity is not required.

Project Recap

Total Project Estimated Cost	<u>\$3,000,000</u>
Previous Project Lifetime Budget:	\$ 0
Additional Lifetime Budget Approval Sought:	<u>\$3,000,000</u>
FY 2019 \$ 3,000,000	
Total:	<u>\$3,000,000</u>

Project Direction

Project Manager: Sarah Wilson
Project Sponsor: Kristian M. Koellner P.E.
Project Number: 1020025

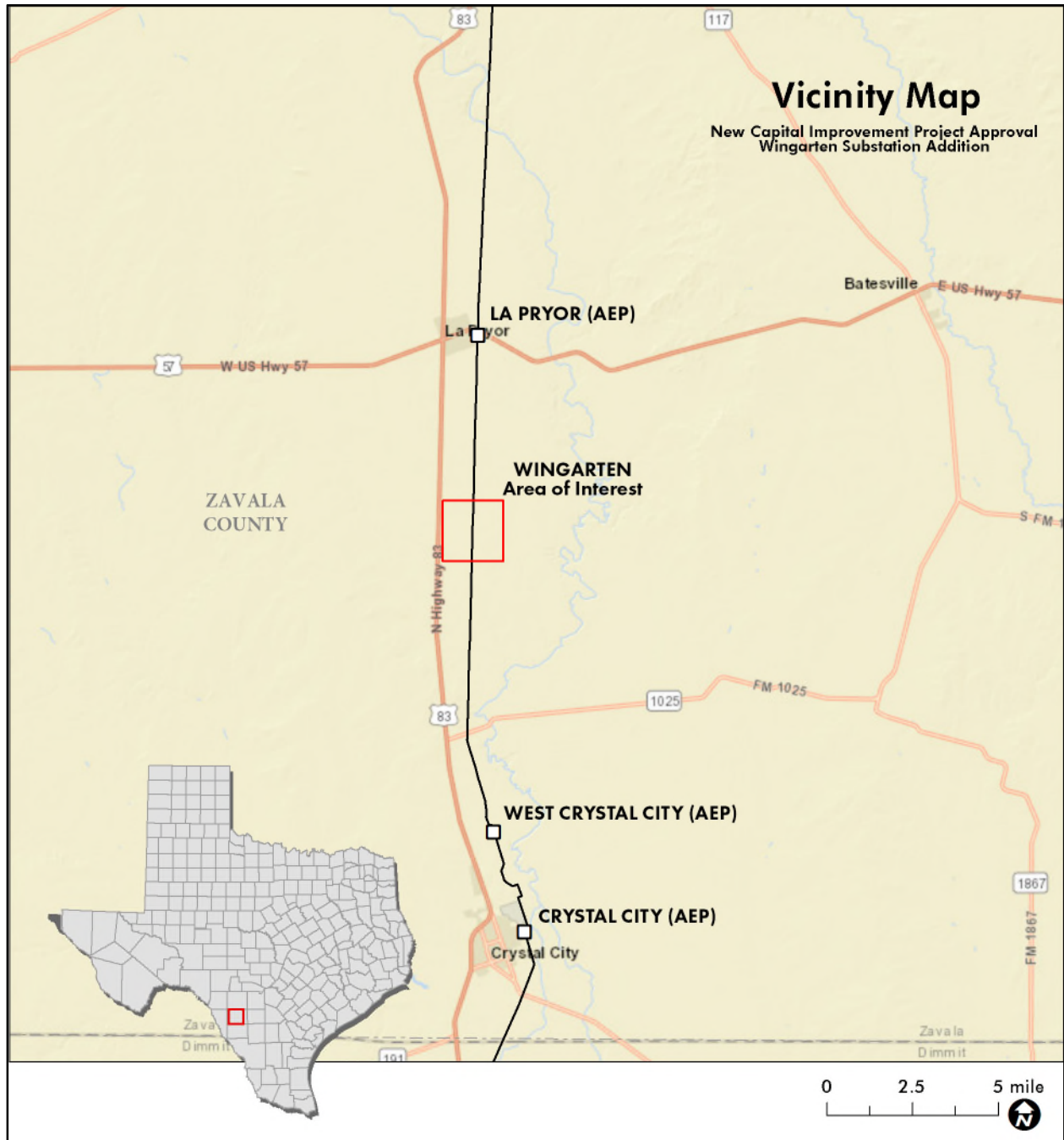
Presenter(s)

Stuart Nelson
Senior Advisor

Exhibit(s)

A – Location Map – Wingarten Substation Addition

EXHIBIT A



FOR ACTION

6. Acquisition of Interests in Real Property – Use of Eminent Domain in Kendall County

Proposed Motion

I move that the Board of LCRA Transmission Services Corporation adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the Cypress Creek Substation Addition project; and that the first record vote applies to all units of property to be condemned.

Board Consideration

LCRA Transmission Services Corporation Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

Budget Status and Fiscal Impact

The acquisition cost was included in the Board-approved budget for the Cypress Creek Substation Addition project.

Summary

LCRA TSC proposes to purchase approximately 5.07 acres in fee simple in Kendall County for the Cypress Creek Substation Addition project. Valbridge Property Advisors performed independent appraisals of the interests in real property to be acquired to determine just compensation to the landowners.

Staff has made bona fide offers to acquire the necessary interests in real property voluntarily from the landowners listed on Exhibit C, as required by Sec. 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. Staff seeks Board authorization to proceed with condemnation if it cannot reach agreement with the landowners.

A description of the specific property to be acquired is identified on Exhibit 1.

LCRA TSC representatives performed environmental and cultural due diligence studies and did not identify any concerns. Staff requests the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

Presenter(s)

Steven T. Brown
Director, Real Estate Services

Exhibit(s)

- A – Vicinity Map
- B – Site Map
- C – Landowner List
- D – Resolution
- 1 – Description of Specific Properties

EXHIBIT A

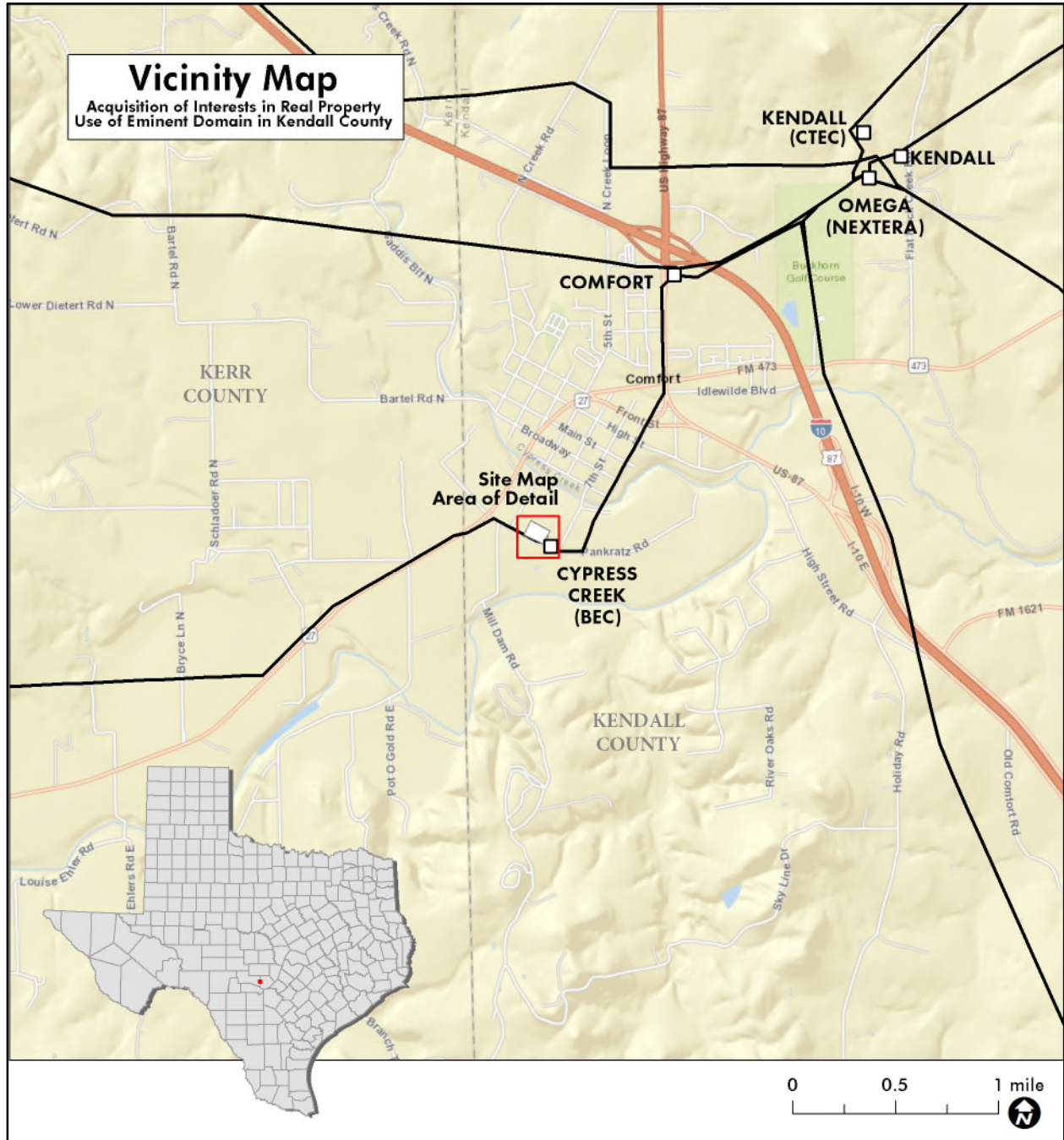


EXHIBIT B

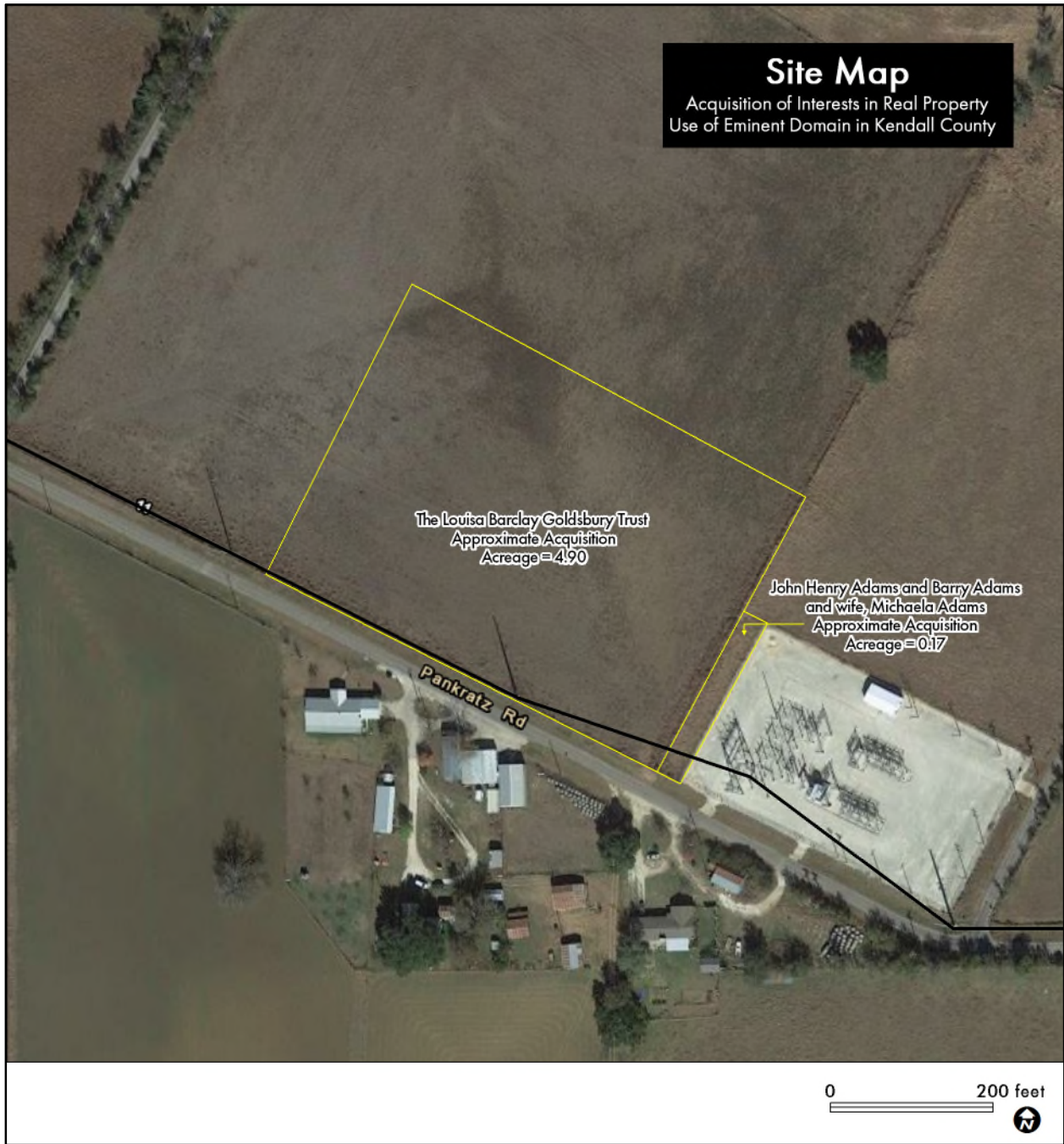


EXHIBIT C

	Landowner	Approximate Parent Tract Acreage	Land Rights	Approximate Acquisition Acreage	County	Approximate Value
1	John Henry Adams and Barry Adams and wife, Michaela Adams	11.50 acres	Fee simple	0.17 acres	Kendall	\$14,000
2	The Louisa Barclay Goldsbury Trust	26.87 acres	Fee simple	4.90 acres	Kendall	\$180,000

EXHIBIT D

Page 1 of 2

PROPOSED MOTION

I MOVE THAT THE BOARD OF LCRA TRANSMISSION SERVICES CORPORATION ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTY DESCRIBED IN EXHIBIT 1 TO THE RESOLUTION FOR THE CYPRESS CREEK SUBSTATION ADDITION PROJECT; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.

RESOLUTION

AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY BY CONDEMNATION IN KENDALL COUNTY FOR FEE SIMPLE PURCHASES.

WHEREAS, LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public uses of construction, operation and maintenance of an electric substation site in Kendall County; and

WHEREAS, independent, professional appraisals of the subject properties have been submitted to LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

NOW, THEREFORE, BE IT RESOLVED that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowners listed in the attached Exhibit C for the construction of the Cypress Creek Substation Addition project, with the description of the locations of and interests in the properties LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity requires the acquisition of said interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such uses; that LCRA Transmission Services Corporation does not intend to acquire rights to groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in real property from the landowner(s) voluntarily as required by Sec. 21.0113 of the Texas Property Code; and that at such time as LCRA Transmission Services Corporation has determined that the landowner(s) and LCRA Transmission Services Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to

EXHIBIT D

Page 2 of 2

initiate condemnation proceedings against the owners of the properties, and against all other owners, lien holders and other holders of an interest in the properties, in order to acquire the necessary interests in real property, and that this resolution take effect immediately from and after its passage;

BE IT FURTHER RESOLVED that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interest in real property, that are proper and convenient for the operation of the substation site.

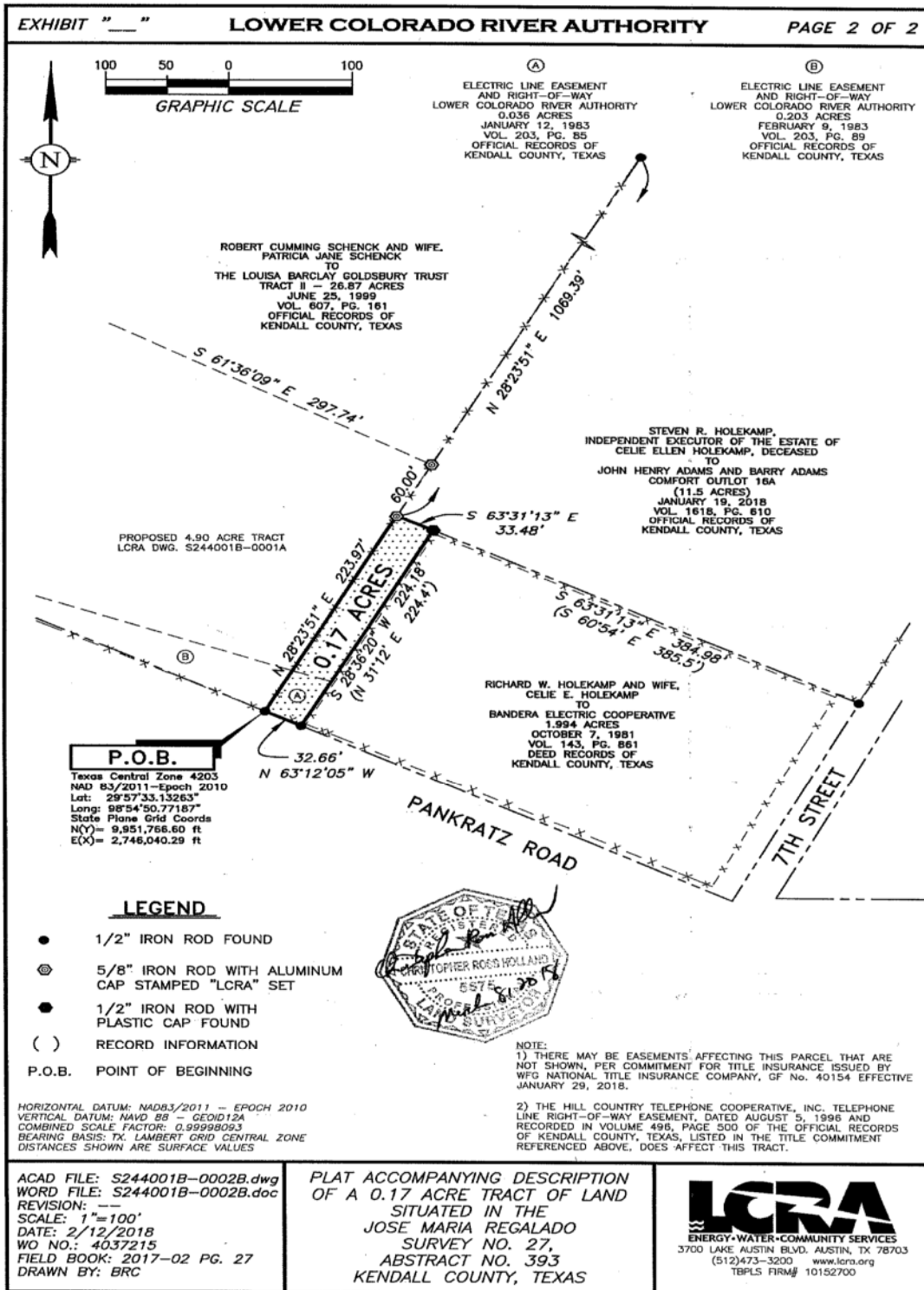
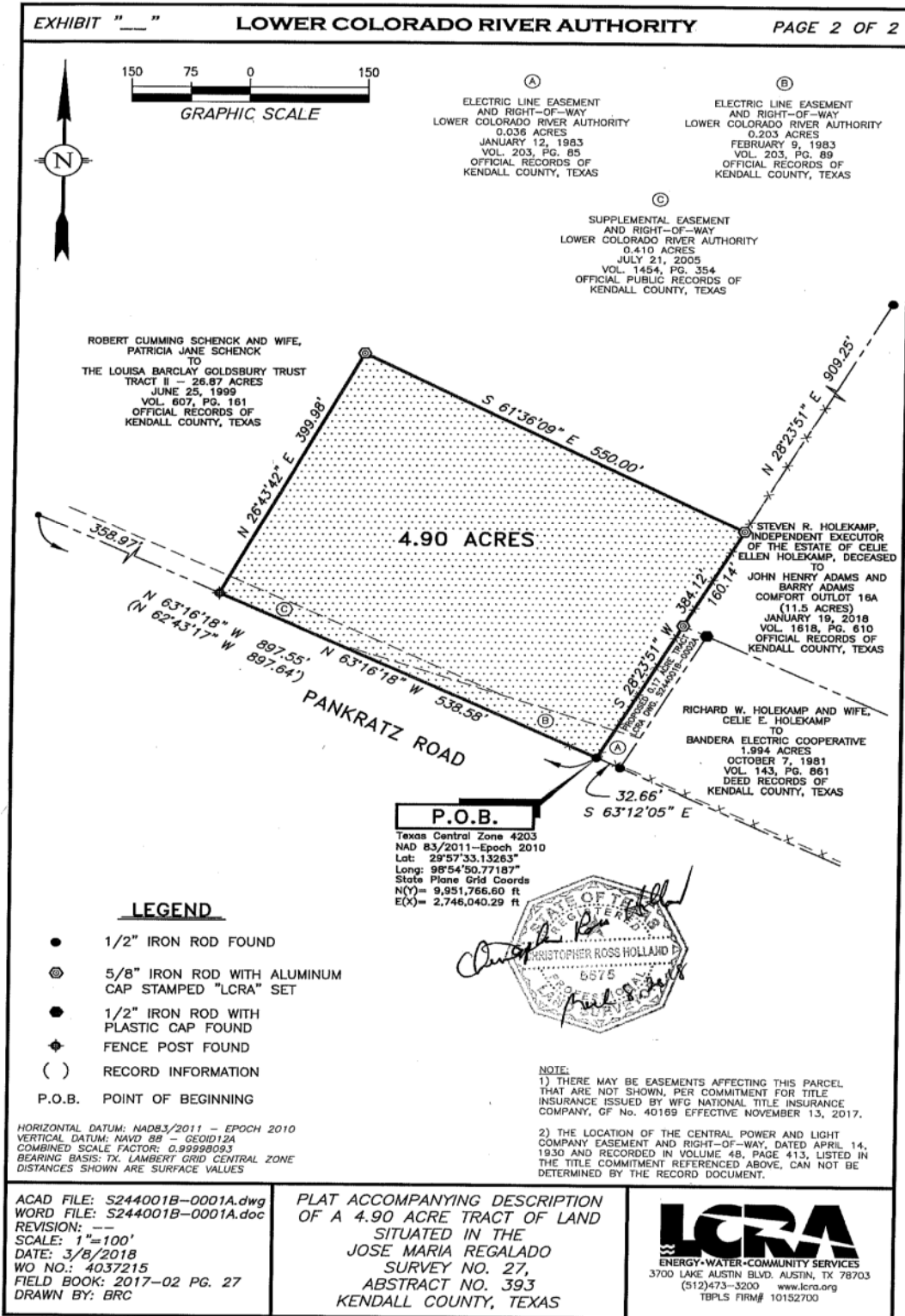


EXHIBIT 1
Page 2 of 2



FOR ACTION

7. Acquisition of Interests in Real Property – Use of Eminent Domain in Lavaca County

Proposed Motion

I move that the LCRA Transmission Services Corporation Board adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the Shiner Substation Addition project; and that the first record vote applies to all units of property to be condemned.

Board Consideration

LCRA Transmission Services Corporation Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

Budget Status and Fiscal Impact

The acquisition cost was included in the Board-approved budget for the Shiner Substation Addition project.

Summary

LCRA TSC proposes to purchase 1.93 acres in fee for the Shiner Substation Addition project. Valbridge Property Advisors performed independent appraisals of the interests in real property to be acquired to determine just compensation to the landowners.

Staff has made bona fide offers to acquire the necessary interests in real property voluntarily from the landowners listed on Exhibit C, as required by Sec. 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. Staff seeks Board authorization to proceed with condemnation if an agreement cannot be reached with the landowners.

A description of the specific property to be acquired is identified on Exhibit 1. LCRA TSC representatives performed environmental and cultural due diligence studies and did not identify any concerns.

Staff requests the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

Presenter(s)

Steven T. Brown
Director, Real Estate Services

Exhibit(s)

A – Vicinity Map

B – Site Map

C – Landowner List

D – Resolution

1 – Description of Specific Properties

EXHIBIT A

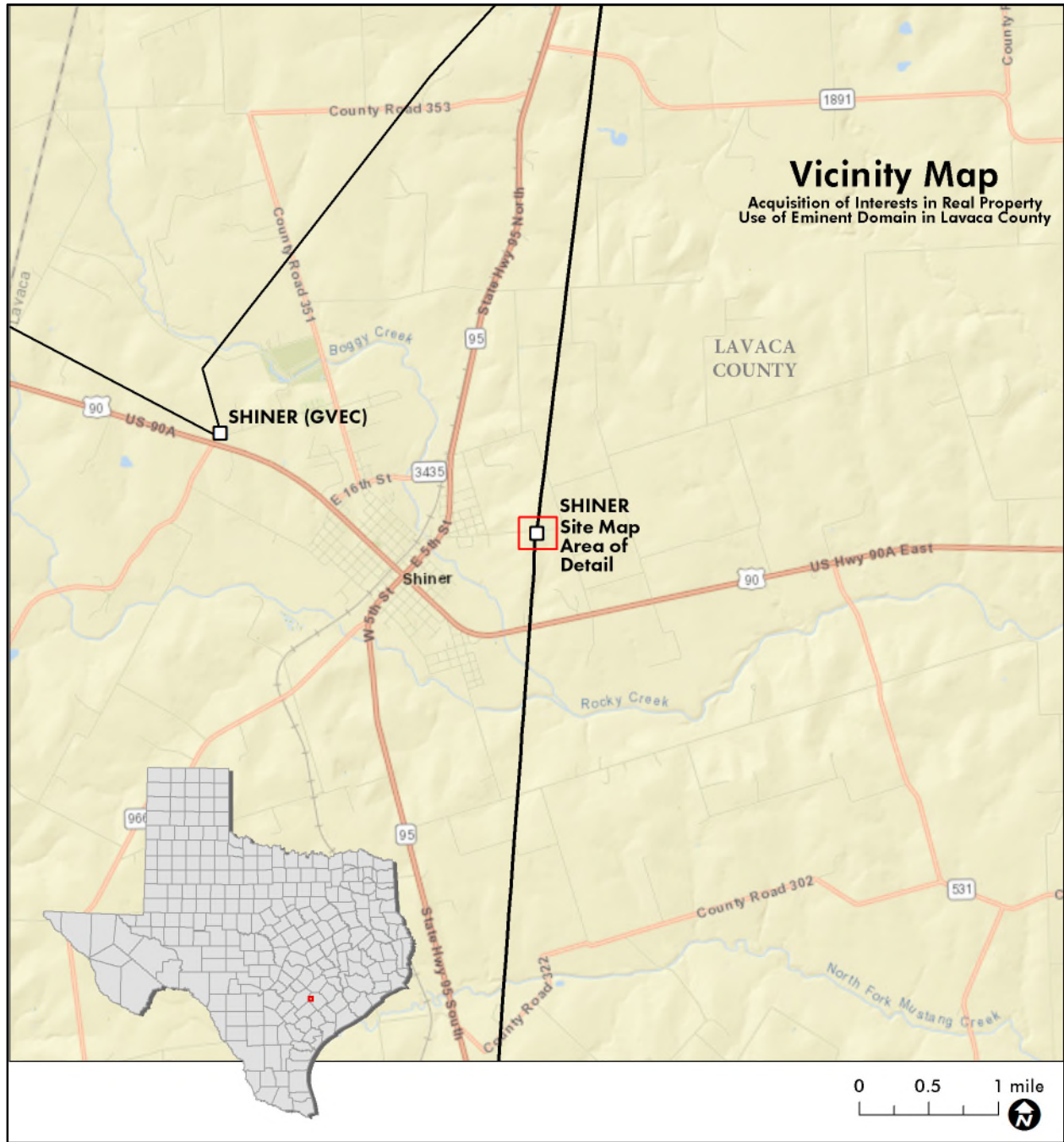


EXHIBIT B



EXHIBIT C

	Landowner	Approximate Parent Tract Acreage	Land Rights	Approximate Acquisition Acreage	County	Approximate Value
1	Dorothy Boehm	4.195 acres	Fee simple	0.44 acres	Lavaca	\$33,300.00
2	Welhausen Land and Cattle Company	34.805 acres	Fee simple	1.49 acres	Lavaca	\$35,800.00

EXHIBIT D

Page 1 of 2

PROPOSED MOTION

I MOVE THAT THE BOARD OF LCRA TRANSMISSION SERVICES CORPORATION ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTY DESCRIBED IN EXHIBIT 1 TO THE RESOLUTION FOR THE SHINER SUBSTATION ADDITION PROJECT; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.

RESOLUTION

AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY BY CONDEMNATION IN LAVACA COUNTY FOR FEE SIMPLE PURCHASES.

WHEREAS, LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public uses of construction, operation and maintenance of an electric substation site in Lavaca County; and

WHEREAS, independent, professional appraisals of the subject properties have been submitted to LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

NOW, THEREFORE, BE IT RESOLVED that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowners listed in the attached Exhibit C for the construction of the Shiner Substation Addition project, with the description of the locations of and interests in the properties that LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity requires the acquisition of said interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such uses; that LCRA Transmission Services Corporation does not intend to acquire rights to groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in real property from the landowner(s) voluntarily as required by Sec. 21.0113 of the Texas Property Code; and that at such time as LCRA Transmission Services Corporation has determined that the landowner(s) and LCRA Transmission Services Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to initiate condemnation proceedings against the owners of the properties, and against all other owners, lien holders, and other holders of an interest in the properties, in order to acquire the

EXHIBIT D

Page 2 of 2

necessary interests in real property, and that this resolution take effect immediately from and after its passage;

BE IT FURTHER RESOLVED that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interest in real property that are proper and convenient for the operation of the substation site.

EXHIBIT 1
Page 1 of 2

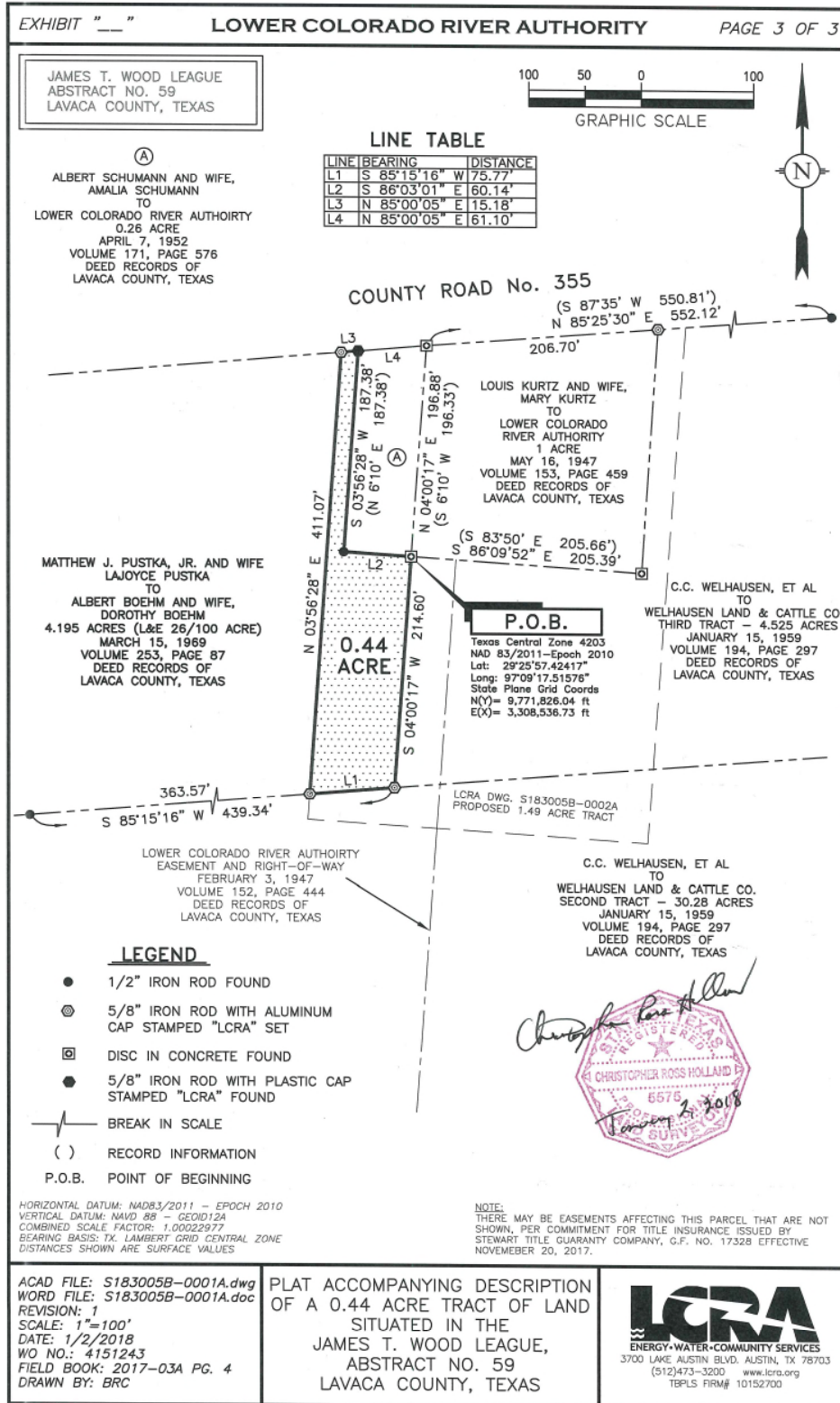
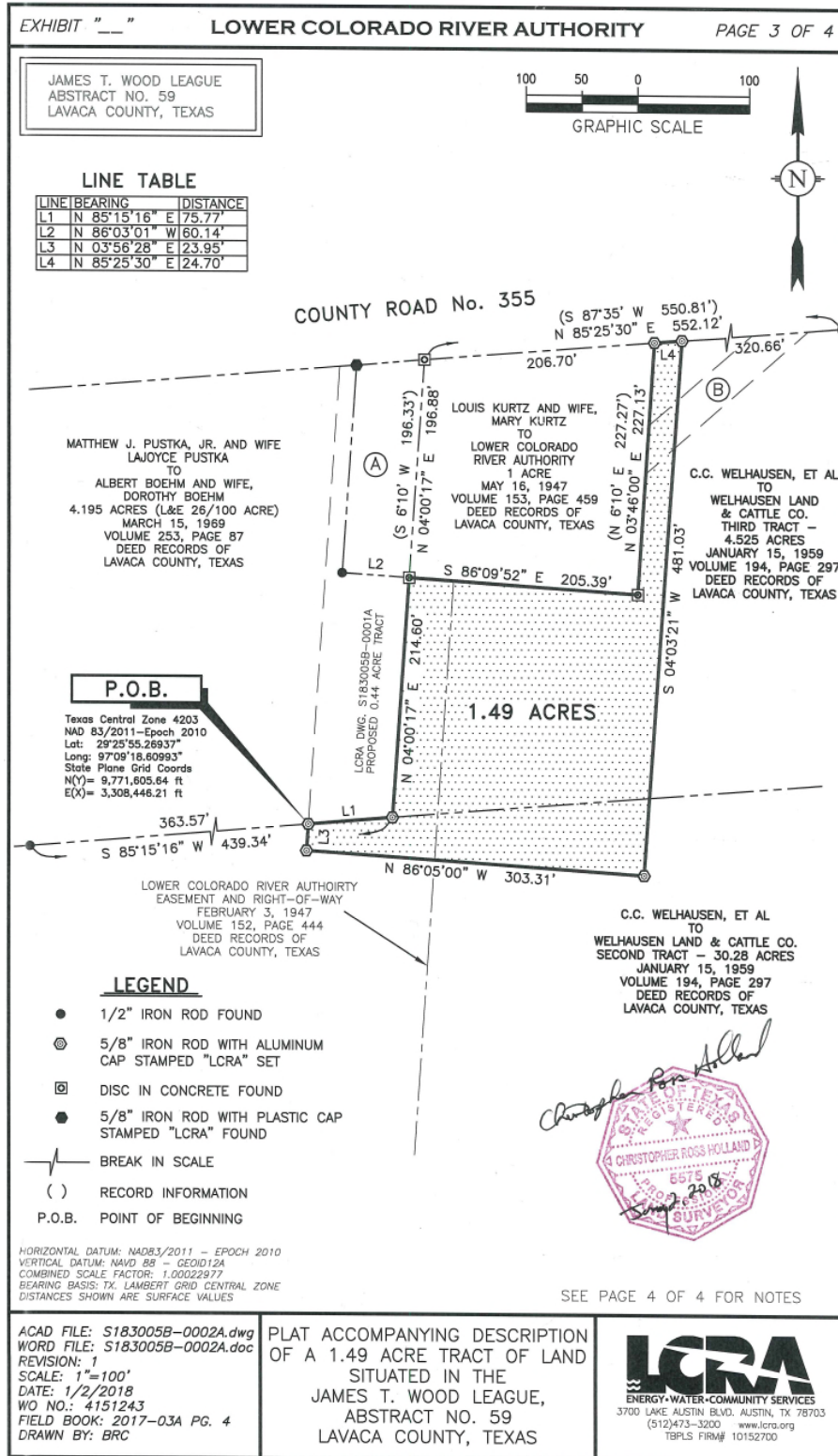


EXHIBIT 1
Page 2 of 2



FOR ACTION

8. Acquisition of Interests in Real Property – Use of Eminent Domain in Austin and Waller Counties

Proposed Motion

I move that the Board of LCRA Transmission Services Corporation adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the Bellville South-to-Waller Storm Hardening project; and that the first record vote applies to all units of property to be condemned.

Board Consideration

LCRA Transmission Services Corporation Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

Budget Status and Fiscal Impact

The acquisition cost was included in the Board-approved budget for the Bellville South-to-Waller Storm Hardening project.

Summary

LCRA TSC proposes to acquire easement amendments for the Bellville South-to-Waller Transmission Line Storm Hardening project. This line is approximately 15.7 miles in length and connects the Bellville South substation, located south of Bellville to the Waller substation, located south of Hempstead. The Bellville South-to-Waller Transmission Line Storm Hardening project requires additional rights for reconstruction, structure relocation, structure materials and communications. Staff prepared compensation summaries based on the appraisal records of the Austin and Waller County Central Appraisal Districts for the interests to be acquired in real property. Staff will obtain independent appraisals before making final offers and initiating condemnation.

Staff will make an initial offer based on the compensation summaries and will complete bona fide offers to acquire the necessary interests in real property voluntarily from the landowners listed on Exhibit C, as required by Sec. 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. However, in those instances where an agreement cannot be reached with the landowners, Board authorization is sought to proceed with condemnation.

A description of the specific property to be acquired is identified on Exhibit 1.

LCRA TSC will perform environmental and cultural due diligence studies and address all identified concerns. Staff requests that the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

Presenter(s)

Steven T. Brown
Director, Real Estate Services

Exhibit(s)

- A – Vicinity Map
- B – Site Map
- C – Landowner List
- D – Resolution
- 1 – Description of Specific Properties

EXHIBIT A

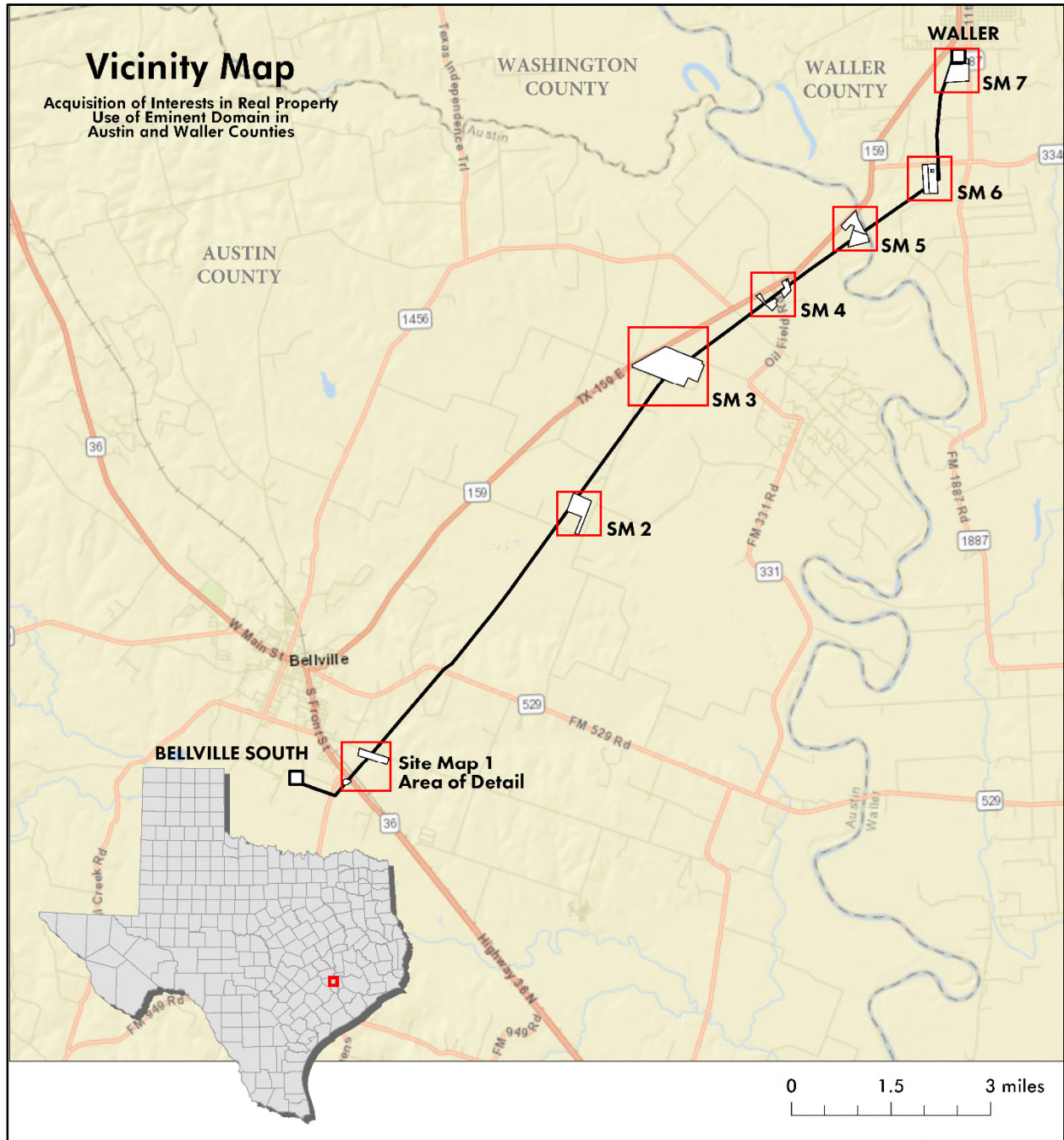


EXHIBIT B
Page 1 of 7









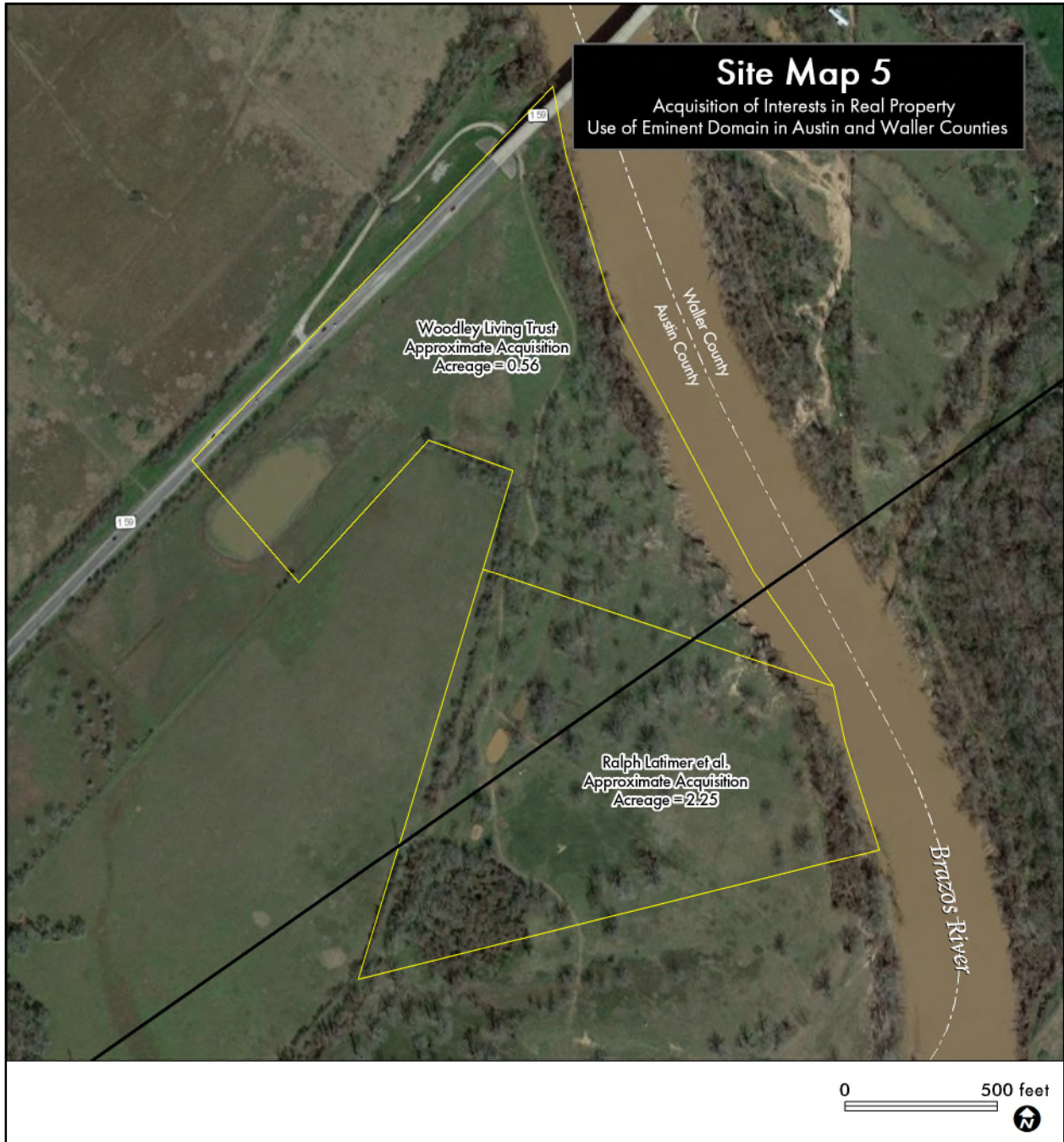




EXHIBIT B
Page 7 of 7



EXHIBIT C

Parcel Number	Landowner	Approximate Parent Tract Acreage	Land Rights	Approximate Easement Acreage	County	Approximate Value
A-008	Greg M. Zapalac	5.227 acres	Easement	1.07 acres	Austin	\$17,000.00
A-012	Karl Warren Ebert et al.	34.8 acres	Easement	1.21 acres	Austin	\$12,000.00
A-028	Marshall Hoff	66.53 acres	Easement	3.19 acres	Austin	\$20,000.00
A-043	John V. Elick	244.035 acres	Easement	5.65 acres	Austin	\$19,000.00
A-049	CDR Strainers and Filters, Inc.	18.42 acres	Easement	0.40 acres	Austin	\$5,000.00
A-050	Roland Delawrence Lytle	4.004 acres	Easement	0.40 acres	Austin	\$5,000.00
A-056 A-057	Ryan V. Burrer	18.6 acres	Easement	1.71 acres	Austin	\$12,000.00
A-065	Woodley Living Trust	44.2225 acres	Easement	1.30 acres	Austin	\$5,000.00
A-064	Ralph Latimer et al.	47.527 acres	Easement	2.25 acres	Austin	\$6,500.00
B-009	Norma Hoerl Paton Margaret Martin and Andrew Paton Trust	23 acres	Easement	1.0 acre	Waller	\$14,000.00
B-010	Valerian J. Jozwiak	34.871 acres	Easement	1.50 acres	Waller	\$15,000.00
B-028	Lori Walker	4.078 acres	Easement	2.06 acres	Waller	\$5,000.00
B-024	Lorena Rodriguez Adame	54.758 acres	Easement	2.91 acres	Waller	\$29,200.00

EXHIBIT D

Page 1 of 2

PROPOSED MOTION

I MOVE THAT THE BOARD OF LCRA TRANSMISSION SERVICES CORPORATION ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTIES DESCRIBED IN EXHIBIT 1 TO THE RESOLUTION FOR THE BELLVILLE SOUTH-TO-WALLER STORM HARDENING PROJECT; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.

RESOLUTION

AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY BY CONDEMNATION IN AUSTIN AND WALLER COUNTIES FOR ELECTRIC TRANSMISSION LINE EASEMENT AMENDMENTS.

WHEREAS, LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public uses of construction, operation and maintenance of an electric transmission line in Austin and Waller counties; and

WHEREAS, independent, professional appraisals of the subject properties will be submitted to LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

NOW, THEREFORE, BE IT RESOLVED that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowners listed in the attached Exhibit C for the construction of the Bellville South-to-Waller Storm Hardening project, with the description of the locations of and interests in the properties LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity requires the acquisition of said interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such uses; that LCRA Transmission Services Corporation does not intend to acquire rights to groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in real property from the landowner(s) voluntarily as required by Sec. 21.0113 of the Texas Property Code; and that at such time as LCRA Transmission Services Corporation has determined that the landowner(s) and LCRA Transmission Services Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to

EXHIBIT D

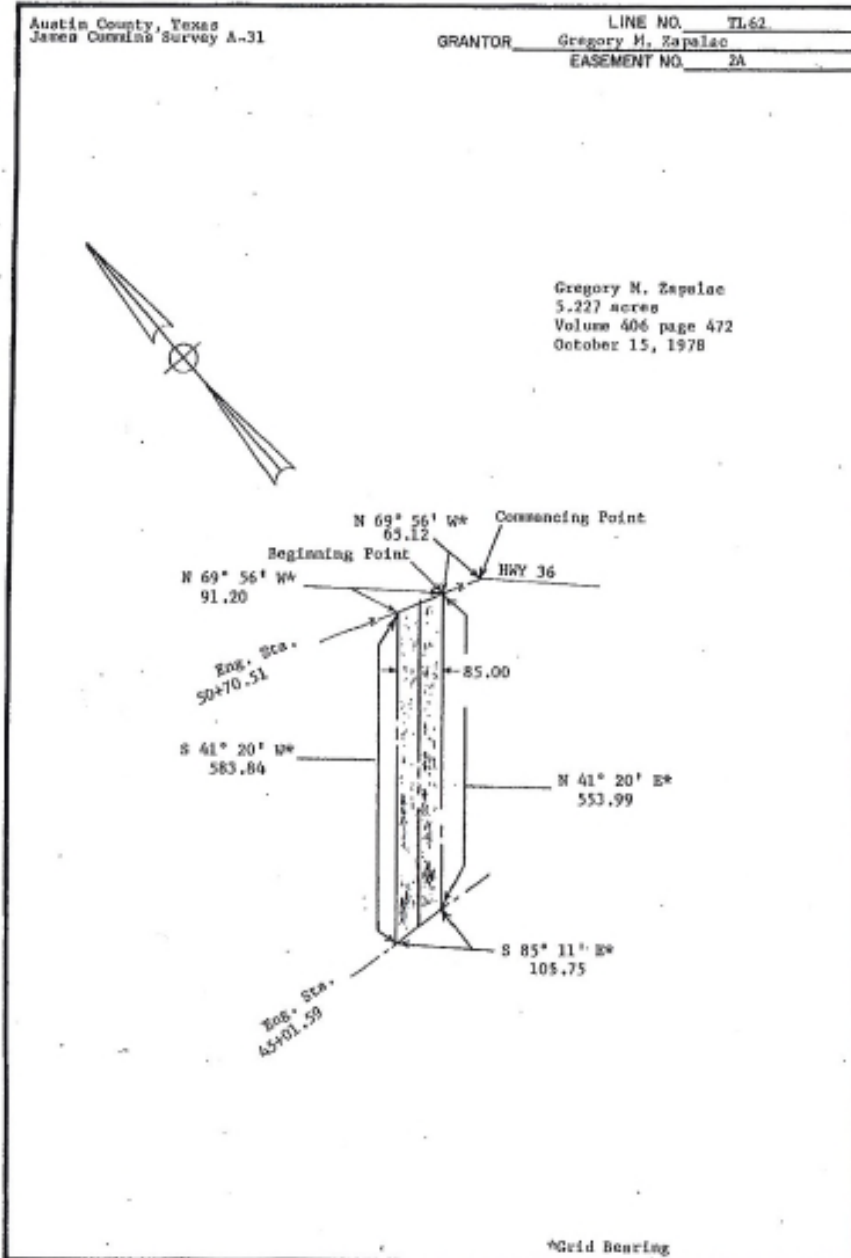
Page 2 of 2

initiate condemnation proceedings against the owner of the property, and against all other owners, lien holders, and other holders of an interest in the property, in order to acquire the necessary interests in real property, and that this resolution take effect immediately from and after its passage;

BE IT FURTHER RESOLVED that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interests in real property that are proper and convenient for the operation of the electric transmission line.

EXHIBIT 1
Page 1 of 27

FORM 20



LOWER COLORADO RIVER AUTHORITY
AUSTIN, TEXAS
TRANSMISSION LINE EASEMENT PLAT

EXHIBIT A

LINE NO. TL62 FROM Bellville South TO Waller EASEMENT NO. 2A
SCALE: 1"=200' DATE / / GRANTOR Gregory M. Zapalac

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EXHIBIT 1
Page 2 of 27

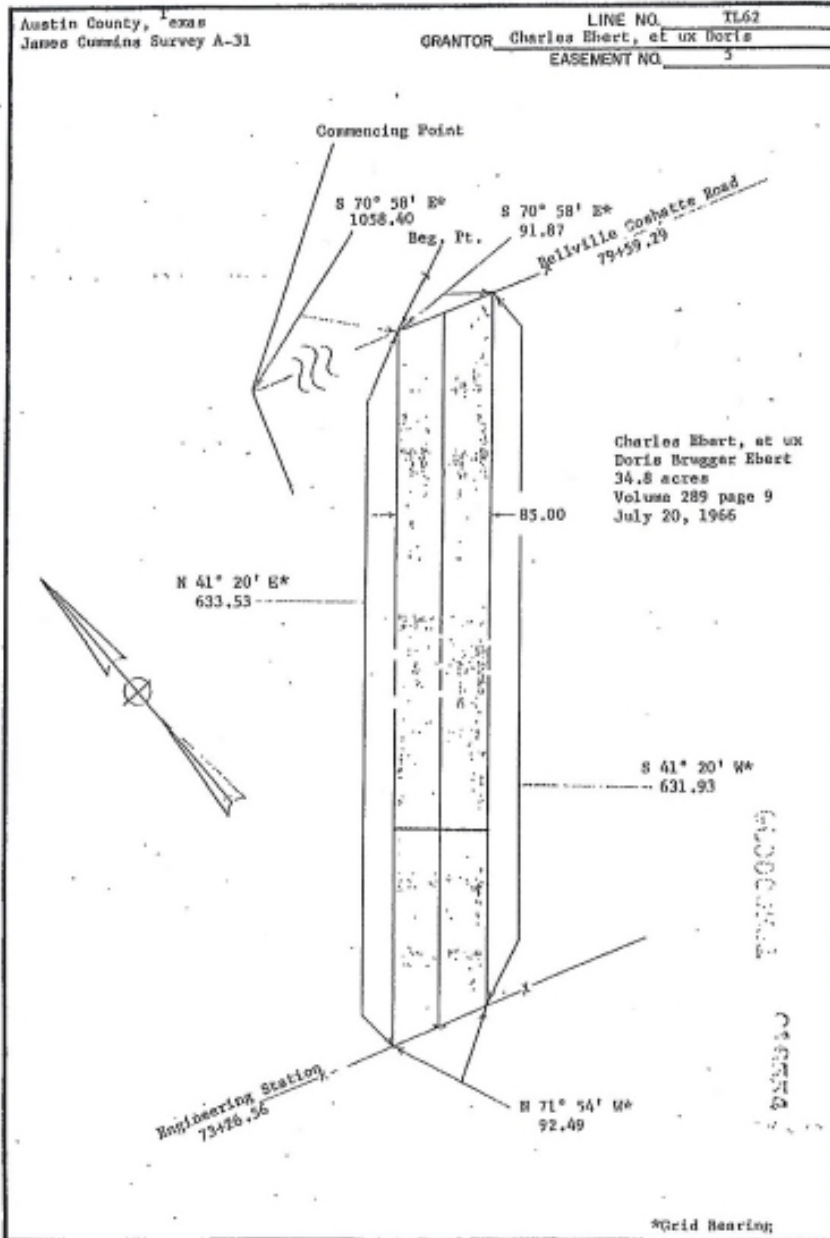


<p>T-213 Bellville South to Waller Structure Relocations/Rebuilds Property ID: 3852 Tract Ownership: Zapalac, Greg M. Easement Area: 1.07 AC</p>	<ul style="list-style-type: none"> Structures T-213 Parcel Boundary 85' CL Easement 	<p style="text-align: right;">17 1 inch = 100 feet</p> <p><small>This map has been produced by the Lower Colorado River Authority for its own use. Accordingly, certain information, features, or details may have been emphasized over others, or may have been left out. The LCRA does not warrant the accuracy of this map, either as to scale, accuracy or completeness.</small></p> <p><small>This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.</small></p>
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EXHIBIT 1
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GL0000031-1

FORM 20



LOWER COLORADO RIVER AUTHORITY
AUSTIN, TEXAS
TRANSMISSION LINE EASEMENT PLAT

EXHIBIT A -- 2

LINE NO. TL62 FROM Bellville South TO Waller EASEMENT NO. 5

SCALE: 1"=100' DATE / / GRANTOR Charles Ehart, et ux Doris

EXHIBIT 1
Page 4 of 27

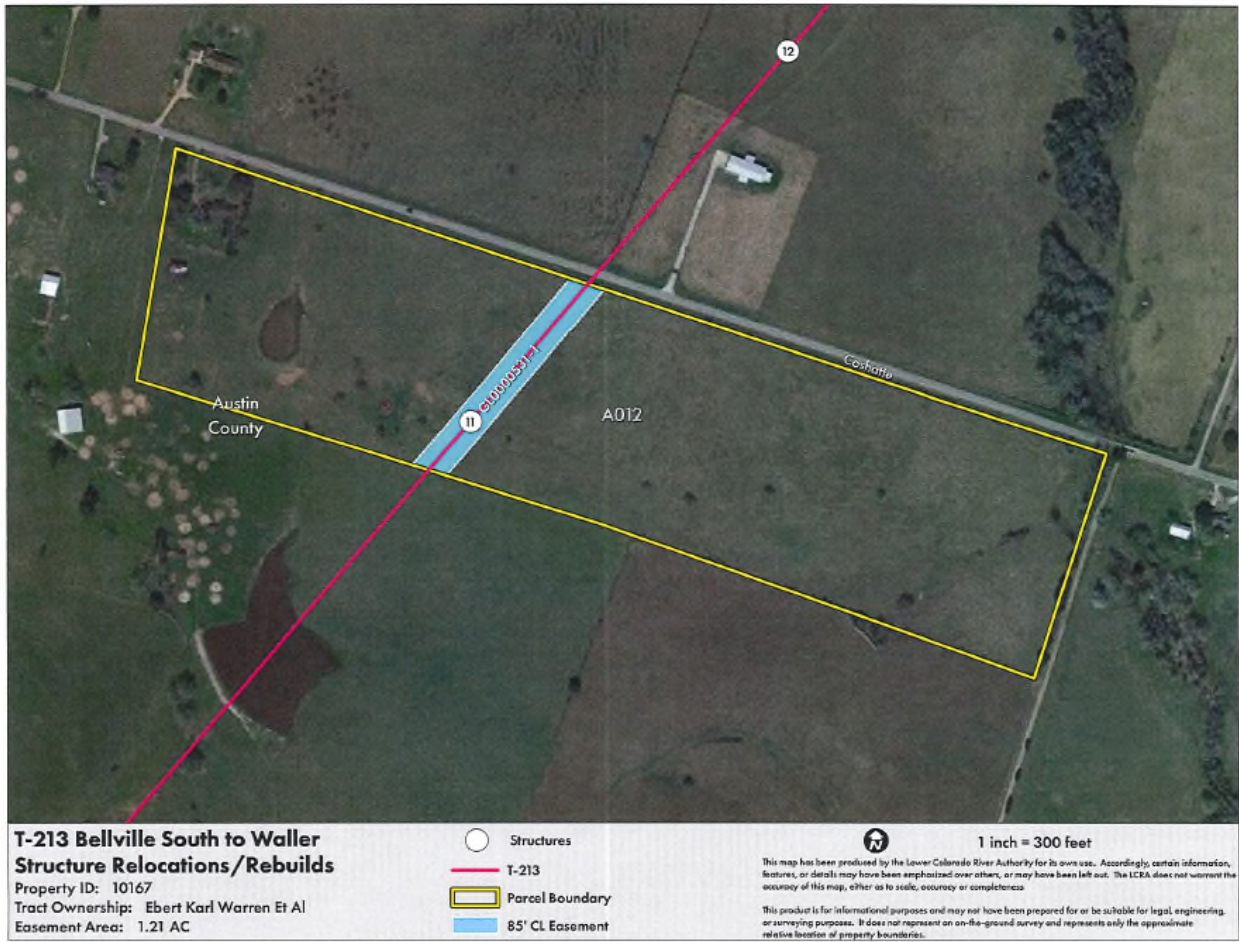
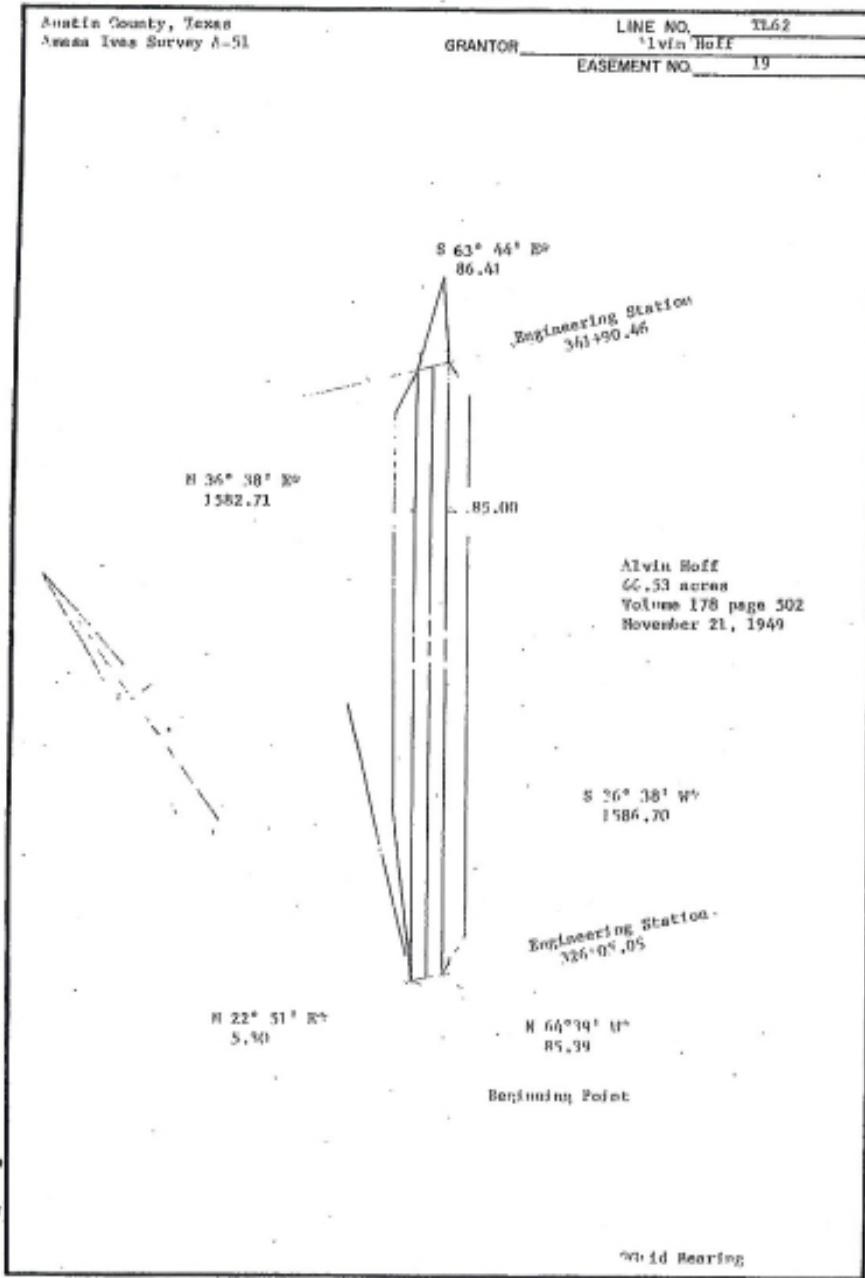


EXHIBIT 1
Page 5 of 27

ED0003214-1

(D1-3)

FORM 20



LOWER COLORADO RIVER AUTHORITY
AUSTIN, TEXAS
TRANSMISSION LINE EASEMENT PLAT

EXHIBIT A

LINE NO. TL62-B FROM Bellville South TO Waller EASEMENT NO. 19

SCALE: 1"=200' DATE / / GRANTOR Alvin Hoff

EXHIBIT 1
Page 6 of 27

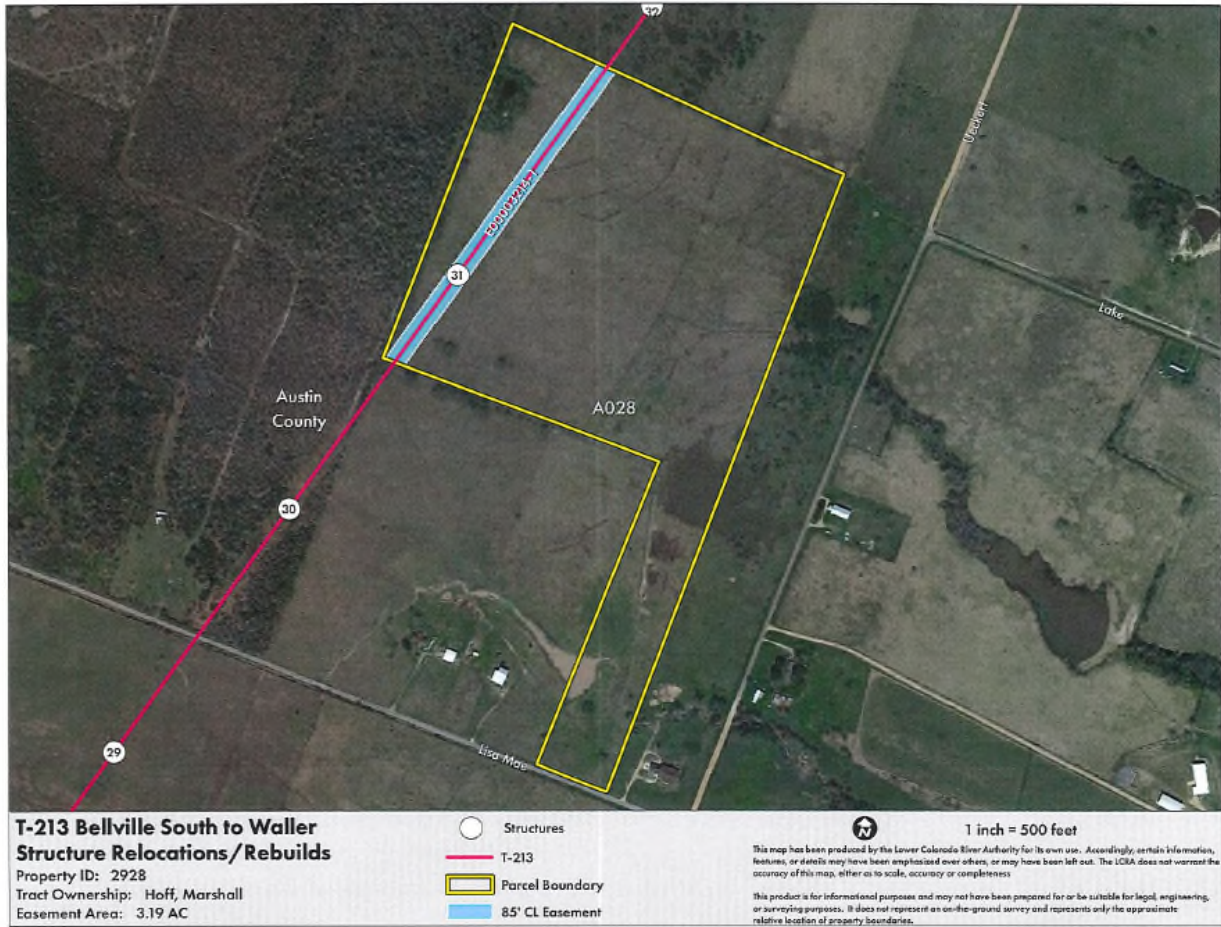


EXHIBIT 1
Page 7 of 27

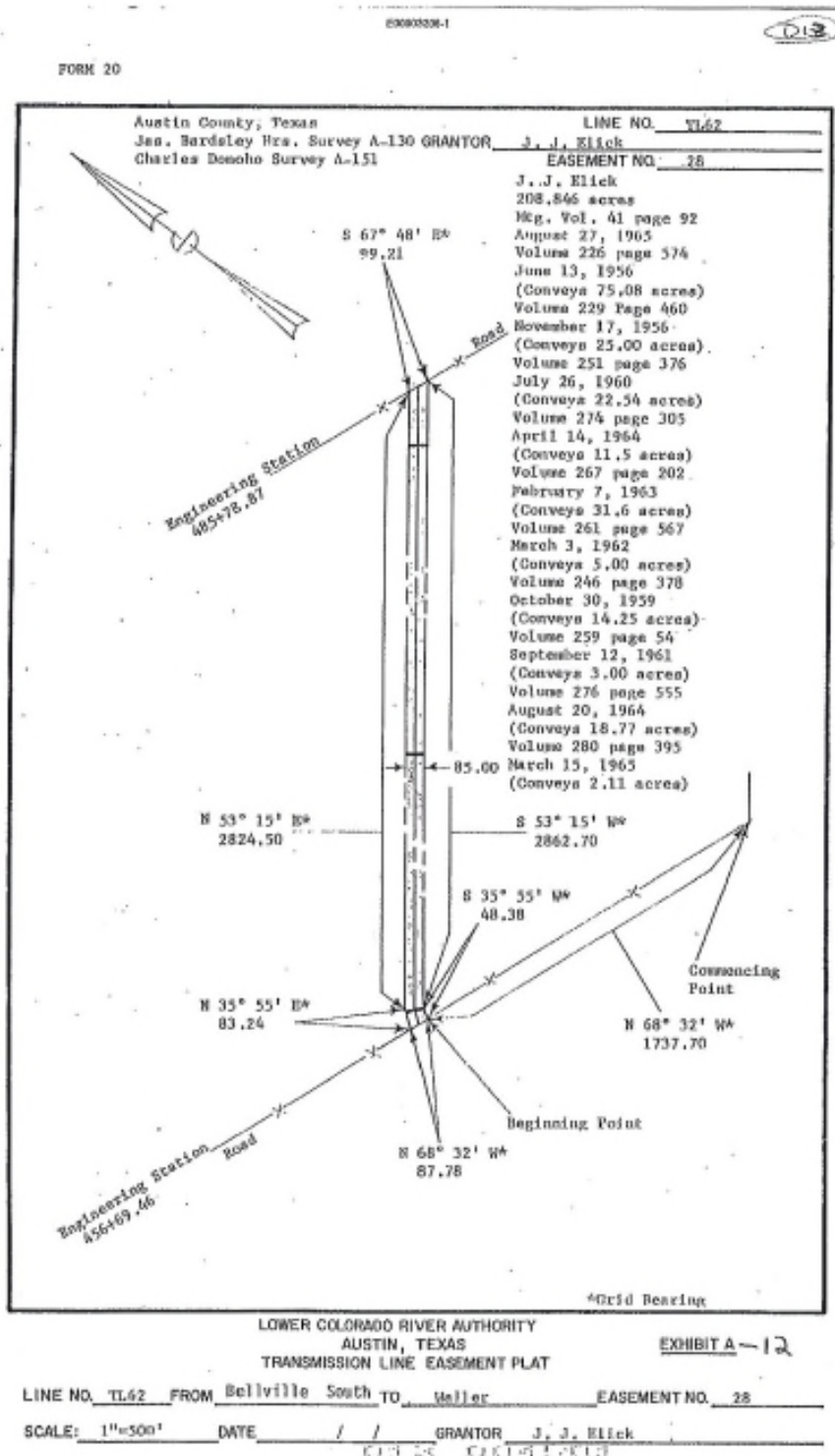


EXHIBIT 1
Page 8 of 27

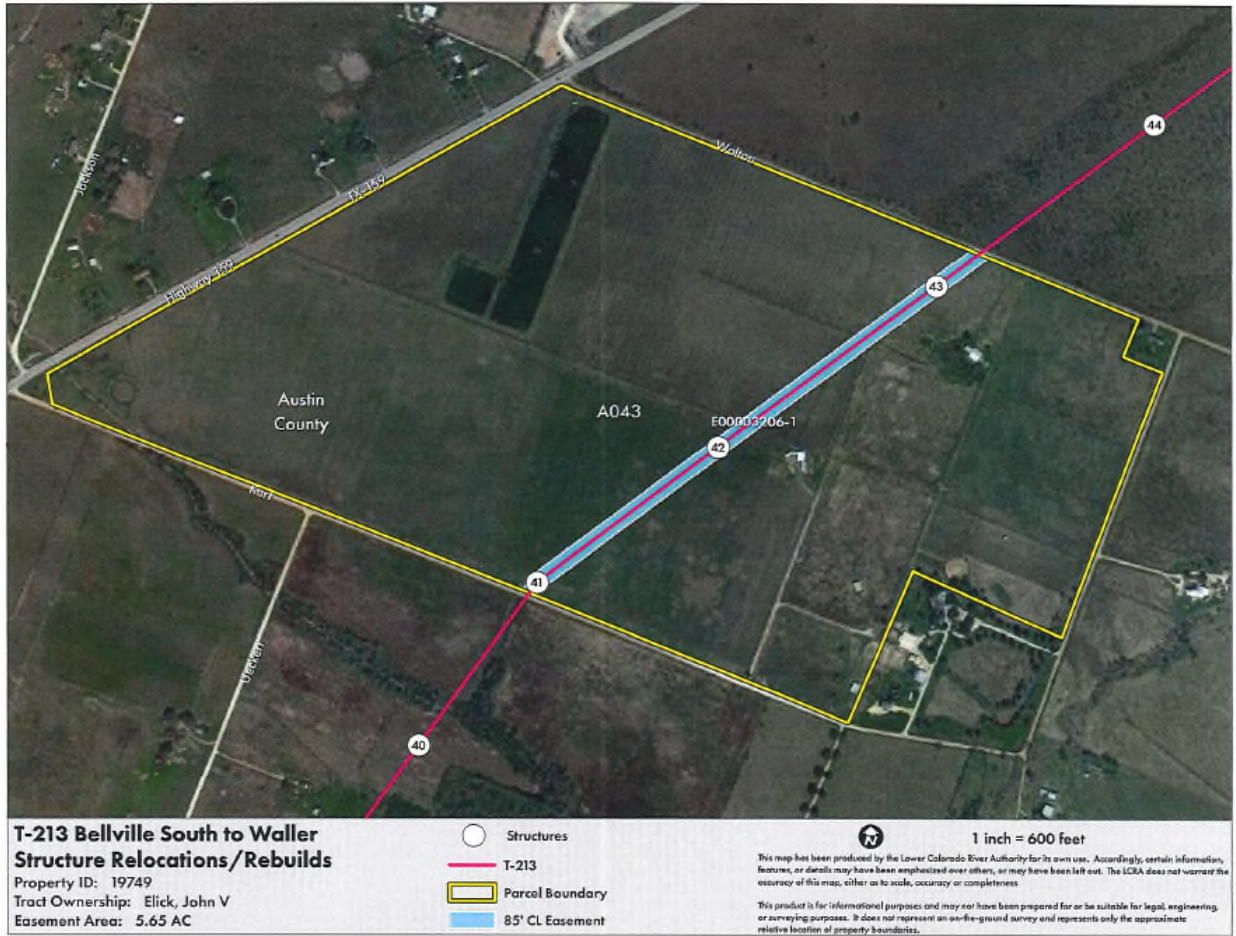


EXHIBIT 1
Page 9 of 27

ELECTRIC LINE EASEMENT AND RIGHT-OF-WAY
THE STATE OF TEXAS | 62003216-4 Transmission Line No. 62
COUNTY OF AUSTIN | File No. 79-5397 Easement No. 31

KNOW ALL MEN BY THESE PRESENTS:

That Arthur L. Jackson et al, hereinafter referred to as "Grantor," (whether one or more), for and in consideration of Ten Dollars and other good and valuable consideration, to Grantor in hand paid by LOWER COLORADO RIVER AUTHORITY, of Austin, Texas (hereinafter called the "Authority") have granted, sold and conveyed and by these presents do grant, sell and convey unto the said Authority, an easement and right-of-way for electric transmission and/or distribution lines, consisting of variable number and sizes of wires, at or near the location and along the general course hereinafter described, across and upon the following described lands located in Austin County, Texas, to-wit:

All that certain tract or parcel of land, being 32.483 acres, more or less, out of the William Smithers Survey, A-90, and being the same land described as 40 acres, less various acreages, in Vol. 17, page 321 in the Mortgage Records of Austin County, Texas. The above-mentioned instruments and the records thereof are adopted herein for all pertinent purposes.

This easement shall consist of a strip of land 85.0 feet wide described by metes and bounds as follows:

Commencing at the most Northerly corner of the above-mentioned 32.483 acres; thence, with the Northeasterly line of said 32.483 acres, S 31° 13' E (Grid Bearing) 651.88 feet to the Beginning Point of this easement; thence, continuing with said Northeasterly line of said 32.483 acres, S 31° 13' E (Grid Bearing) 85.40 feet to a point for corner of this easement; thence, S 53° 15' W (Grid Bearing) 972.99 feet to a point for corner of this easement in the Southwesterly line of said 32.483 acres; thence, with said Southwesterly line of said 32.483 acres, N 47° 47' W (Grid Bearing) 86.60 feet to a point for corner of this easement; thence, N 53° 15' E (Grid Bearing) 997.81 feet to the Beginning Point of this easement and containing 1.92 acres, more or less.

This grant is of an aerial easement only, of a minimum of 35 feet above the surface of the ground; and Grantor reserves the exclusive right to use all of the land for any and all purposes, except only that no obstructions shall be constructed or placed within the easement area which would interfere with the rights herein granted.

The easement described above is shown on plat attached hereto, marked EXHIBIT "A", and incorporated herein by reference.

Together with the right of ingress and egress over 20-foot strips along the outside boundaries of said lands to or from State Hwy. 159 and said right-of-way for the purpose of constructing, reconstructing, inspecting, patrolling, operating, maintaining and removing said lines and appurtenances; the right to place new or additional wire or wires on said lines and to change the sizes thereof; the right to relocate along the same general direction of said lines; the right to remove from said lands all trees and parts thereof, or other obstructions, which endanger or may interfere with the efficiency of said lines or their appurtenances; and the right to place temporary guys, poles, and supporting structures for use in erecting or repairing said lines.

Grantor warrants that Grantor is the owner of said property and has the right to execute this easement.

It is understood and agreed that the consideration herein paid does include payment of the initial foreseeable construction damages, but this easement does not include any damages, if any, which may occur in the future after the original construction of said lines and resulting from the reconstruction, repairing or removal thereof, nor any damages which would not have occurred but for the existence of said lines or activities of Authority hereunder.

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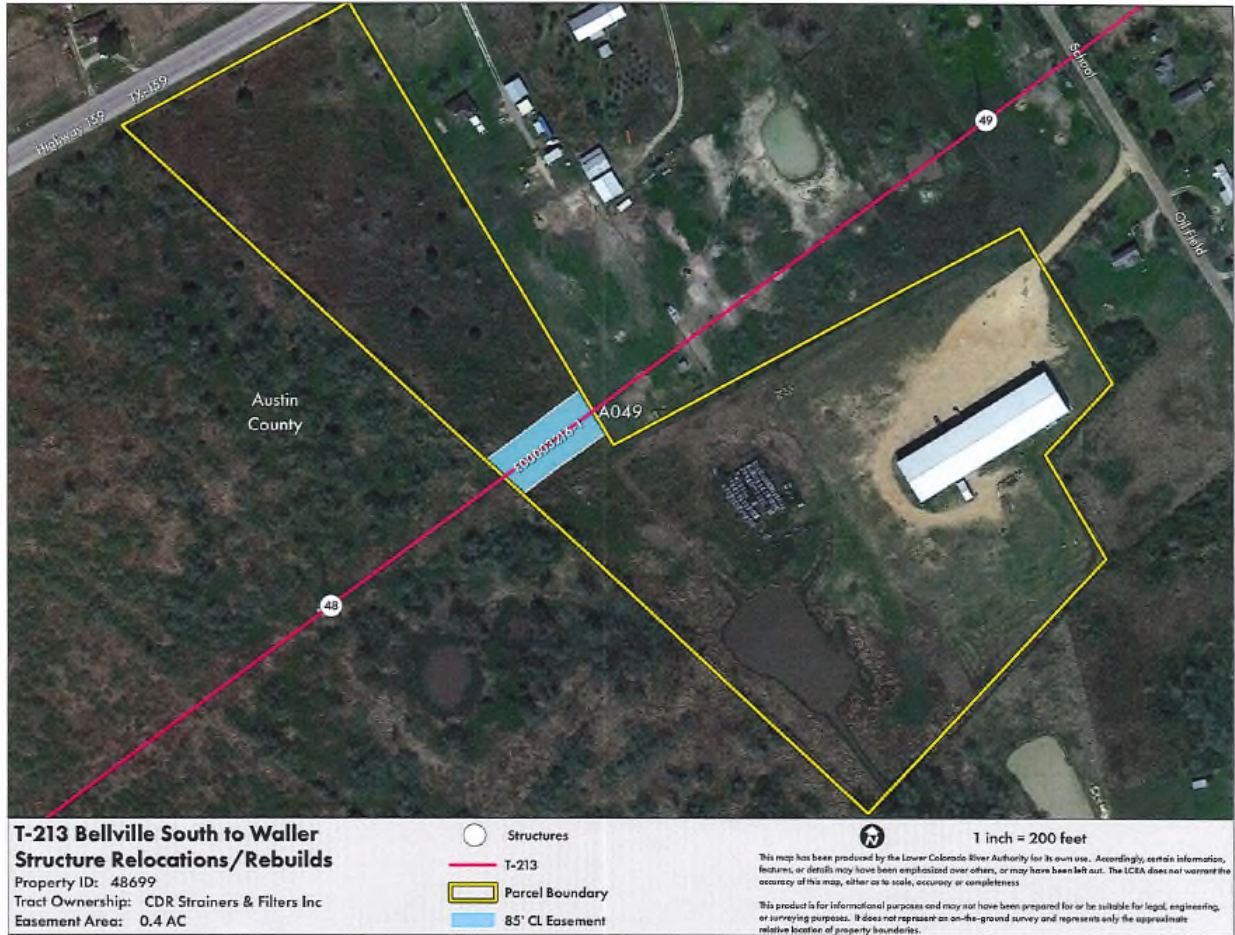


EXHIBIT 1
Page 11 of 27

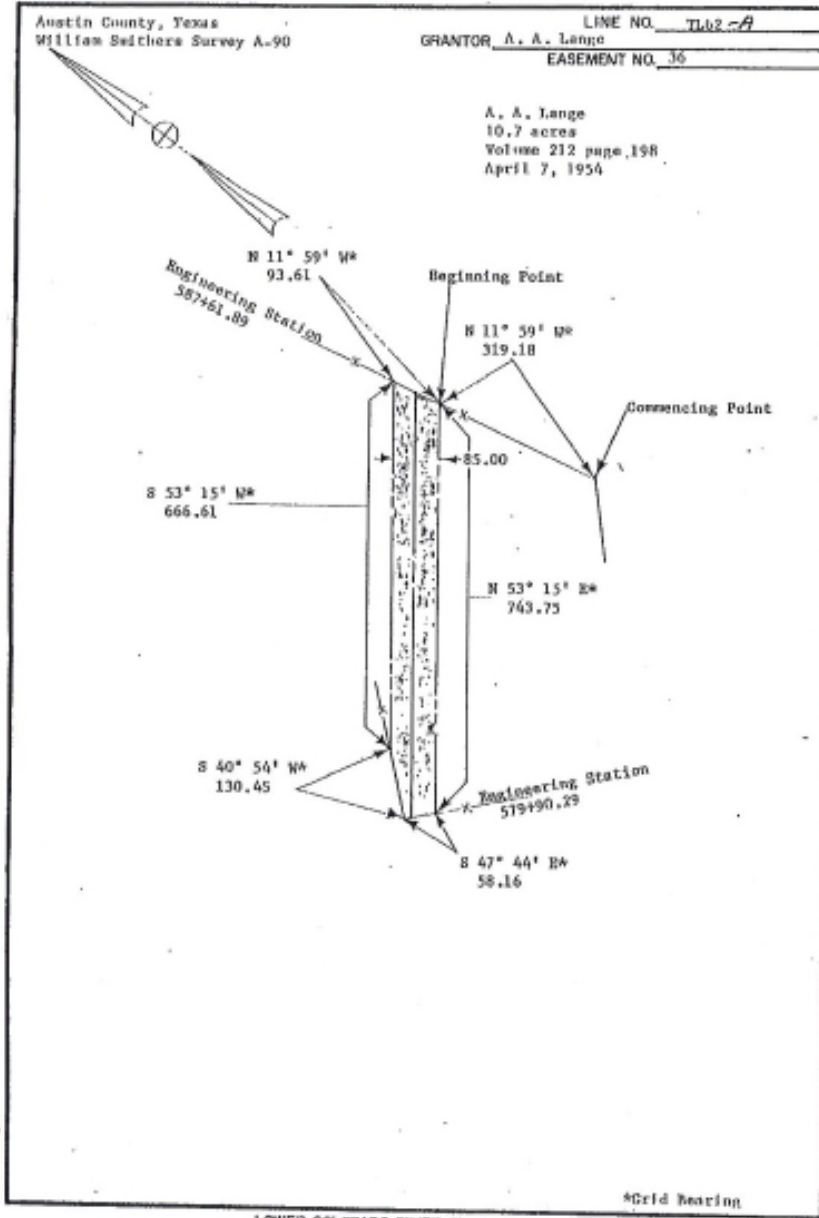


EXHIBIT 1
Page 12 of 27

E0000227-1

(D1-3)

FORM 20



LOWER COLORADO RIVER AUTHORITY
AUSTIN, TEXAS
TRANSMISSION LINE EASEMENT PLAT

EXHIBIT A

LINE NO. TL62-A FROM Bellville South TO Waller EASEMENT NO. 36

SCALE: 1"=200' DATE / / GRANTOR A. A. Lange

EXHIBIT 1
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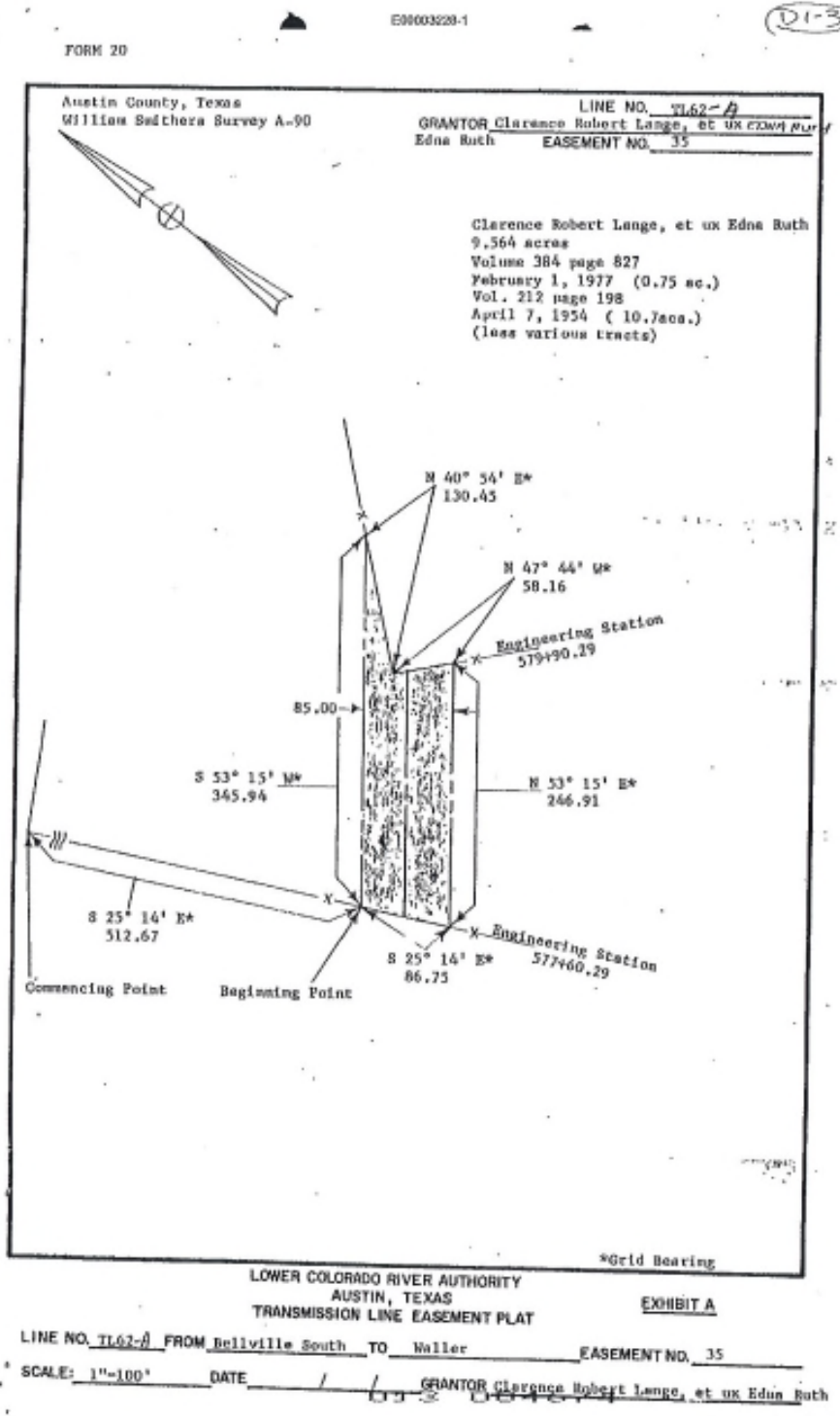
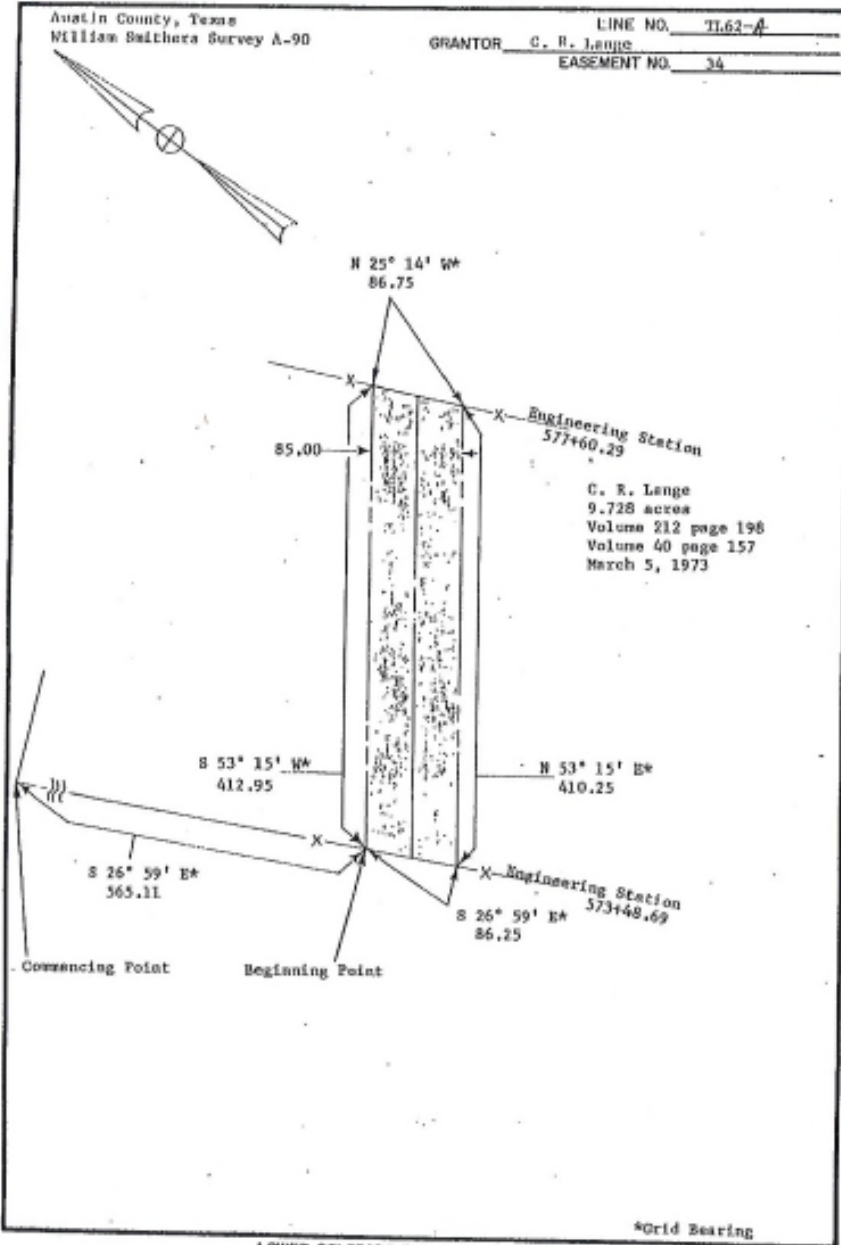


EXHIBIT 1
Page 14 of 27

EC0003228-1

(D1-3)

FORM 20



LOWER COLORADO RIVER AUTHORITY
AUSTIN, TEXAS
TRANSMISSION LINE EASEMENT PLAT

EXHIBIT A

LINE NO. TL62-B FROM Hallville South TO Waller EASEMENT NO. 34

SCALE: 1"=100' DATE 11-1-11 GRANTOR C. R. Lange

EXHIBIT 1
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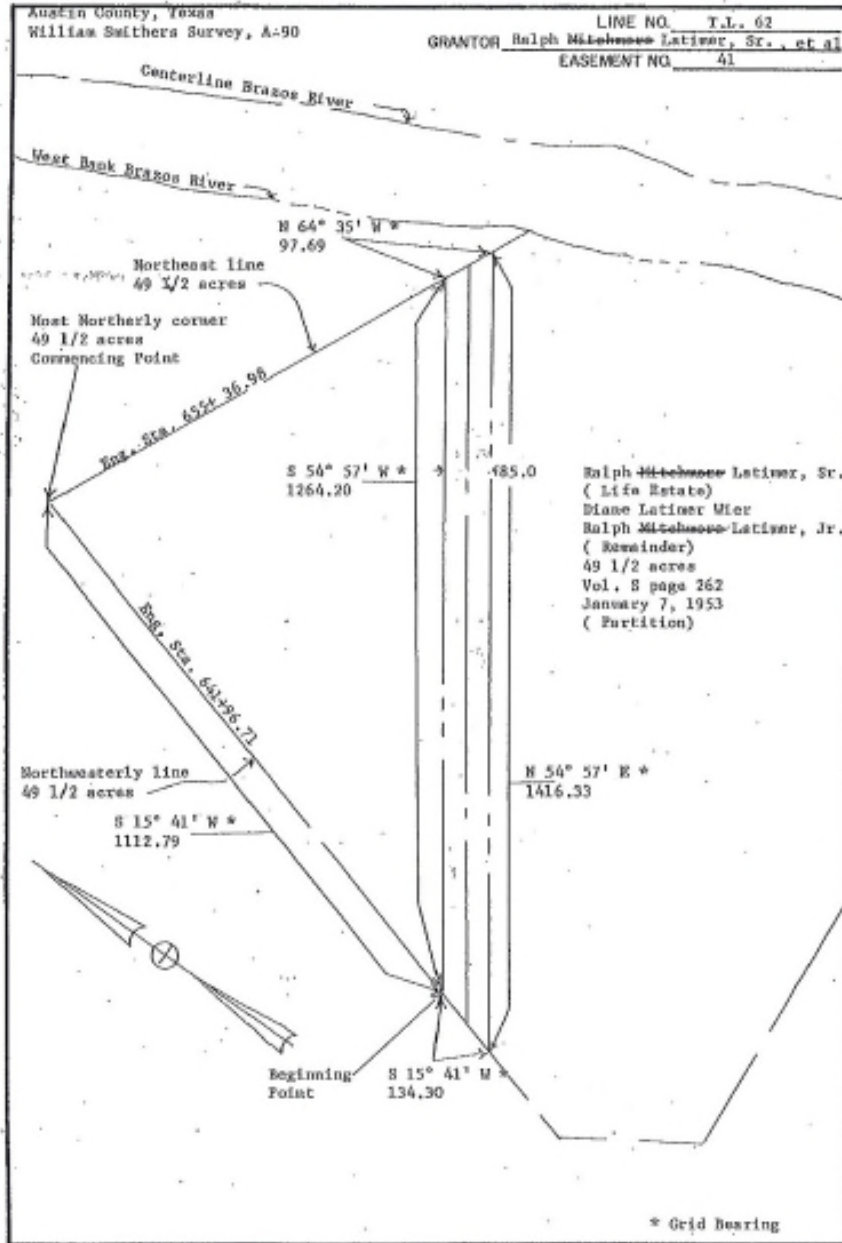


EXHIBIT 1
Page 16 of 27

ES000220-1

(D-5)

FORM 20



LOWER COLORADO RIVER AUTHORITY
AUSTIN, TEXAS
TRANSMISSION LINE EASEMENT PLAT

EXHIBIT A

LINE NO. T.L. 62 FROM Bellville South TO Waller EASEMENT NO. 41

SCALE: 1" = 200' DATE / / GRANTOR ~~Ralph Mitchemoe Latimer, Sr., et al~~

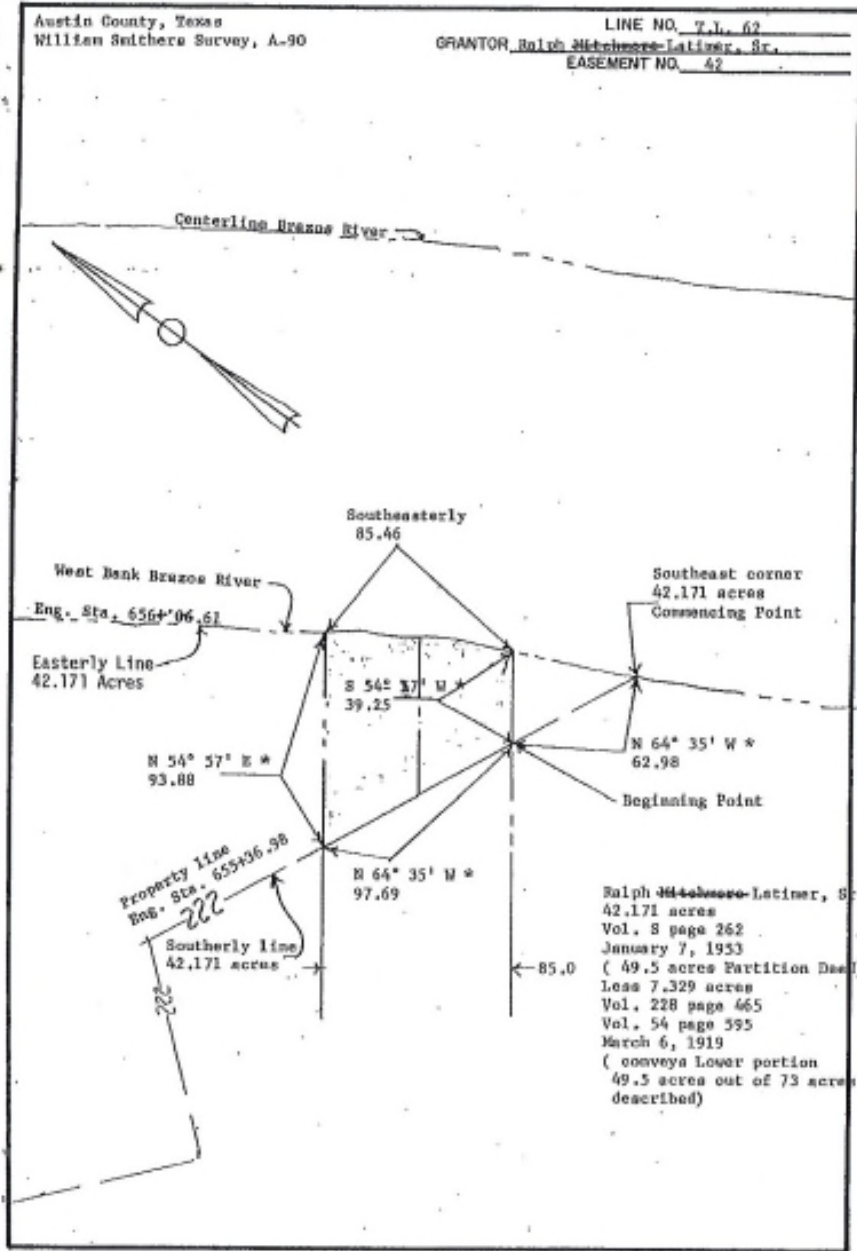
City of Austin, Texas

EXHIBIT 1
Page 17 of 27

E0003231-1

(21-3)

FORM 20



LOWER COLORADO RIVER AUTHORITY
AUSTIN, TEXAS
TRANSMISSION LINE EASEMENT PLAT

EXHIBIT A

LINE NO. _____ FROM _____ TO _____ EASEMENT NO. _____
SCALE: _____ DATE _____ GRANTOR _____

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EXHIBIT 1
Page 18 of 27

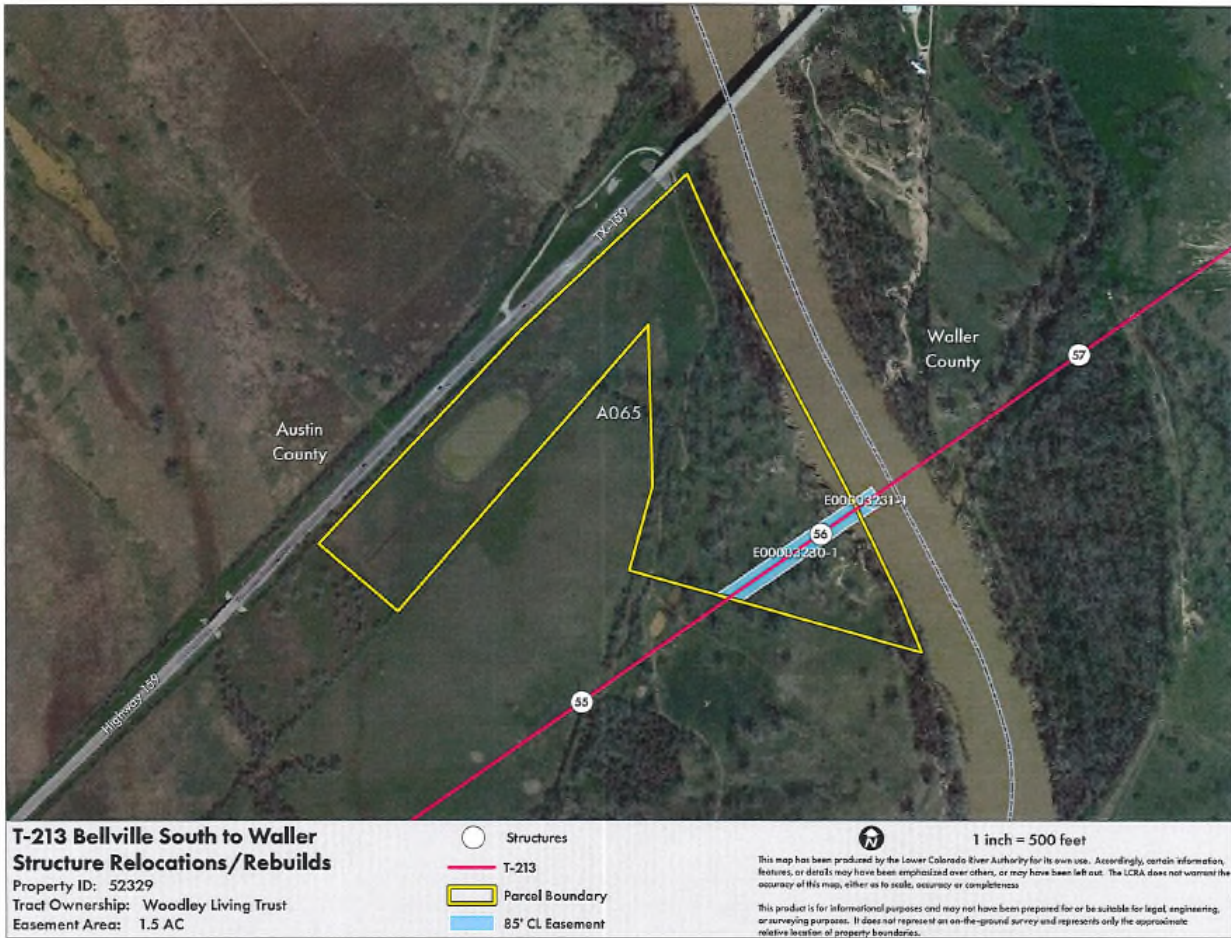


EXHIBIT 1
Page 19 of 27

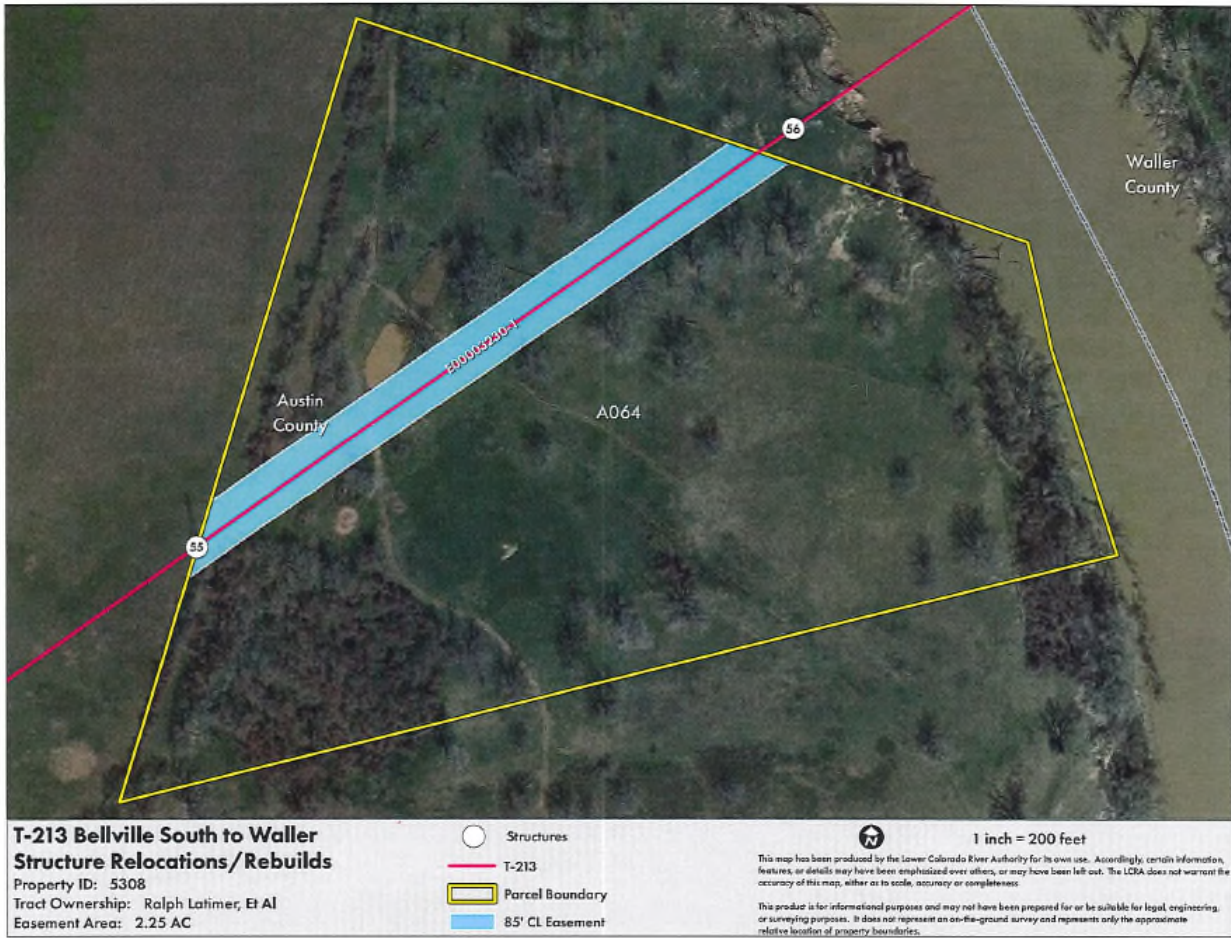


EXHIBIT 1
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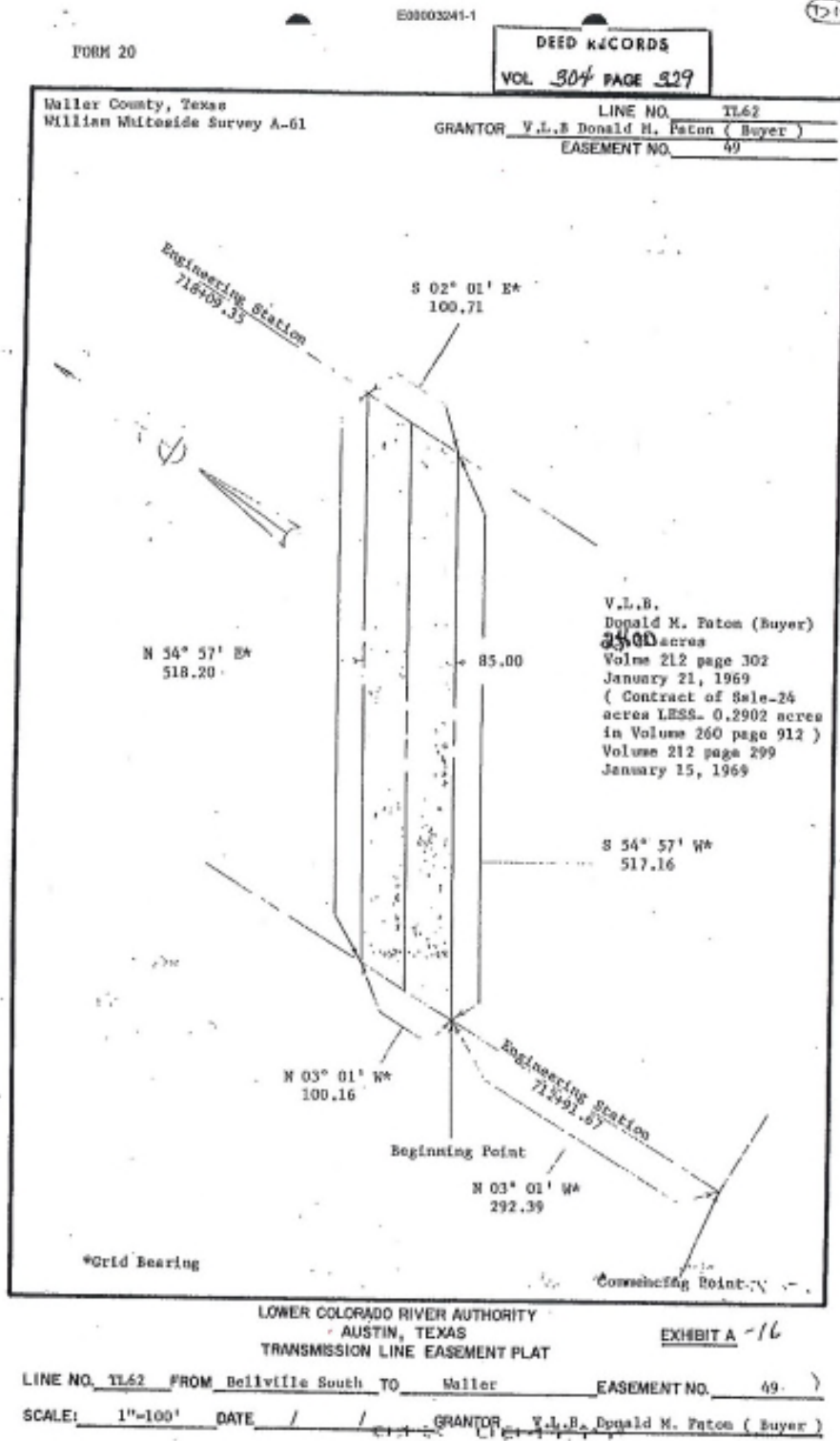


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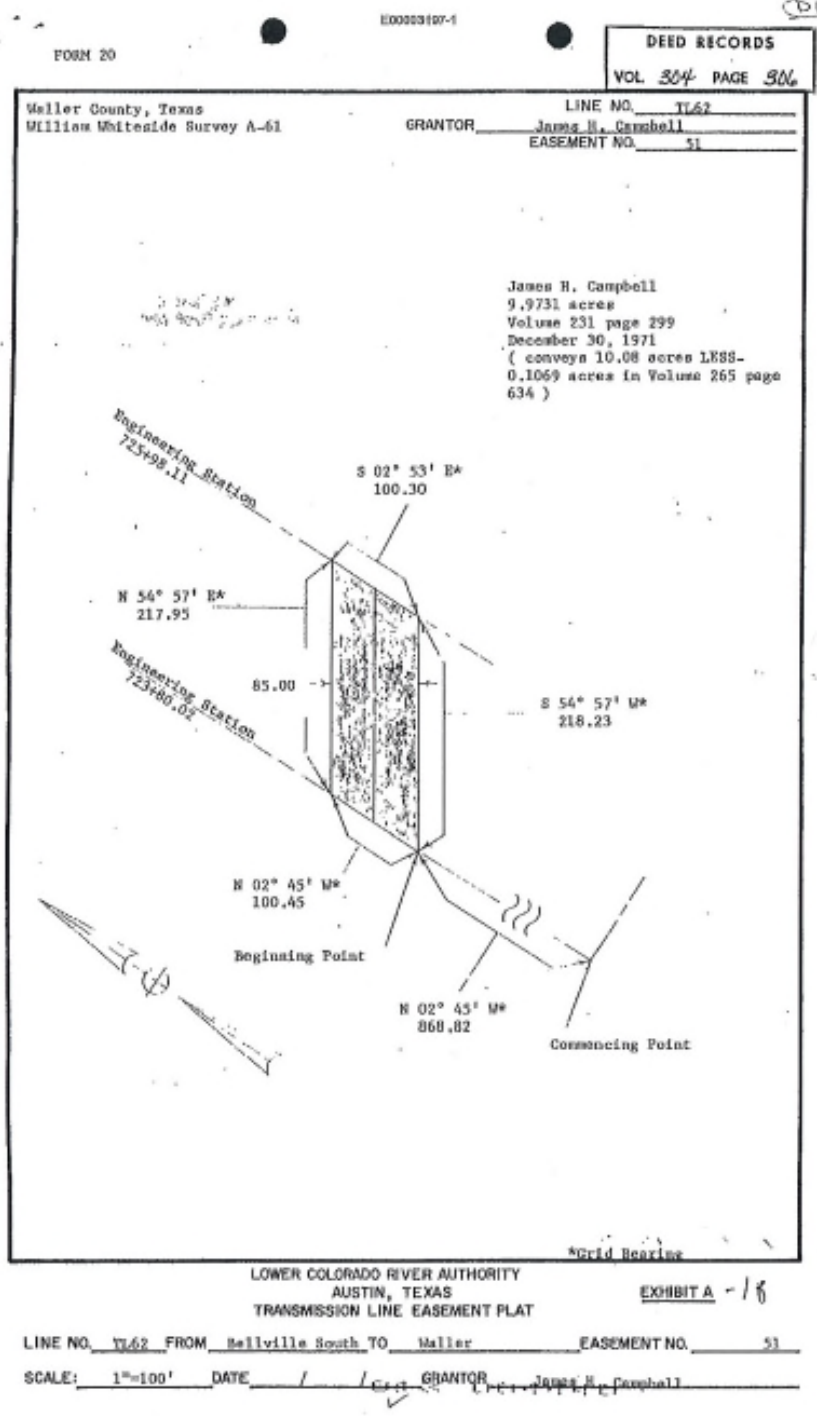


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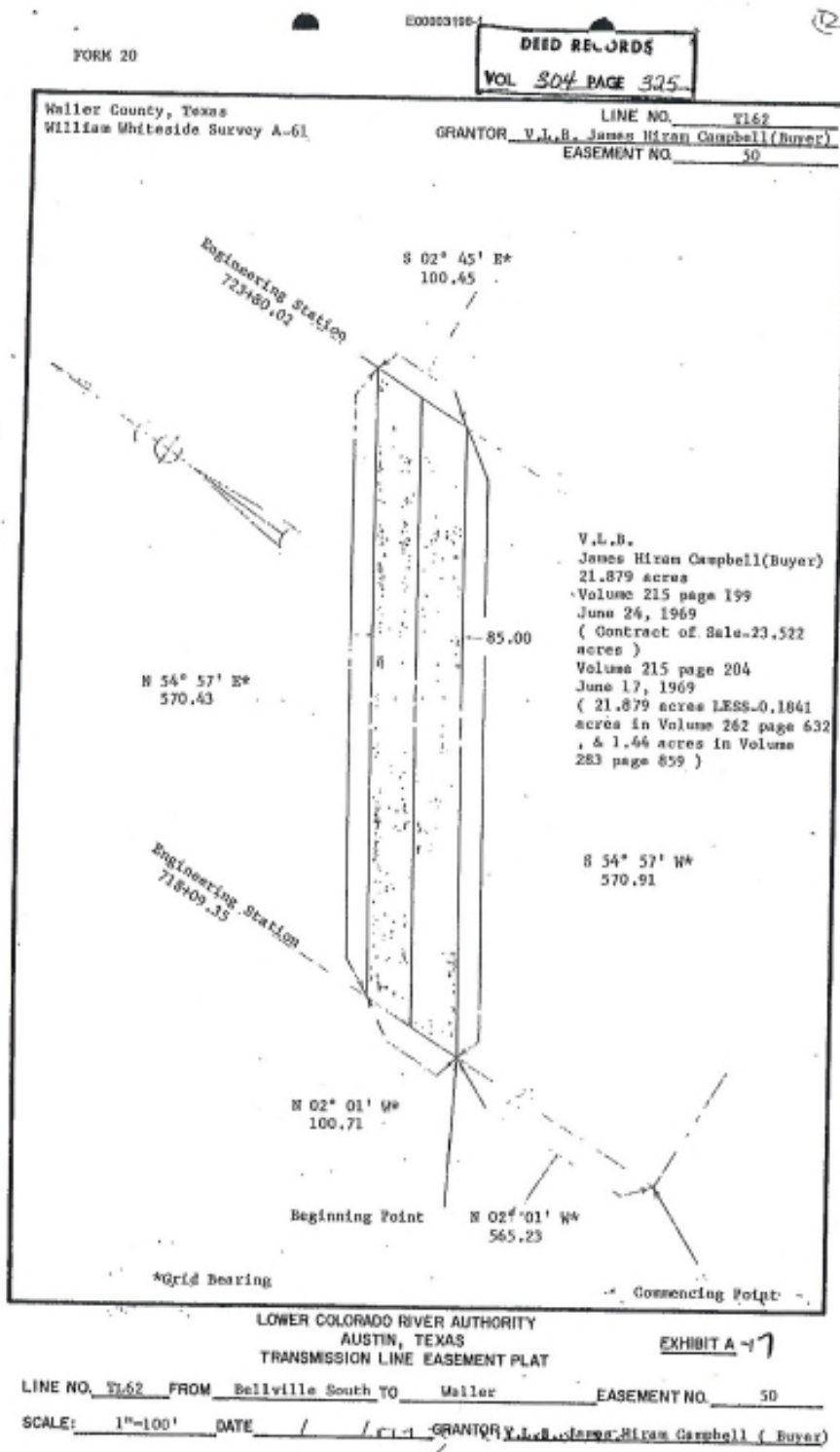


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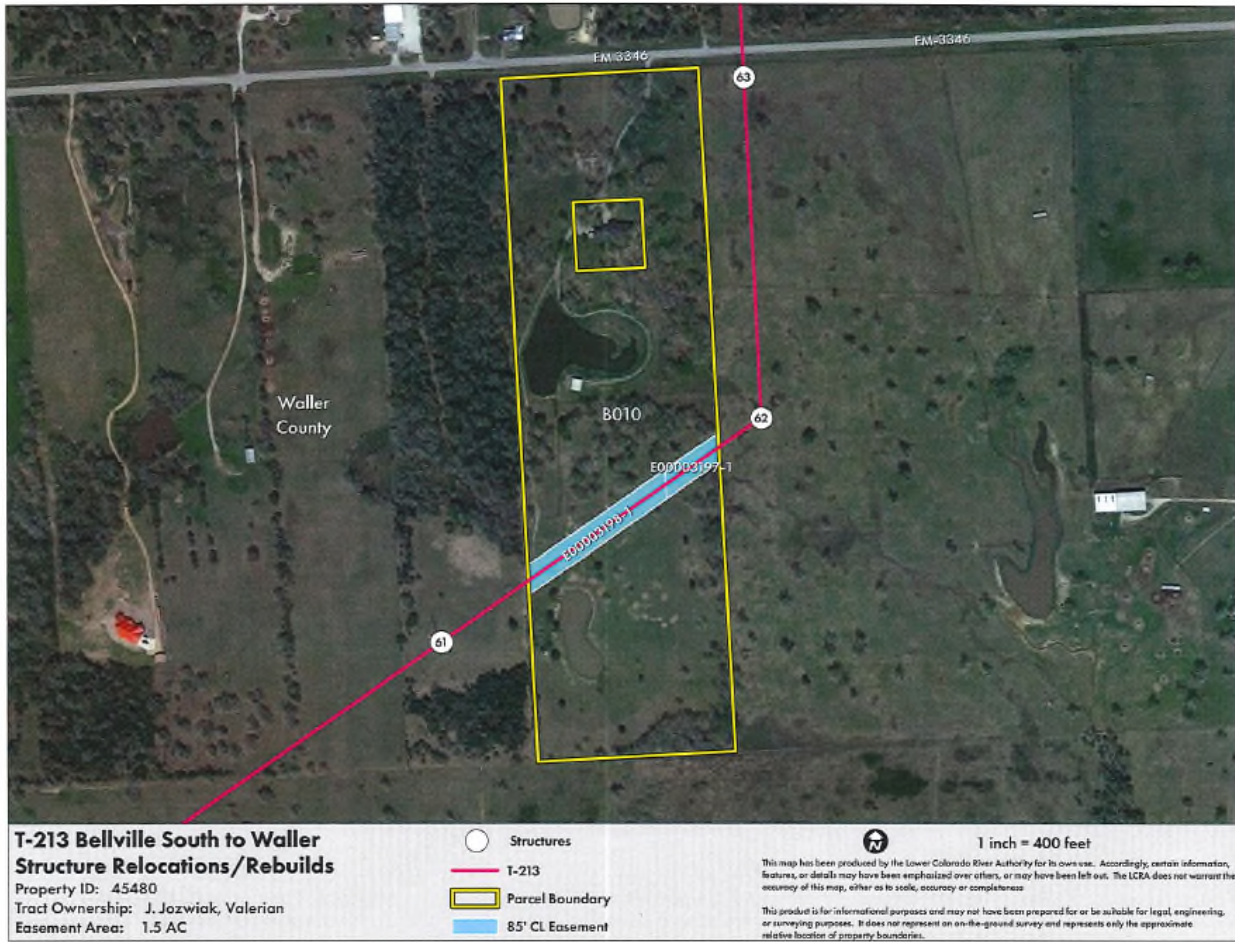
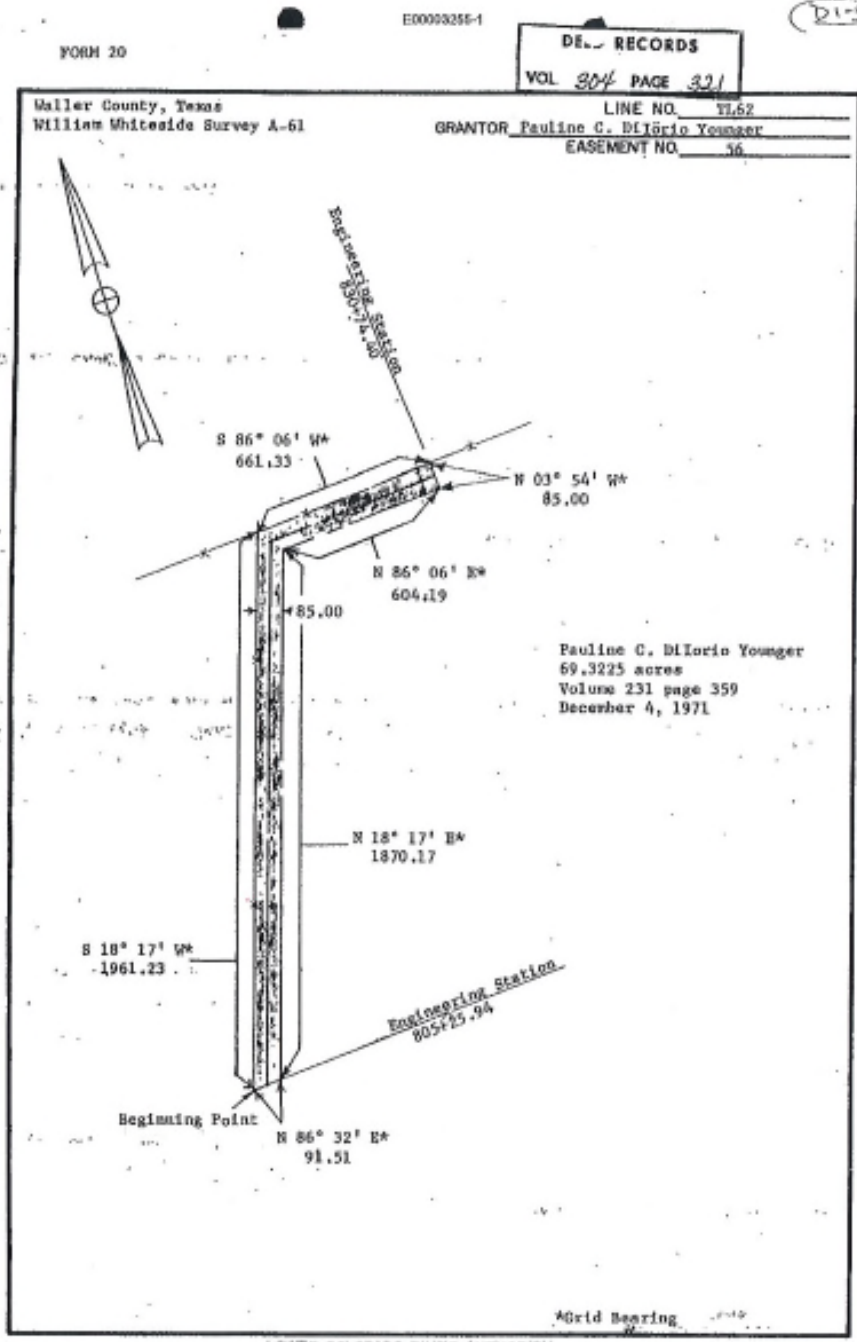


EXHIBIT 1
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LOWER COLORADO RIVER AUTHORITY
AUSTIN, TEXAS
TRANSMISSION LINE EASEMENT PLAT

EXHIBIT A

LINE NO. TL62 FROM Bellville South TO Waller EASEMENT NO. 56

SCALE: 1"=400' DATE / / GRANTOR Pauline C. DiIorio Younger

C.A. DEED RECORDS

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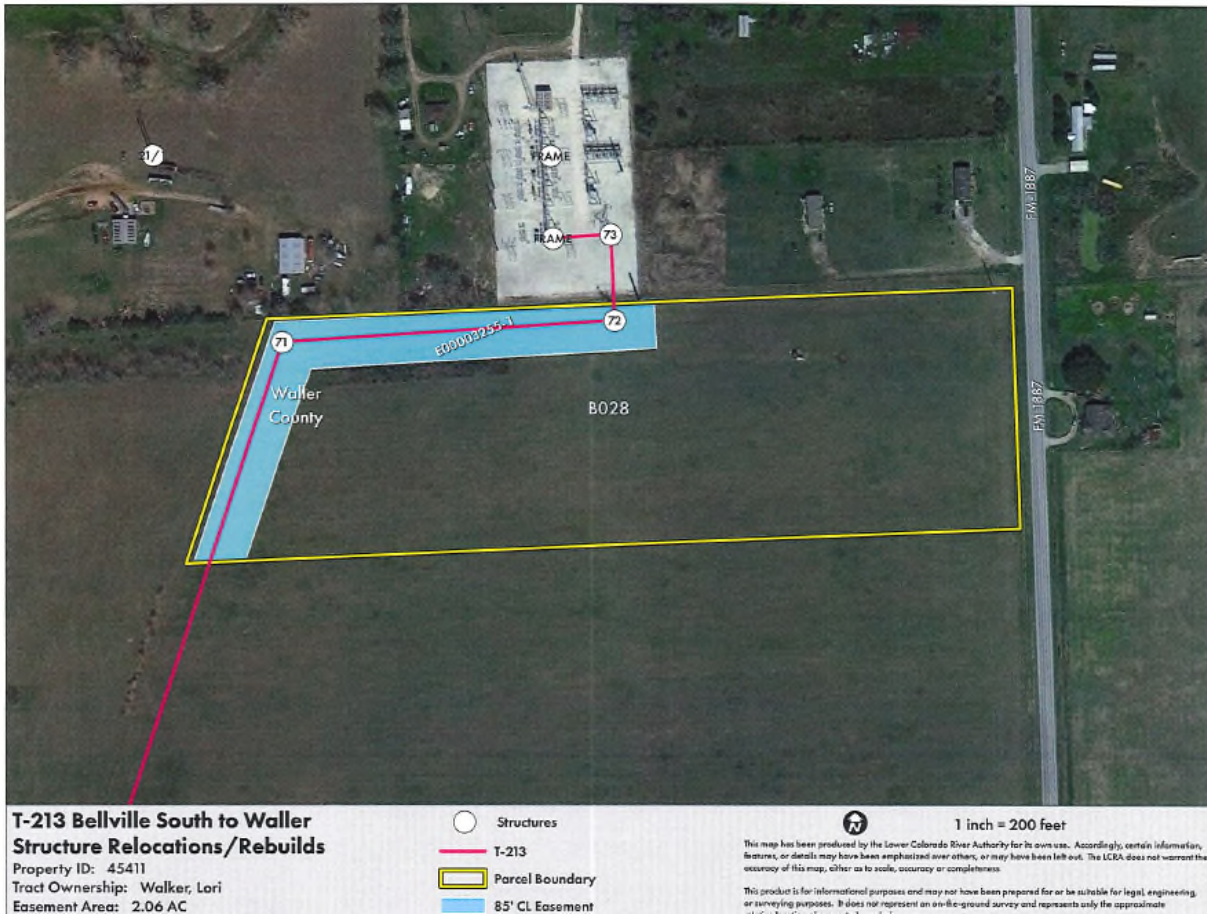
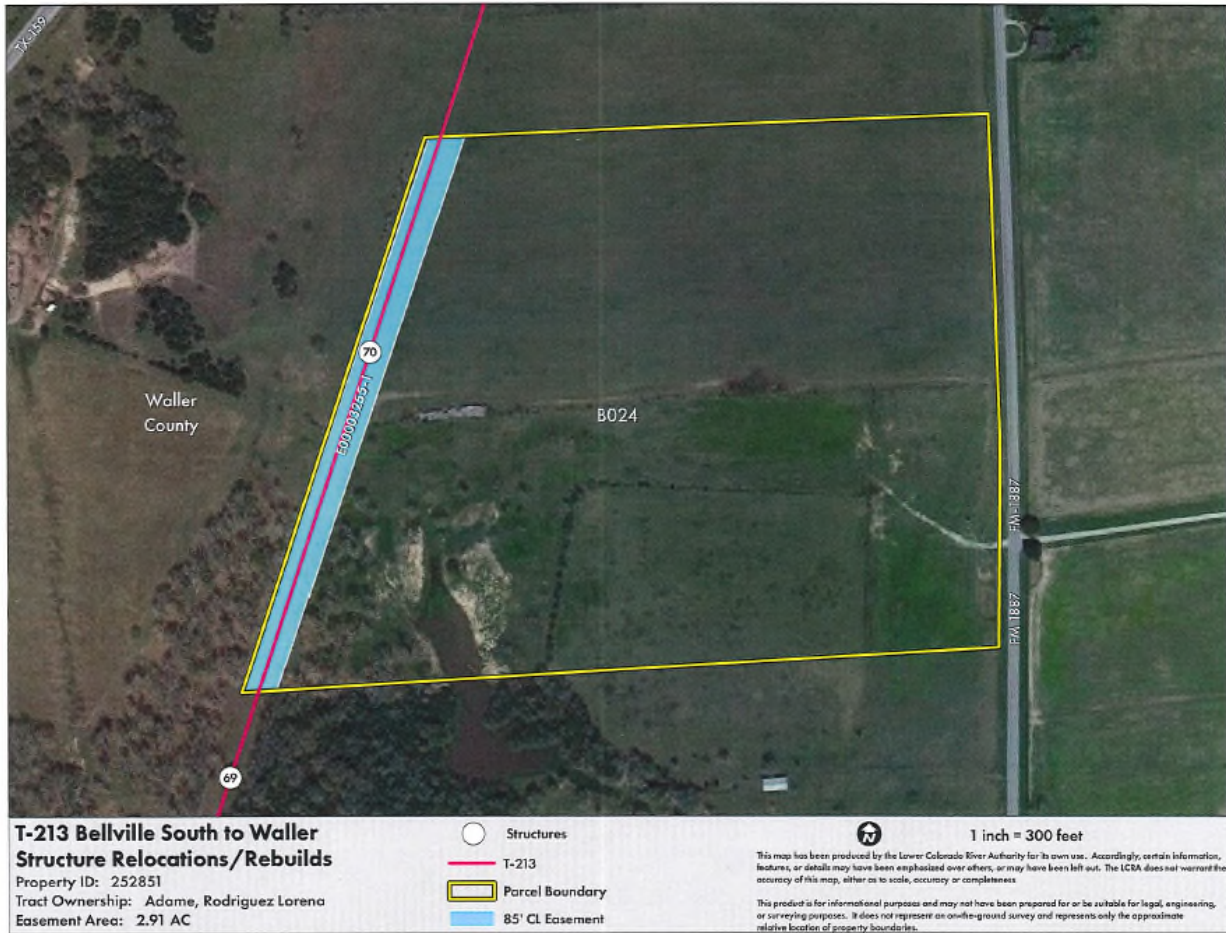


EXHIBIT 1
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FOR ACTION

9. Acquisition of Interests in Real Property – Use of Eminent Domain in Austin County

Proposed Motion

I move that the LCRA Transmission Services Corporation Board adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the property described in Exhibit 1 to the resolution for the Welcome Substation Addition project; and that the first record vote applies to all units of property to be condemned.

Board Consideration

LCRA Transmission Services Corporation Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

Budget Status and Fiscal Impact

The acquisition cost was included in the Board-approved budget for the Welcome Substation Addition project.

Summary

LCRA TSC proposes to purchase approximately five acres in fee simple in Austin County for the Welcome Substation Addition project. Paul Hornsby & Company performed an independent appraisal of the interests in real property to be acquired to determine just compensation to the landowner.

Staff has made a bona fide offer to acquire the necessary interests in real property voluntarily from the landowner listed on Exhibit C, as required by Sec. 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. Staff seeks Board authorization to proceed with condemnation if it cannot reach agreement with the landowner.

A description of the specific property to be acquired is identified on Exhibit 1.

LCRA TSC representatives performed environmental and cultural due diligence studies and did not identify any concerns. Staff requests the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

Presenter(s)

Steven T. Brown
Director, Real Estate Services

Exhibit(s)

A – Vicinity Map

B – Site Map

C – Landowner List

D – Resolution

1 – Description of Specific Property

EXHIBIT A

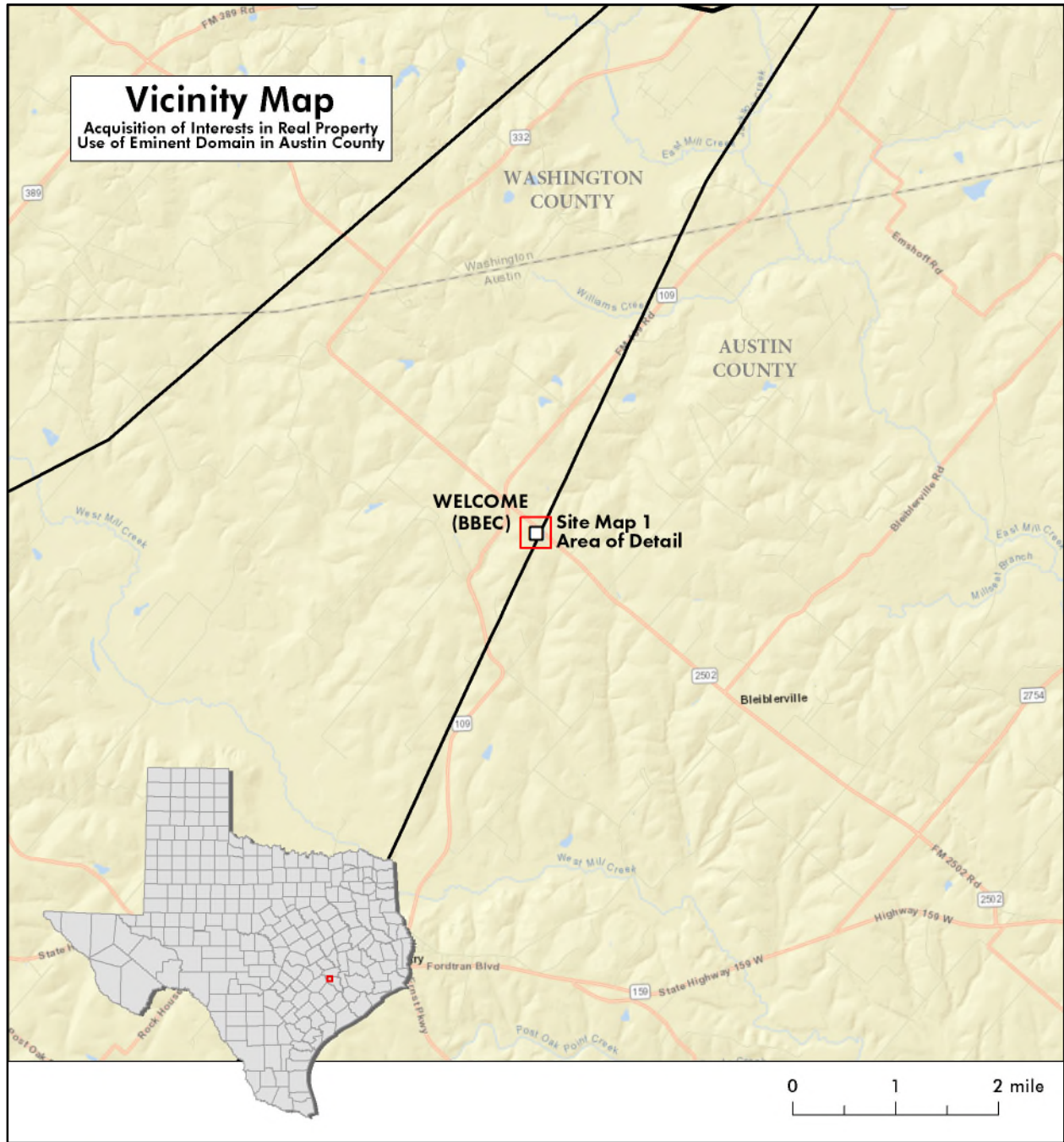


EXHIBIT B



EXHIBIT C

	Landowner	Approximate Parent Tract Acreage	Land Rights	Approximate Acquisition Acreage	County	Approximate Value
1	Karen Schobel	42.16 acres	Fee simple	4.7 acres	Austin	\$46,400

EXHIBIT D

Page 1 of 2

PROPOSED MOTION

I MOVE THAT THE BOARD OF LCRA TRANSMISSION SERVICES CORPORATION ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTY DESCRIBED IN EXHIBIT 1 TO THE RESOLUTION FOR THE WELCOME SUBSTATION ADDITION PROJECT; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.

RESOLUTION

AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY BY CONDEMNATION IN AUSTIN COUNTY FOR A FEE SIMPLE PURCHASE.

WHEREAS, LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public uses of construction, operation and maintenance of an electric substation site in Austin County; and

WHEREAS, an independent, professional appraisal of the subject property has been submitted to LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

NOW, THEREFORE, BE IT RESOLVED that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowner listed in the attached Exhibit C for the construction of the Welcome Substation Addition project, with the description of the location of and interest in the property LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity requires the acquisition of said interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such uses; that LCRA Transmission Services Corporation does not intend to acquire rights to groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in real property from the landowner(s) voluntarily as required by Sec. 21.0113 of the Texas Property Code; and that at such time as LCRA Transmission Services Corporation has determined that the landowner(s) and LCRA Transmission Services Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to

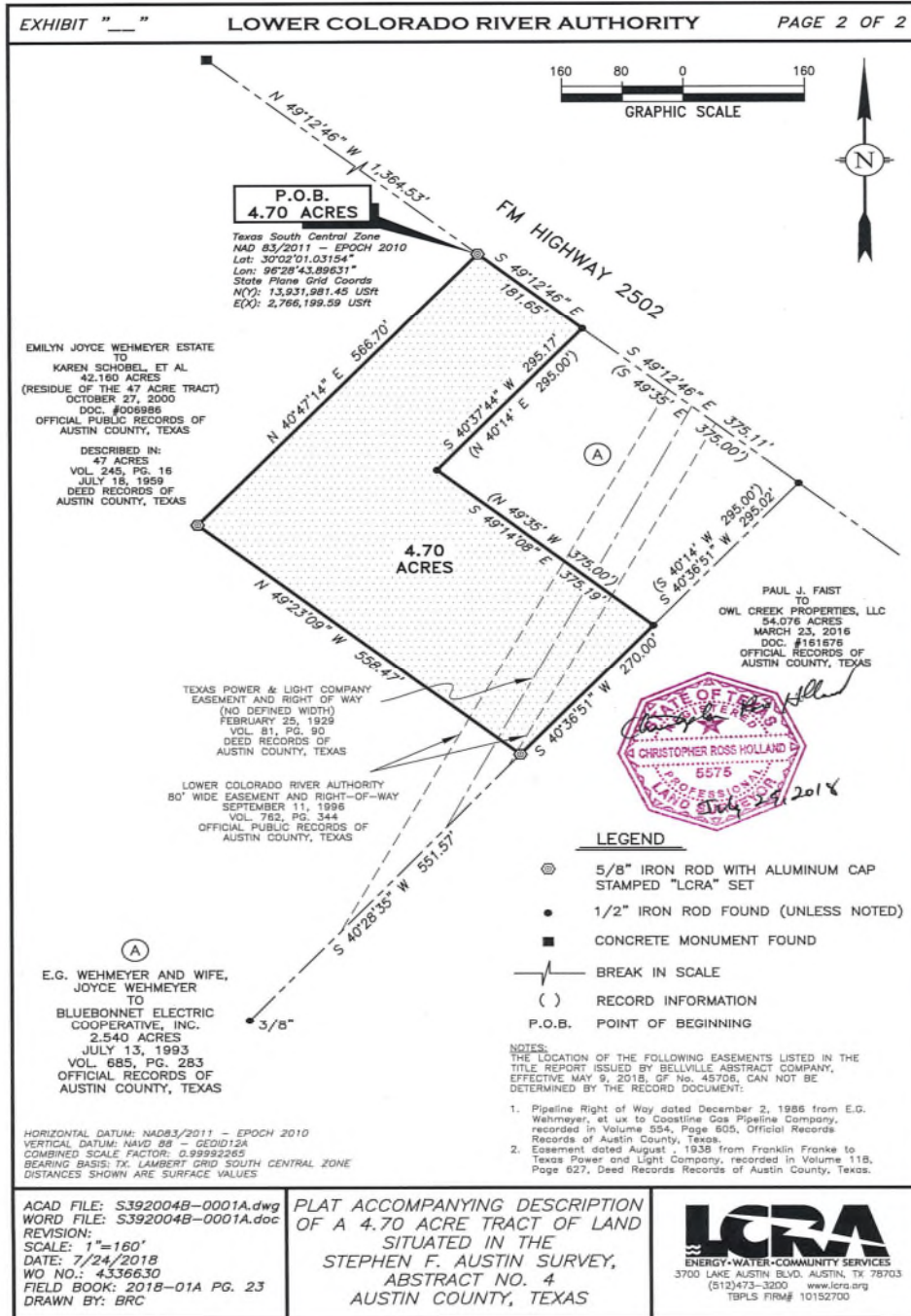
EXHIBIT D

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initiate condemnation proceedings against the owner of the property, and against all other owners, lien holders, and other holders of an interest in the property, in order to acquire the necessary interests in real property, and that this resolution take effect immediately from and after its passage;

BE IT FURTHER RESOLVED that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interest in real property that are proper and convenient for the operation of the substation site.

EXHIBIT 1



FOR ACTION

10. Acquisition of Interests in Real Property – Use of Eminent Domain in Williamson County

Proposed Motion

I move that the LCRA Transmission Services Corporation Board adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of easements for the Leander-to-Round Rock Transmission Line Addition project; and that the first record vote applies to all units of property to be condemned.

Board Consideration

LCRA Transmission Services Corporation Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

Budget Status and Fiscal Impact

The acquisition costs were included in the Board approved budget for the Leander-to-Round Rock Transmission Line Addition Project.

Summary

LCRA TSC proposes to acquire transmission line easements in Williamson County for the Leander-to-Round Rock Transmission Line Addition project. Kokel-Oberrender-Wood Appraisal Ltd. performed an independent appraisal of the interests in real properties to be acquired to determine just compensation to the landowners.

Staff made an initial offer to acquire the necessary interests in real property voluntarily from the landowners listed on Exhibit C, as required by Sec. 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. Staff seeks Board authorization to proceed with condemnation if an agreement cannot be reached with the landowners.

Staff has provided to the Board a description of the specific properties to be acquired and will attach the description to the resolution.

LCRA TSC representatives have performed environmental and cultural due diligence studies and no concerns were identified. Staff requests the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

Presenter(s)

Steven T. Brown
Director, Real Estate Services

Exhibit(s)

- A – Vicinity Map
- B – Site Maps
- C – Landowner List
- D – Resolution
- 1 – Description of the Specific Properties

EXHIBIT A

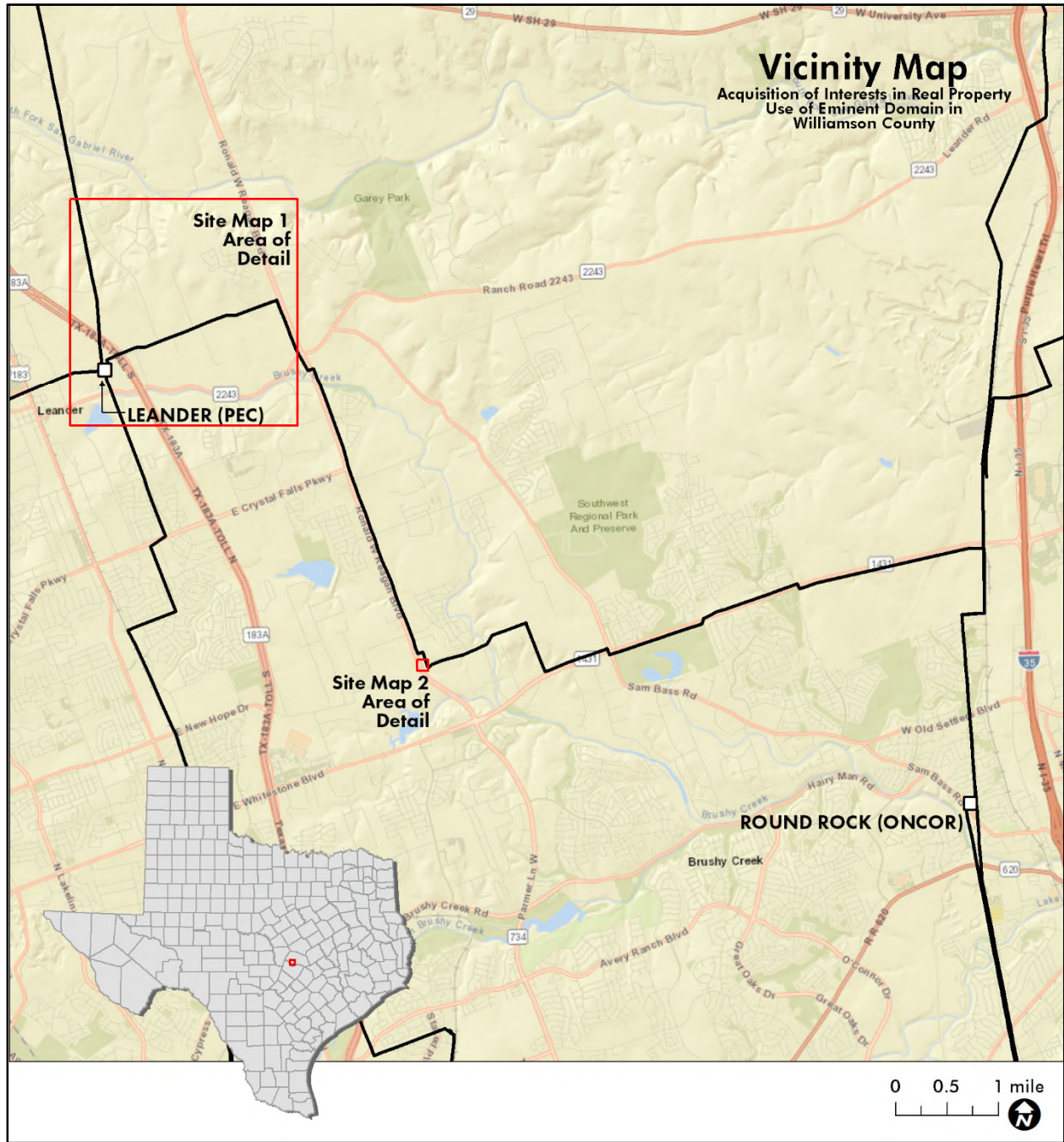


EXHIBIT B

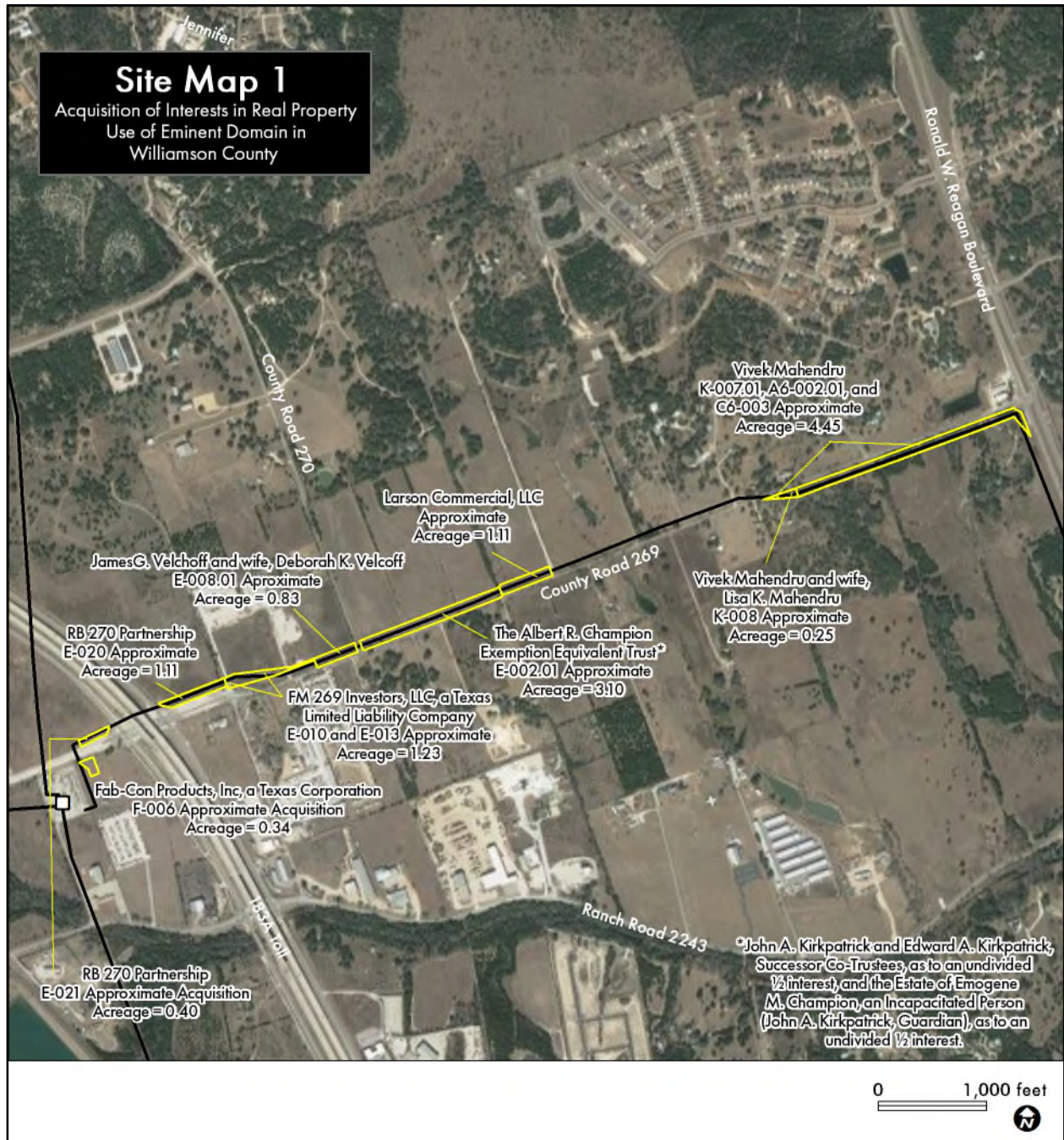


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EXHIBIT C

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Parcel ID	Landowners	Approximate Parent Tract Acreage	Land Rights	Approximate Acquisition Acreage	County	Approximate Value
F-006	Fab-Con Products Inc., a Texas Corporation	76.0 acres	Easement	0.34 acres	Williamson	\$680,000
E-021	RB 270 Partnership	269.0 acres	Easement	0.40 acres	Williamson	\$1,083,000
E-020	RB 270 Partnership	269.0 acres	Easement	1.11 acres	Williamson	\$1,252,000
E-010 E-013	FM 269 Investors, LLC, a Texas Limited Liability Company	20.0 acres	Easement	1.23 acres	Williamson	\$504,000
E-008.01	James G. Velchoff and wife, Deborah K. Velchoff	10.0 acres	Easement	0.83 acres	Williamson	\$212,000
E-002.01	The Albert R. Champion Exemption Equivalent Trust (John A. Kirkpatrick and Edward A. Kirkpatrick, Successor Co- Trustees), as to an undivided ½ interest, and the Estate of Emogene M. Champion, an Incapacitated Person (John A. Kirkpatrick, Guardian), as to an undivided ½ interest	110.0 acres	Easement	3.10 acres	Williamson	\$638,000
E-001 K-022	Larson Commercial, LLC	25.99 acres	Easement	1.11 acres	Williamson	\$261,000

EXHIBIT C

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Parcel ID	Landowners	Approximate Parent Tract Acreage	Land Rights	Approximate Acquisition Acreage	County	Approximate Value
K-008	Vivek Mahendru and wife, Lisa K. Mahendru	1.0 acres	Easement	0.25 acres	Williamson	\$81,000
K-007.01 A6-002.01 C6-003	Vivek Mahendru	94.0 acres	Easement	4.45 acres	Williamson	\$1,412,000
B2-003	Sree Sai Ganesh, LLC	4.6 acres	Easement	0.09 acres	Williamson	\$170,000

EXHIBIT D

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PROPOSED MOTION

I MOVE THAT THE BOARD OF LCRA TRANSMISSION SERVICES CORPORATION ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTY DESCRIBED IN EXHIBIT 1 TO THE RESOLUTION FOR THE LEANDER-S2-S1-ROUND ROCK TRANSMISSION LINE ADDITION PROJECT; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.

**RESOLUTION
AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY
BY CONDEMNATION IN WILLIAMSON COUNTY FOR
TRANSMISSION LINE EASEMENTS.**

WHEREAS, the LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public purposes of construction, operation, and maintenance of an electric transmission line in Williamson County; and

WHEREAS, an independent, professional appraisal of the subject property has been submitted to the LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

NOW, THEREFORE, BE IT RESOLVED that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowner(s) listed in the attached Exhibit C for the Leander-to-Round Rock Transmission Line Addition project, with the description of the location of and interest in the property that LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity requires the acquisition of said interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such purposes; that LCRA Transmission Services Corporation does not intend to acquire rights to groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in real property from the landowner(s) voluntarily as required by Sec. 21.0113 of the Texas Property Code; and that at such time as LCRA Transmission Services Corporation has determined that the landowner(s) and LCRA Transmission Services Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to initiate condemnation proceedings against the owner of the property, and against all other owners, lien

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holders, and other holders of an interest in the property, in order to acquire the necessary interests in real property; and that this resolution take effect immediately from and after its passage;

BE IT FURTHER RESOLVED that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interest in real property that are proper and convenient for the operation of the electric transmission line.

EXHIBIT 1
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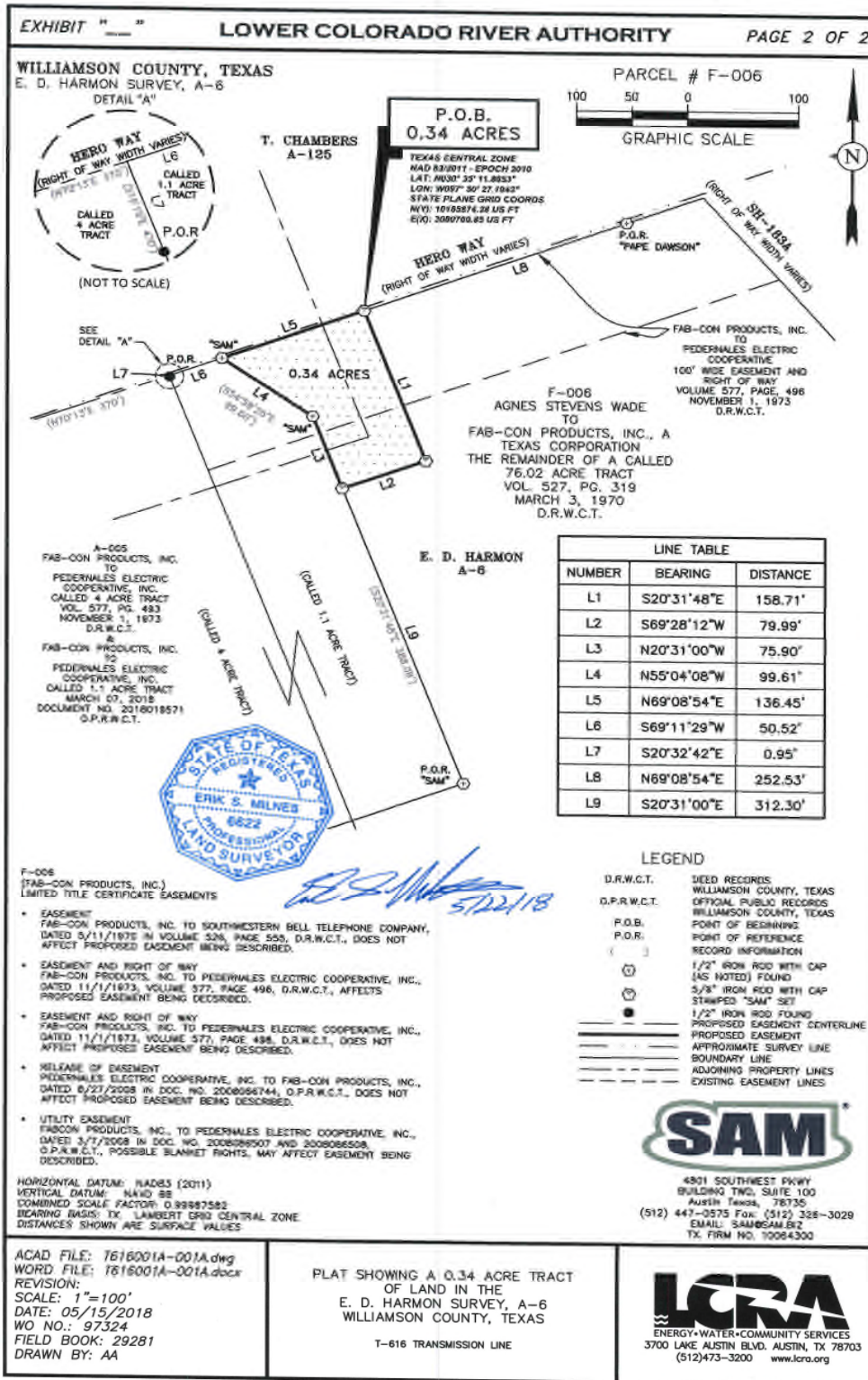


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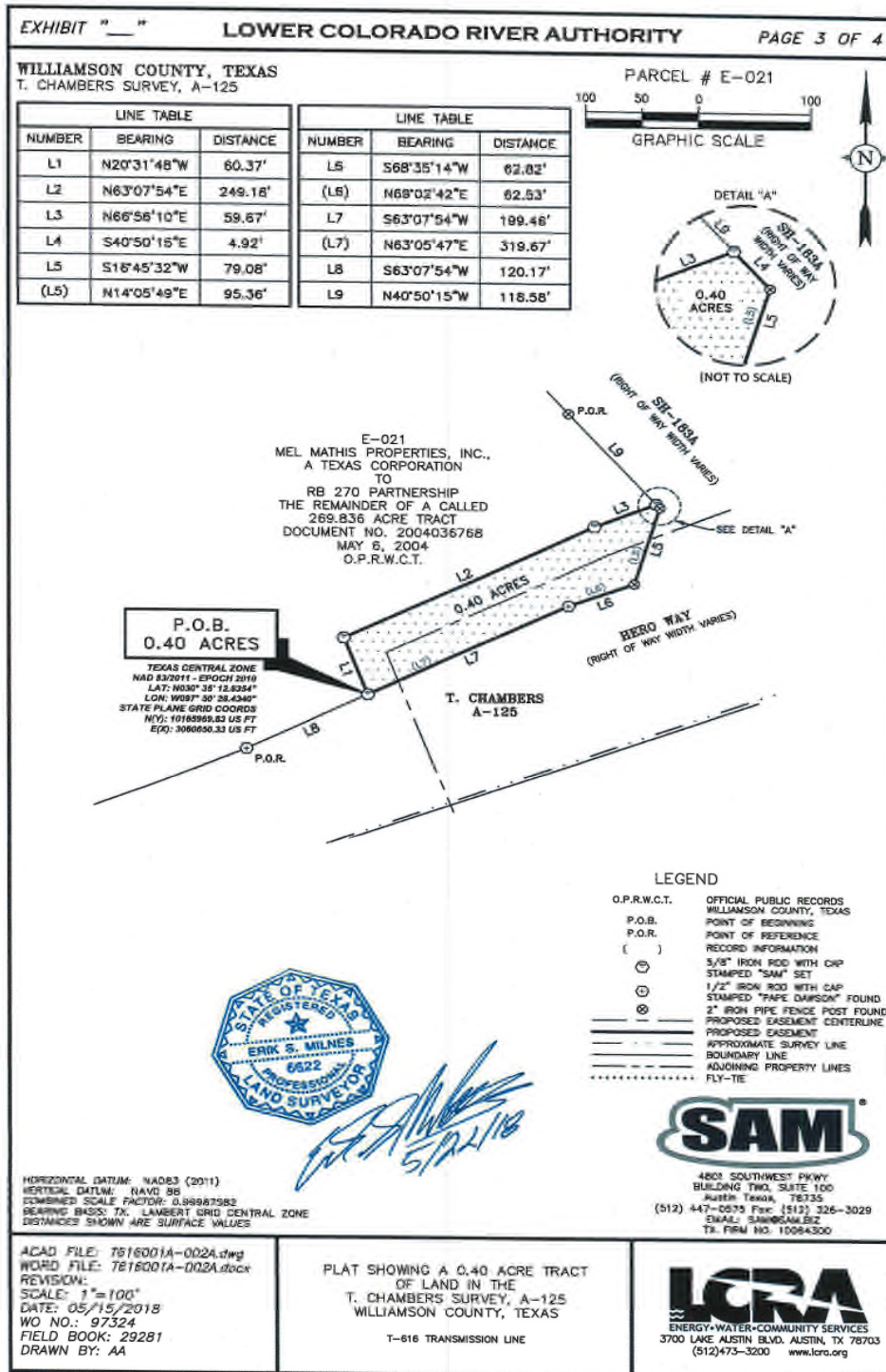


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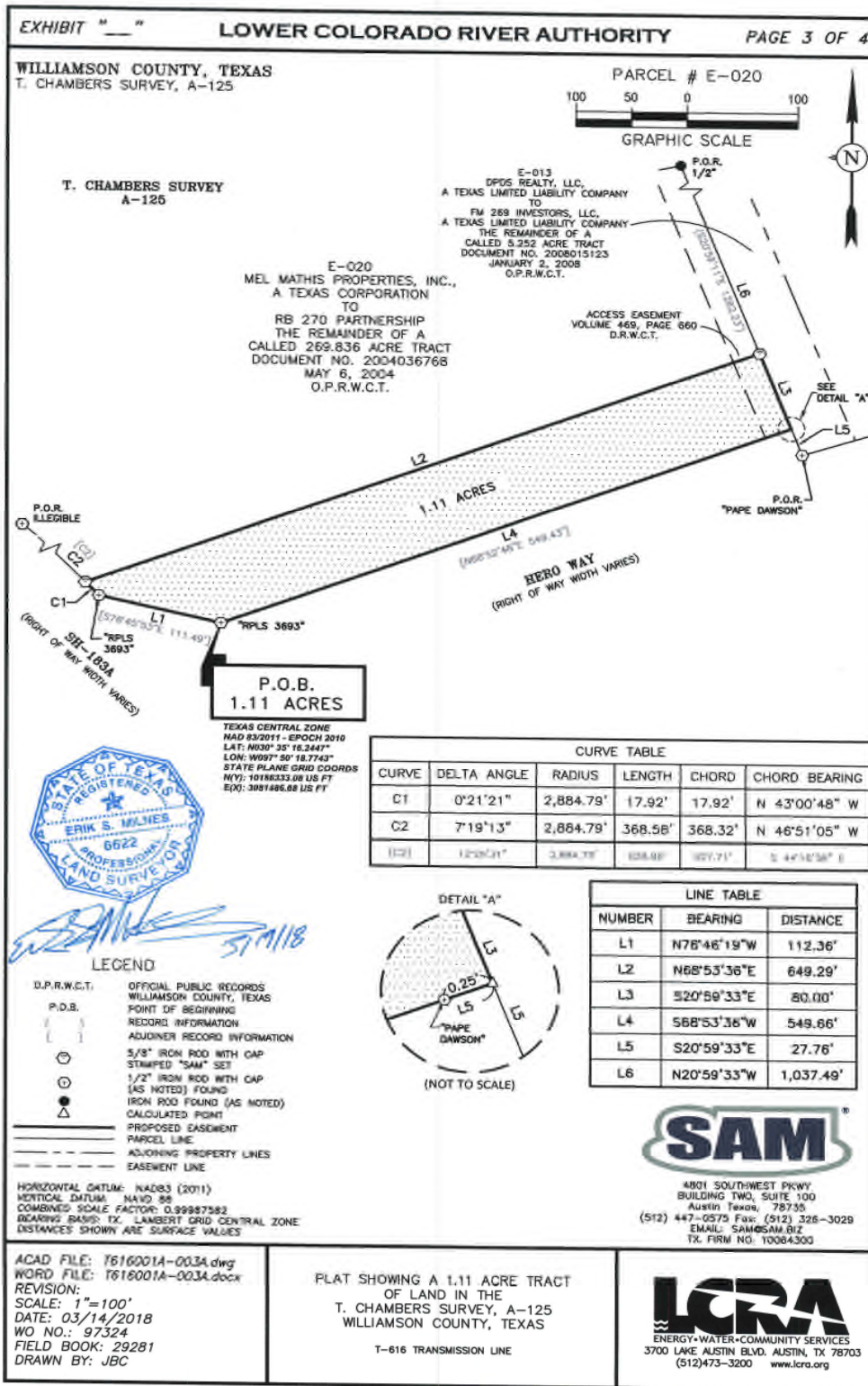
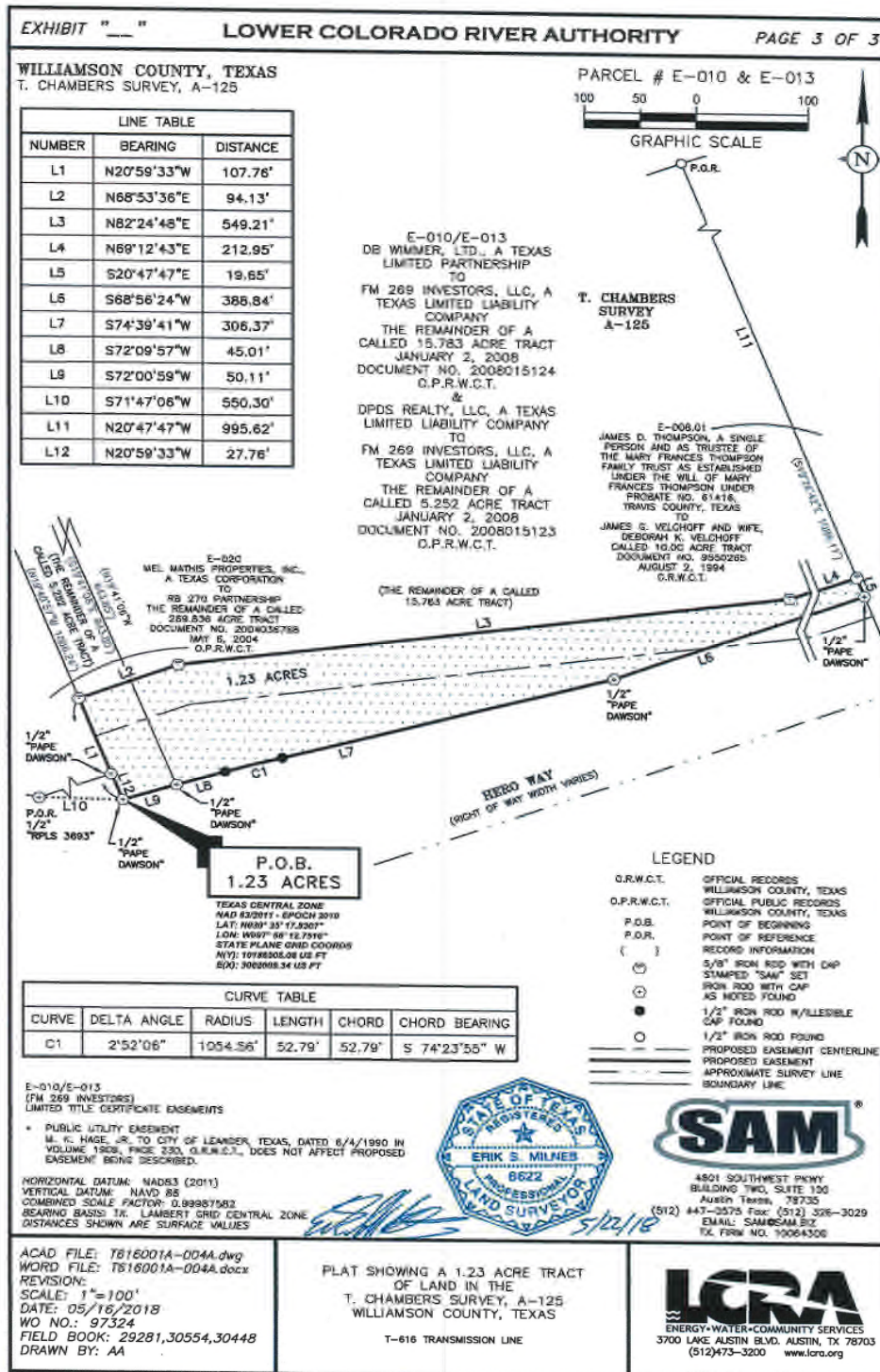
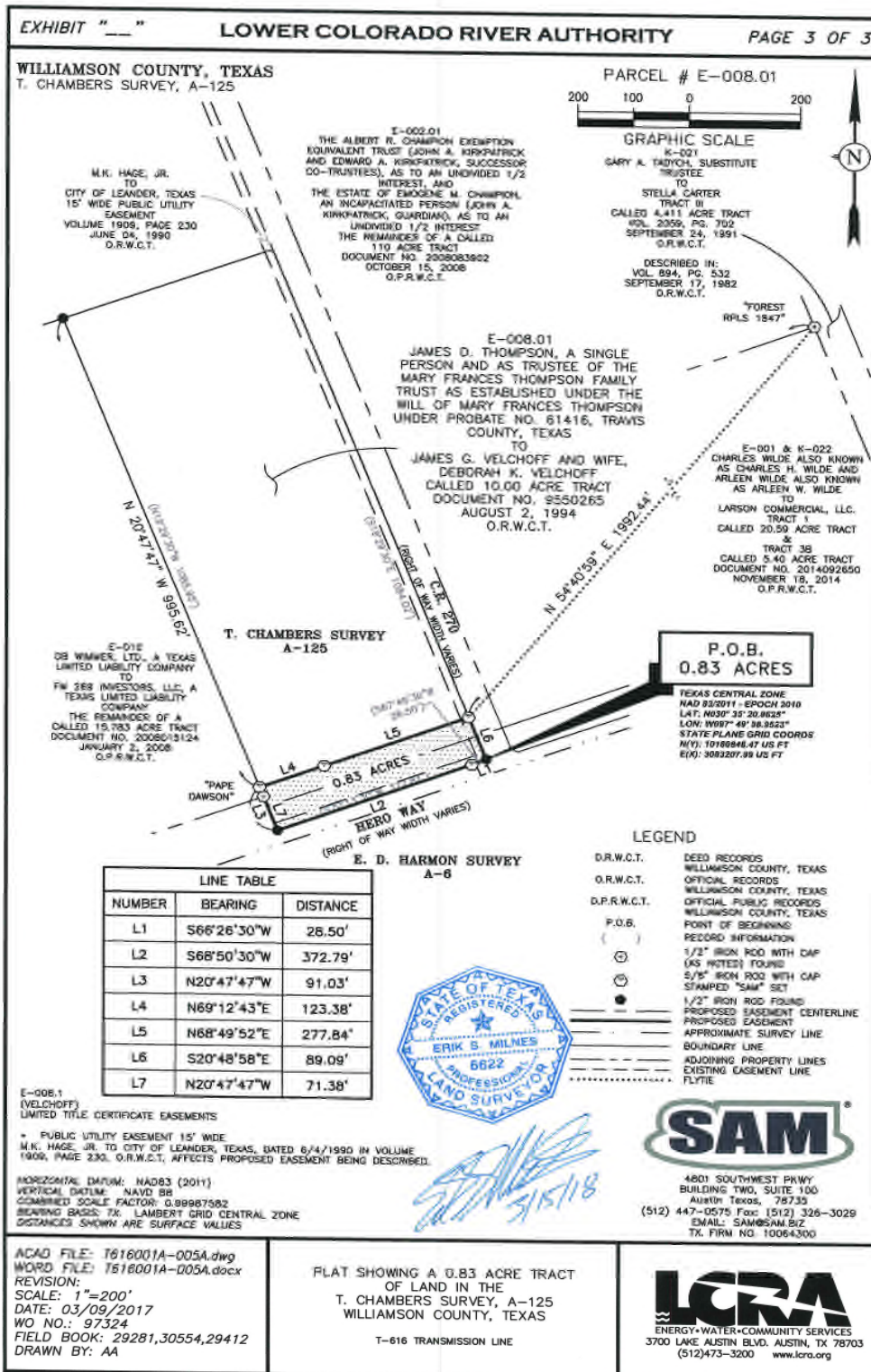


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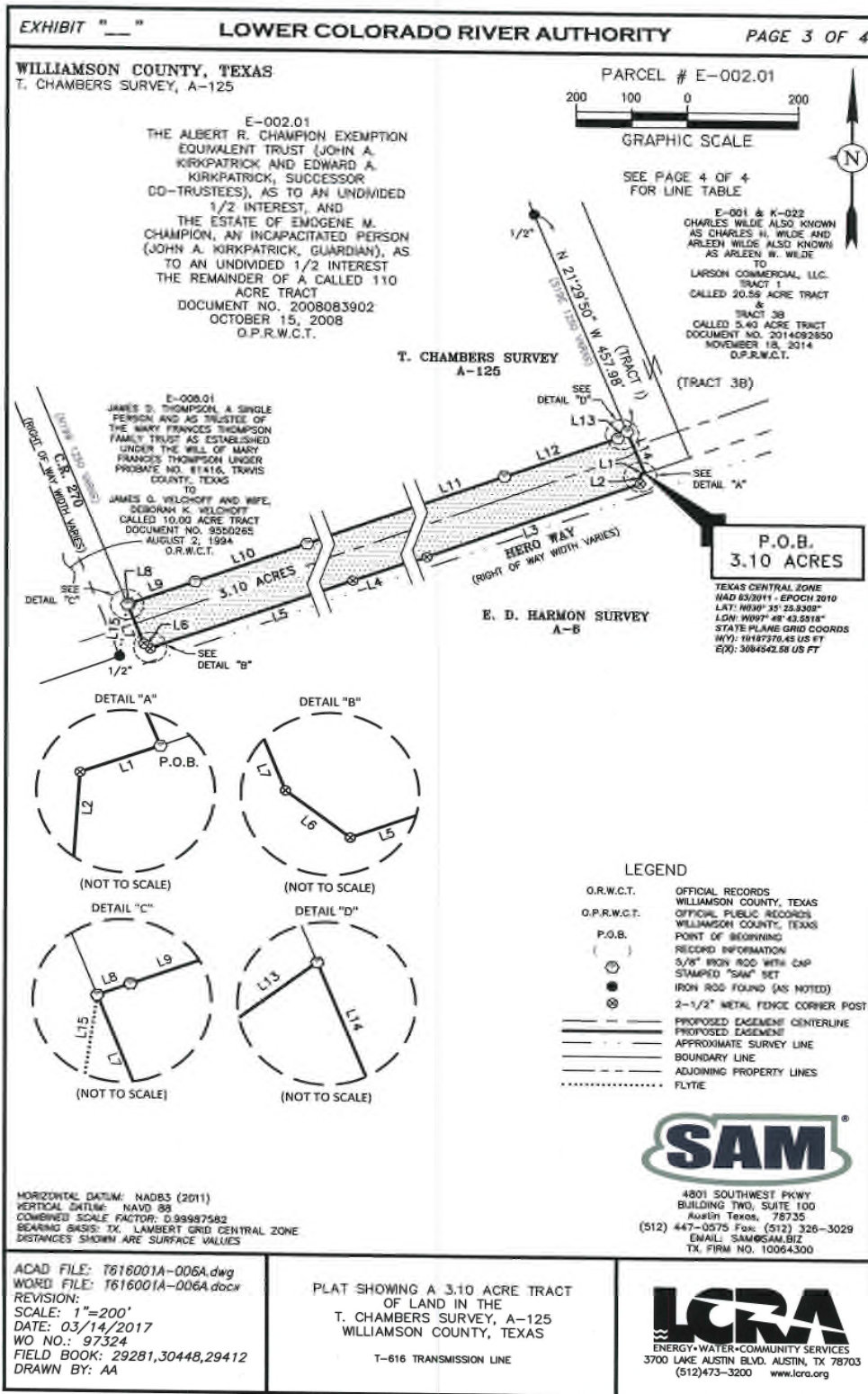
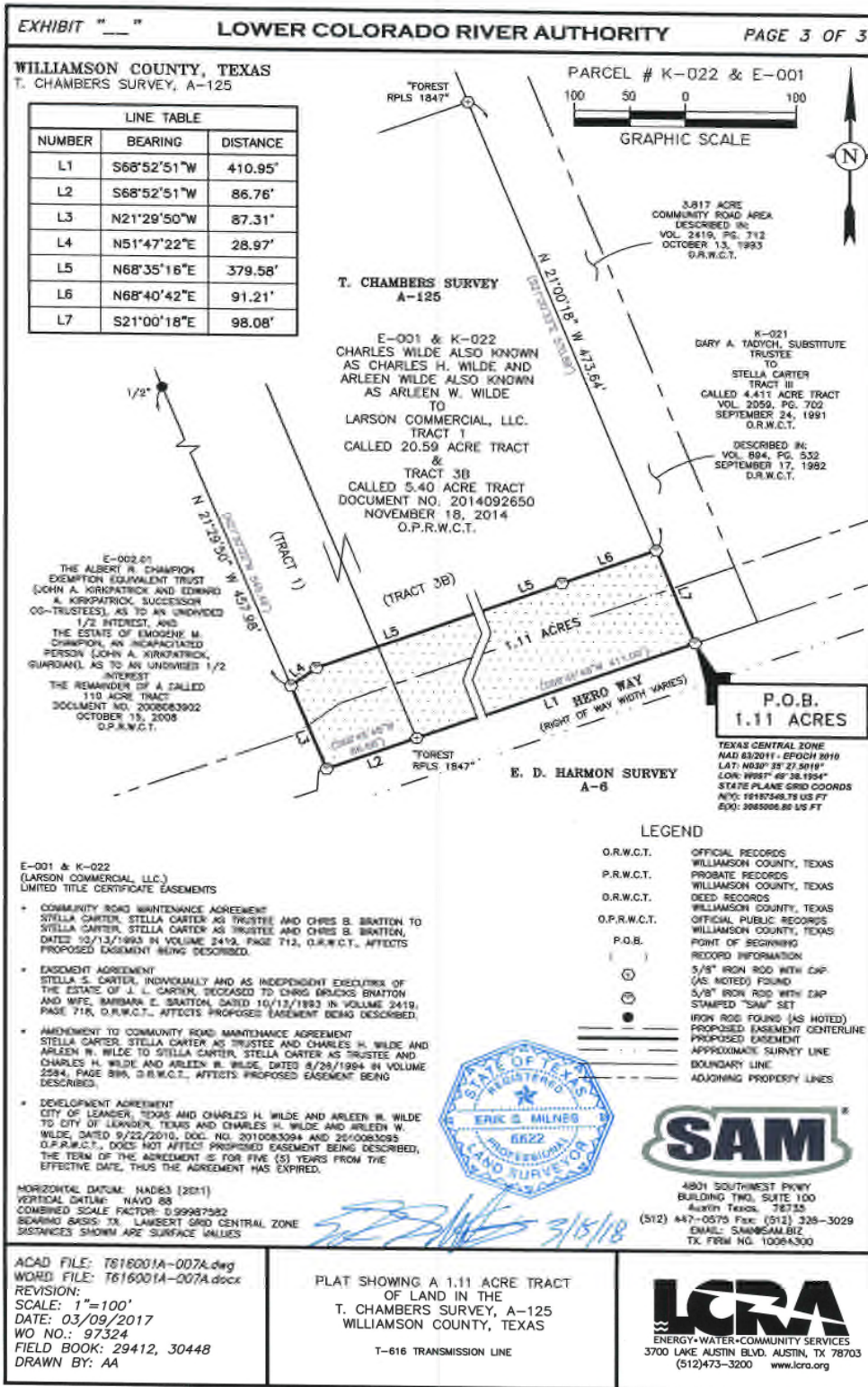
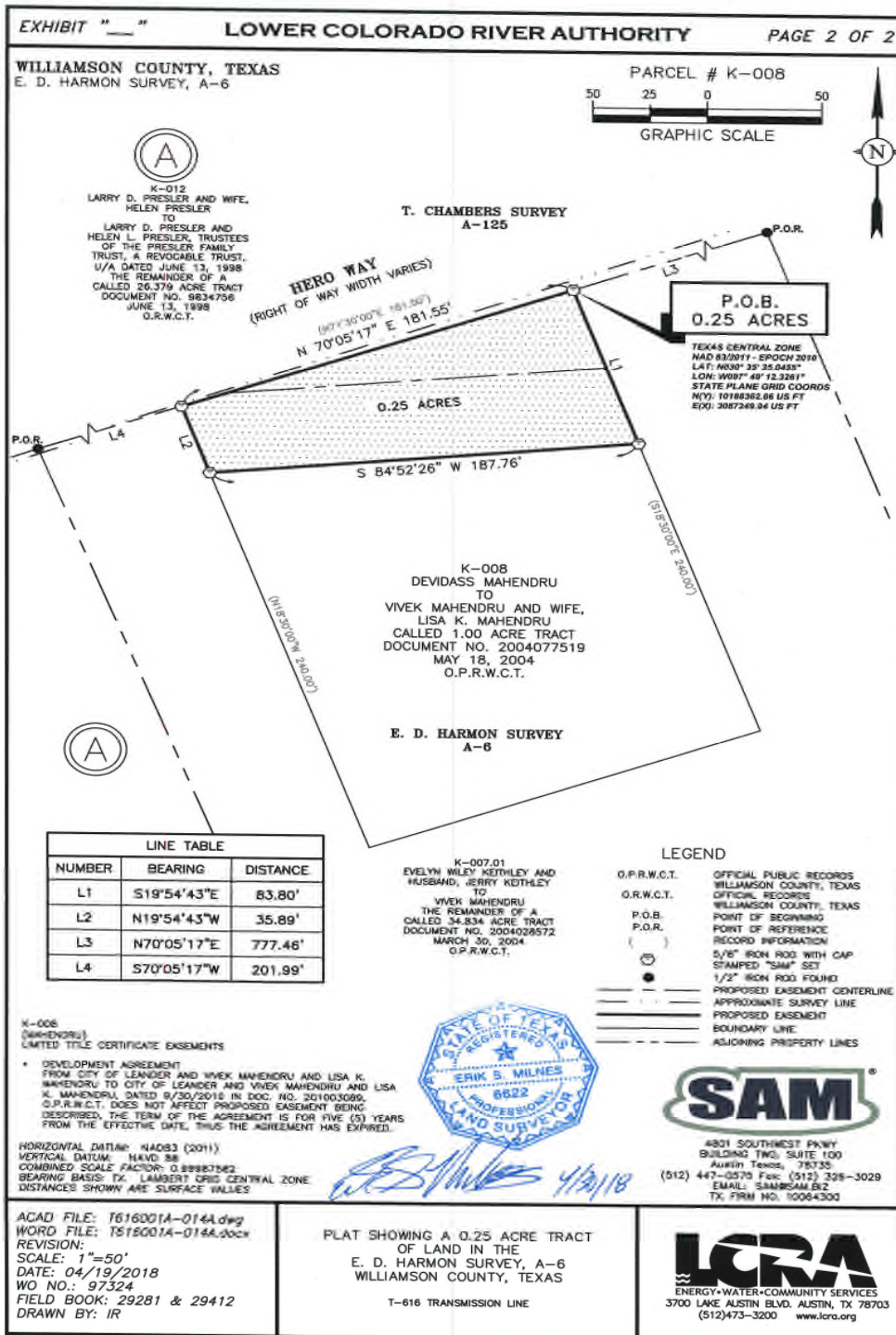
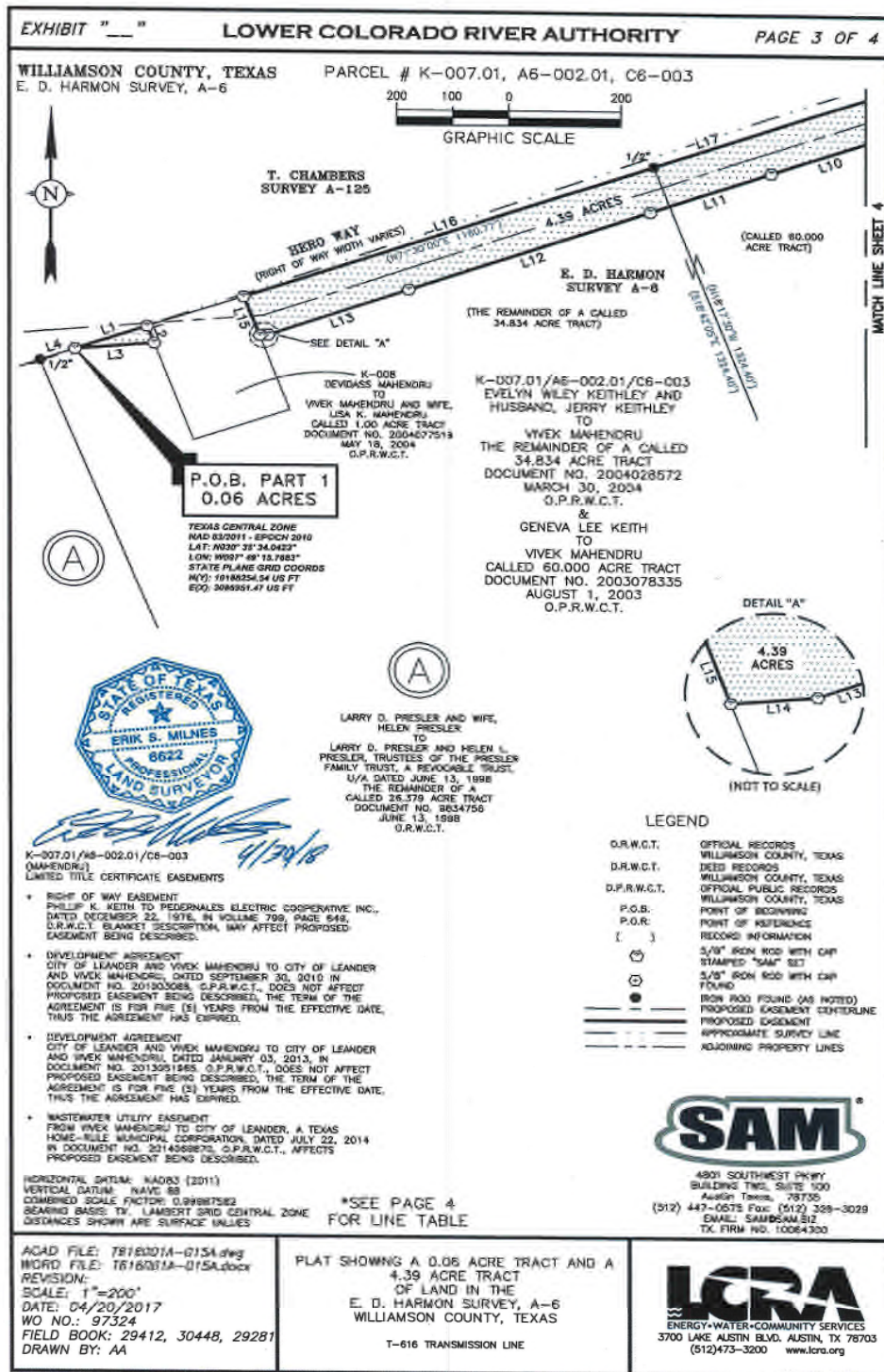
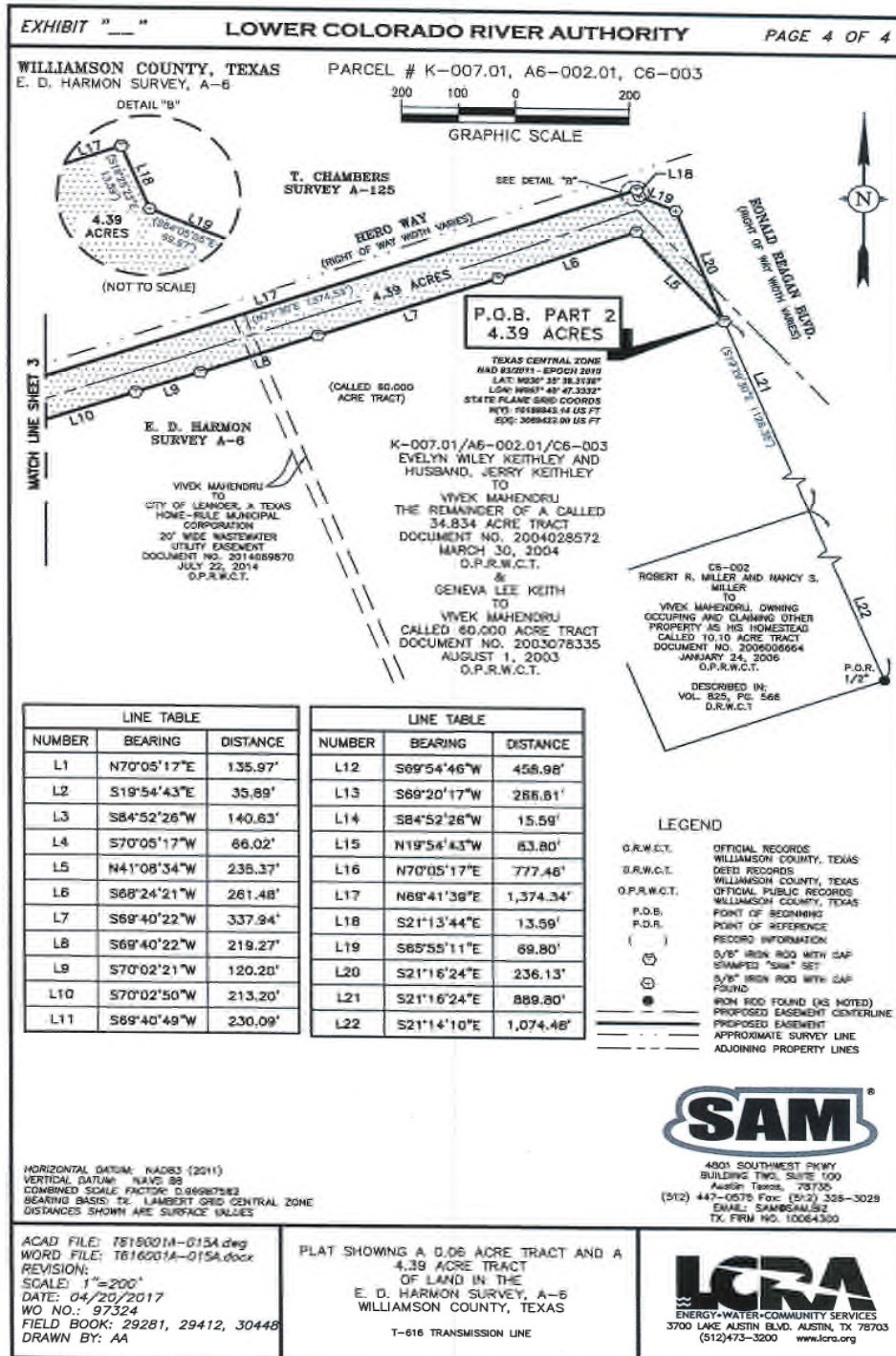


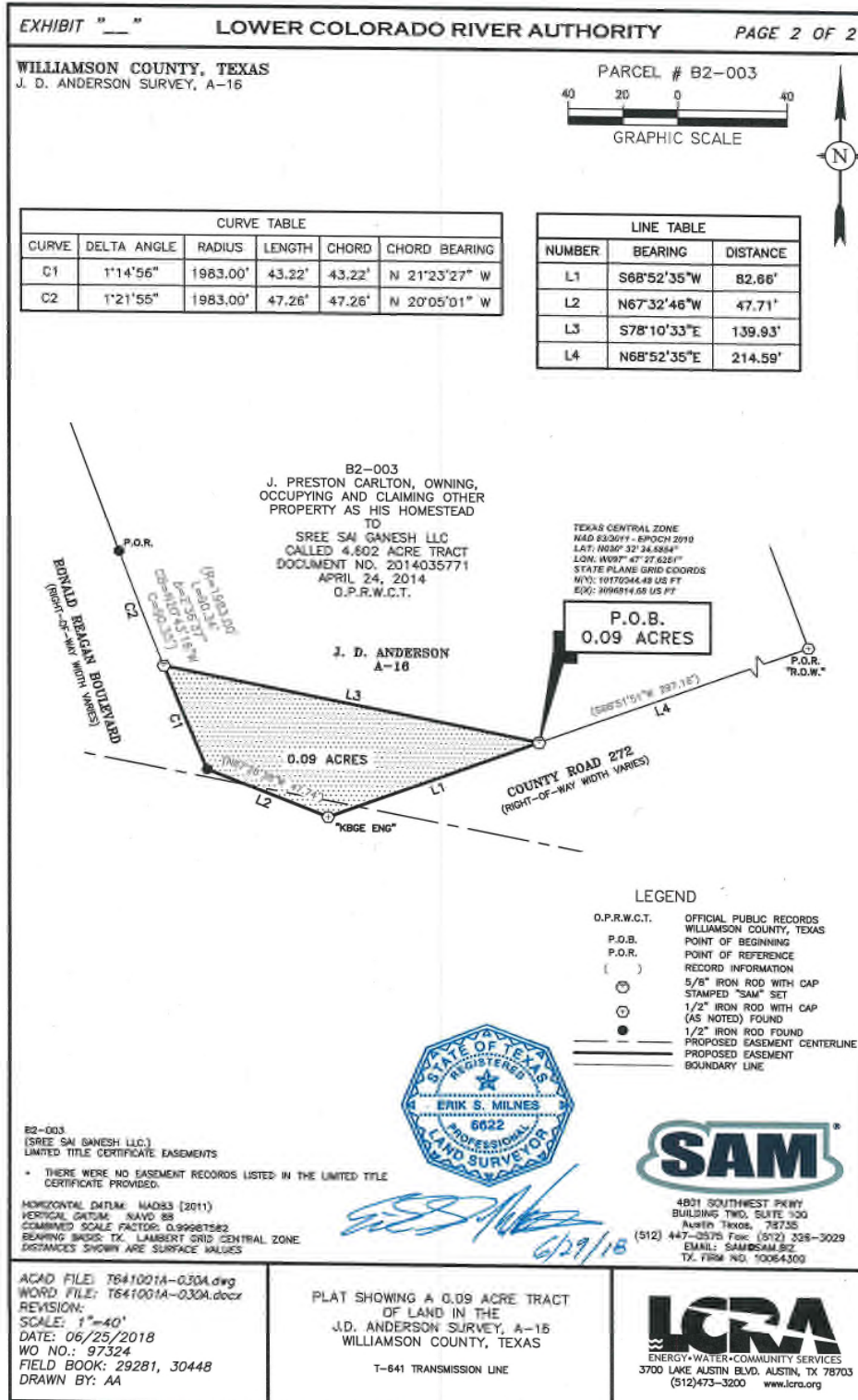
EXHIBIT 1
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FOR ACTION

11. Acquisition of Interests in Real Property – Use of Eminent Domain in Comal County

Proposed Motion

I move that the Board of LCRA Transmission Services Corporation adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of new easements on the Henne-to-Comal Transmission Line Upgrade project; and that the first record vote applies to all units of property to be condemned.

Board Consideration

LCRA TSC Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

Budget Status and Fiscal Impact

The acquisition cost was included in the Board-approved budget for the Henne-to-Comal Transmission Line Upgrade project.

Summary

LCRA TSC proposes to acquire easements in Comal County for the Henne-to-Comal Transmission Line Upgrade project. Valbridge Property Advisors has provided market study analysis in determining just compensation to landowners for initial offers. Valbridge Property Advisors will perform independent appraisal for final offers as required.

Staff has made initial offers to acquire the necessary interests in real property voluntarily from the landowners listed on Exhibit C, as required by Sec. 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. Staff seeks Board authorization to proceed with condemnation in the event agreement cannot be reached with the landowners.

A description of the specific property to be acquired is identified on Exhibit 1.

LCRA TSC representatives have performed environmental and cultural due diligence studies and addressed all identified concerns. Staff requests the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

Presenter(s)

Steven T. Brown
Director, Real Estate Services

Exhibit(s)

A – Vicinity Map

B – Site Maps

C – Landowner List

D – Resolution

1 – Description of Specific Properties

EXHIBIT A

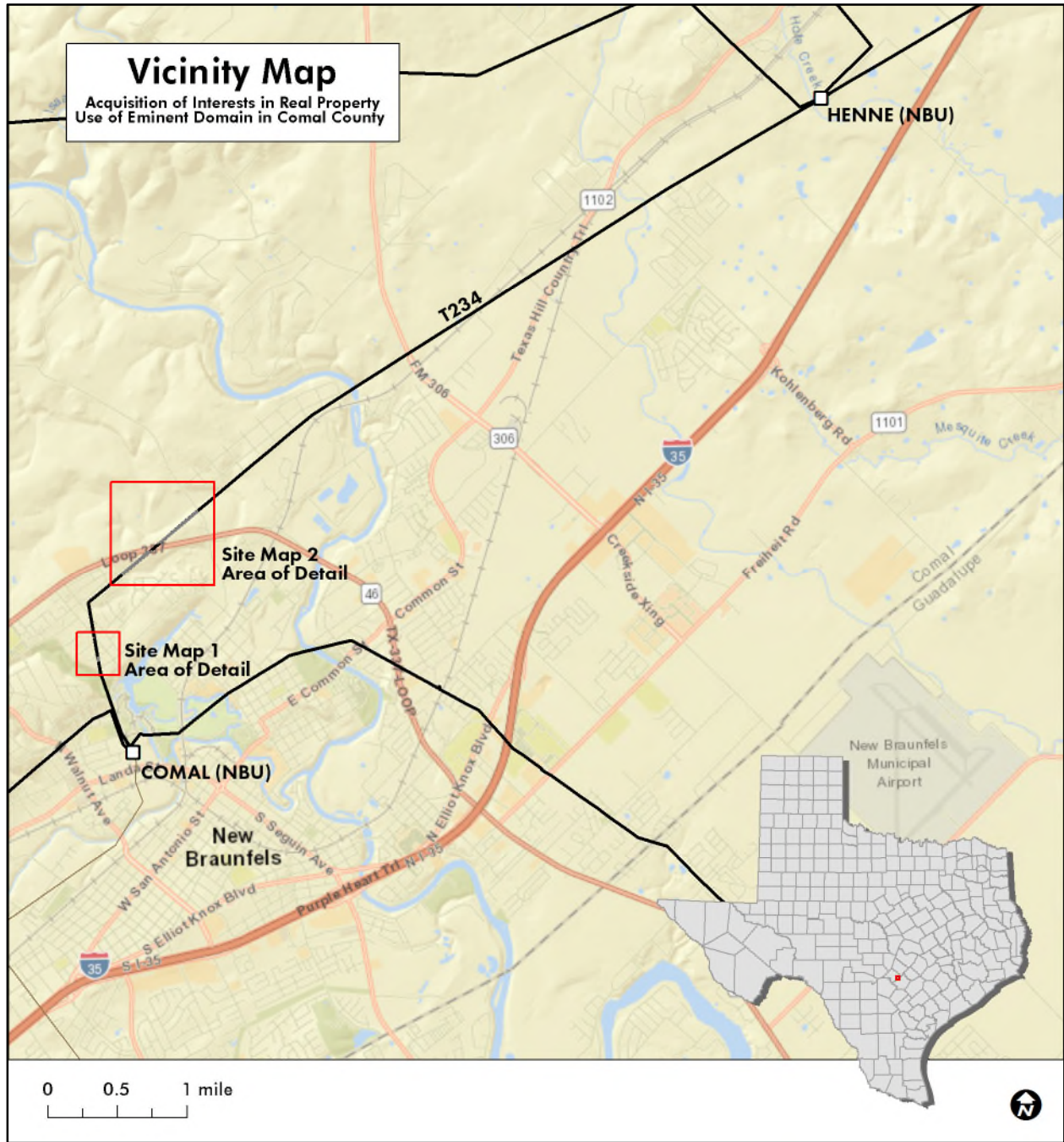


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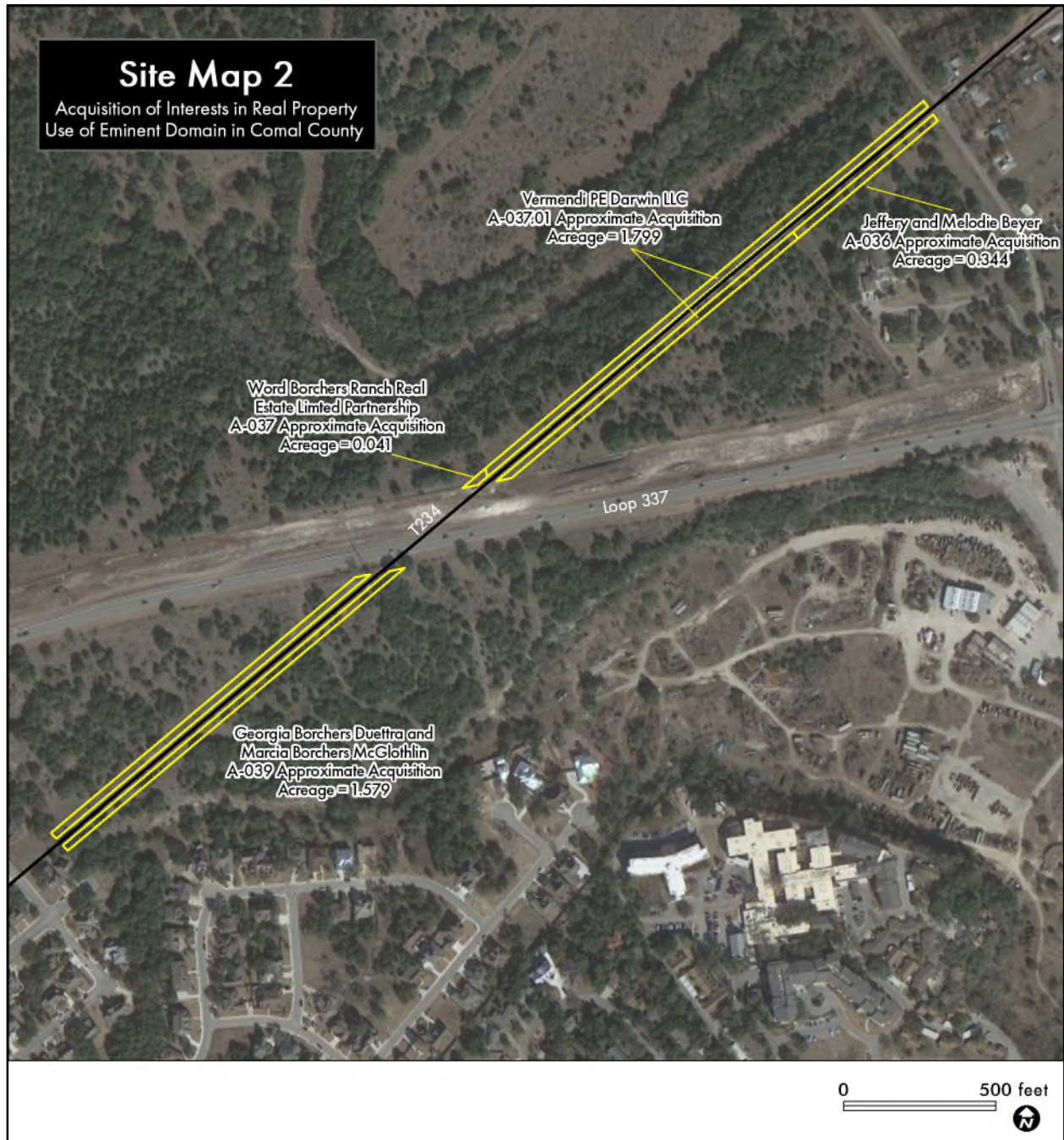


EXHIBIT C

Parcel ID	Landowners	Approximate Parent Tract Acreage	Land Rights	Approximate Acquisition Acreage	County	Approximate Value
A072	City of New Braunfels, Texas, acting by and through the Board of Trustees of New Braunfels Utilities	1.02	Easement	0.182 acres	Comal	\$42,900
A066.01	Sharon and Kevin Otoole	0.72	Easement	0.013 acres	Comal	\$2,200
A036	Jeffery and Melodie Beyer	9.84	Easement	0.344 acres	Comal	\$60,000
A039	Georgia Borchers Duettra and Marcia Borchers McGlothlin	26.51	Easement	1.579 acres	Comal	\$309,600
A037	Word Borchers Ranch Real Estate Limited Partnership	15.00	Easement	0.041 acres	Comal	\$10,500
A037.01	Vermendi PE Darwin LLC	15.00	Easement	1.799 acres	Comal	\$458,500

EXHIBIT D

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PROPOSED MOTION

I MOVE THAT THE BOARD OF LCRA TRANSMISSION SERVICES CORPORATION ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTY DESCRIBED IN EXHIBIT “1” TO THE RESOLUTION FOR THE HENNE-TO-COMAL TRANSMISSION LINE ADDITION PROJECT; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.

RESOLUTION

AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY BY CONDEMNATION IN COMAL COUNTY, TRANSMISSION LINE EASEMENTS.

WHEREAS, LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public purposes of construction, operation, and maintenance of an electric transmission line in Comal County; and

WHEREAS, independent, professional appraisals of the subject properties will be submitted to LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

NOW, THEREFORE, BE IT RESOLVED that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowners listed in the attached exhibits B and C for the construction of the Henne-to-Comal Transmission Line Upgrade project, with the description of the location of and interests in the property that LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity requires the acquisition of said interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such purposes; that LCRA Transmission Services Corporation does not intend to acquire rights for groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in real property from the landowner(s) voluntarily as required by Sec. 21.0113 of the Texas Property Code; and that at such time as LCRA Transmission Services Corporation has determined that the landowner(s) and LCRA Transmission Services Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to initiate condemnation proceedings against the owner of the property, and against all other owners, lien holders, and other holders of an interest in the property, in

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order to acquire the necessary interests in real property; and that this resolution take effect immediately from and after its passage;

BE IT FURTHER RESOLVED that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interests in real property that are proper and convenient for the operation of the electric transmission line and substation.

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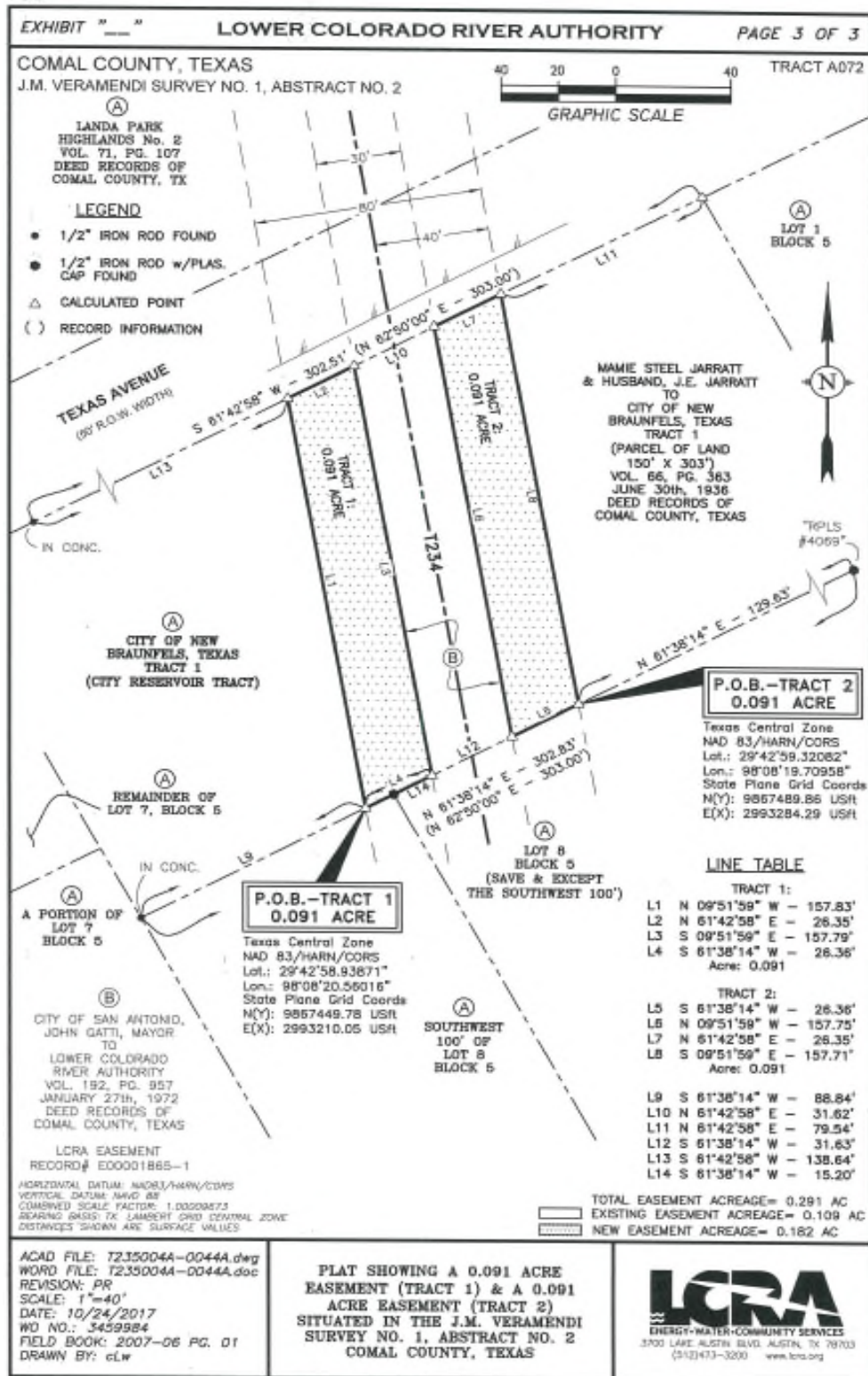


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