



## Board Agenda

Wednesday, June 16, 2021  
LCRA General Office Complex  
Board Room – Hancock Building  
3700 Lake Austin Blvd.  
Austin, TX 78703  
Earliest start time: 9:45 a.m.

### Items From the Chair

- 1. Comments From the Public ..... 3
- 2. Appointment of LCRA Board Committees ..... 5

### Consent Items

- 3. August 2021 LCRA Board and Committee Meeting Dates ..... 6

### Action Items

- \*4. Adopt LCRA’s Restated Twentieth Supplemental Resolution to the LCRA Transmission Contract Revenue Financing Program to Amend the LCRA Transmission Contract Revenue Notes Series C and Taxable Series C and Authorize Related Agreements..... 7

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

### Legal Notice

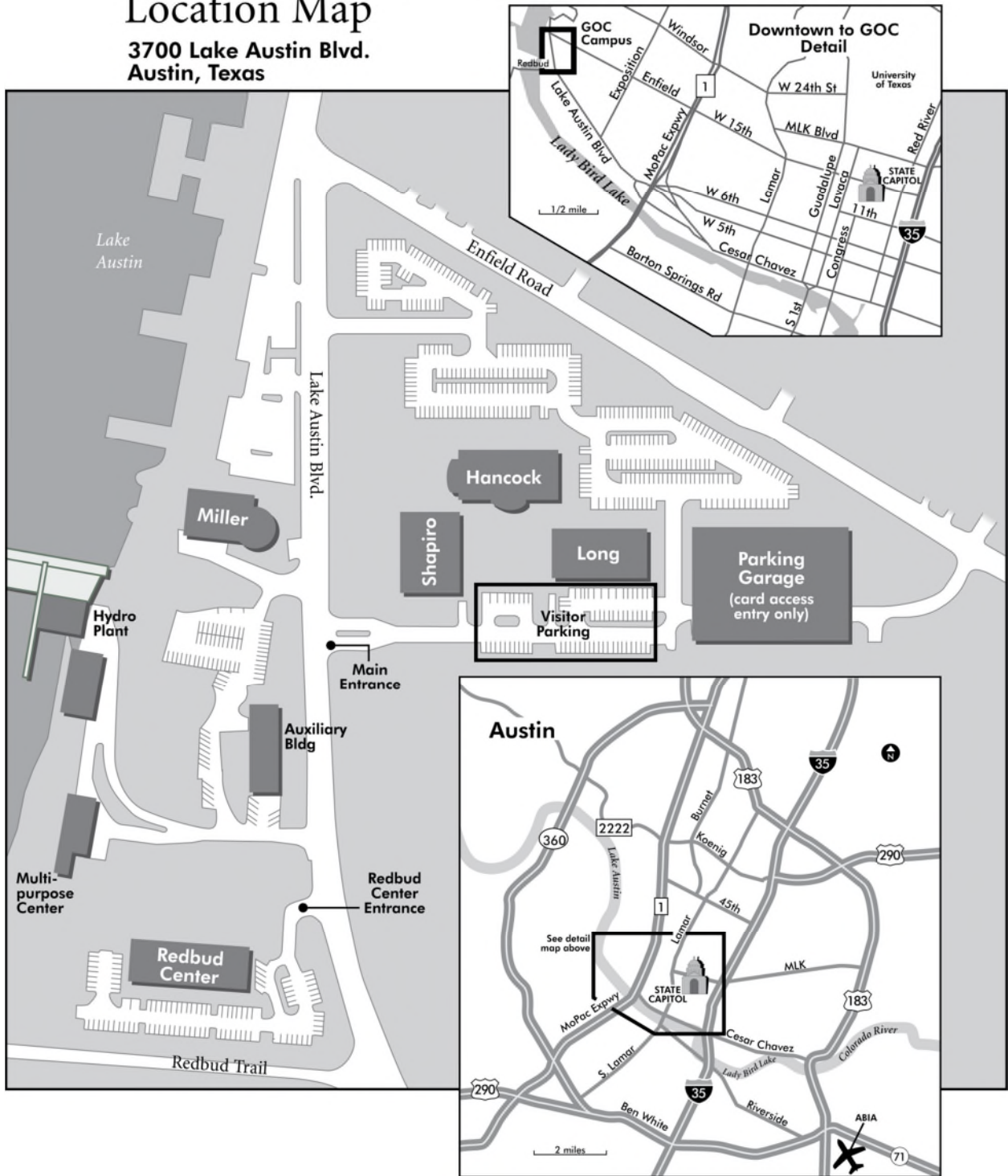
Legal notices are available on the Texas secretary of state website 72 hours prior to the meeting at [www.sos.texas.gov/open/index.shtml](http://www.sos.texas.gov/open/index.shtml).

### Executive Session

The Board also may go into executive session for advice from legal counsel on any item(s) listed above, pursuant to Chapter 551 of the Texas Government Code.

# 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. Appointment of LCRA Board Committee Members**

### **Proposed Motion**

Approve the appointment of LCRA Board committee members.

### **Board Consideration**

The LCRA bylaws require the Board chair to appoint members of the Audit and Risk, Finance, Land and Community Resources, and Transmission committees, all subject to the approval of the Board.

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

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

### **Summary**

Chair Timmerman has appointed LCRA Director Carol Freeman to the Land and Community Resources Committee, and LCRA Director Melissa K. Blanding to the Finance Committee and Transmission Committee, filling a vacant seat on each of those committees. The LCRA bylaws require Board approval of the appointments. The appointments will be effective immediately.

### **Presenter(s)**

Timothy Timmerman  
LCRA Board Chair

**FOR ACTION (CONSENT)**

### **3. August 2021 LCRA Board and Committee Meeting Dates**

**Proposed Motion**

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

**Budget Status and Fiscal Impact**

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

**Summary**

The Board approved its calendar year 2021 Board and committee meetings schedule on Aug. 19, 2020. The proposed change would move the August committee and Board meetings from Aug. 24-25, to Aug. 17-18.

**FOR ACTION**

**4. Adopt LCRA's Restated Twentieth Supplemental Resolution to the LCRA Transmission Contract Revenue Financing Program to Amend the LCRA Transmission Contract Revenue Notes Series C and Taxable Series C and Authorize Related Agreements**

**Proposed Motion**

Staff recommends the Board adopt the Amended and Restated Twentieth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program (the Controlling Resolution) to authorize an increase in the capacity of the LCRA Transmission Contract Revenue Notes, Series C and Taxable Series C (Series C Notes) and other amendments. Staff also seeks authorization of the general manager or his designee to negotiate and execute all related documents setting forth the terms and conditions governing the issuance of such in an amount up to \$200 million, including but not limited to, a new note purchase agreement and among LCRA, LCRA Transmission Services Corporation and Bank of America, N.A. (Series C NP Agreement) and an amended and restated supplement to the restated Transmission Contract Revenue Debt Installment Payment Agreement between LCRA and LCRA TSC. In conjunction with the amended Series C Notes Program, LCRA and LCRA TSC will terminate the LCRA Transmission Contract Revenue Notes, Series F and Taxable Series F program.

**Board Consideration**

A supplemental resolution to the existing Controlling Resolution requires Board approval. The amendment of the Series C Notes program complies with the covenants of the Controlling Resolution and with LCRA Board Policy 301 – Finance. Section 8503.004(p) of the Texas Special District Local Laws Code (LCRA Act) authorizes the Board to issue debt under certain conditions, including the requirement that 12 members must approve this action.

**Budget Status and Fiscal Impact**

Staff anticipates that the Series C Notes program and the Series C NP Agreement will increase LCRA's ability to issue private placed debt on behalf of LCRA TSC to finance the construction of facilities and delay the issuance of long-term bonds, which have higher interest rates in the current market. These credit facility agreements provide additional financing flexibility, more diversity in bank/private placement exposure and lower carrying costs. Staff anticipates that LCRA TSC will experience lower debt service costs until long-term bonds are issued. The proposed fees for this facility are in line with current market pricing.

## **Summary**

Staff recommends the Board adopt the Amended and Restated Twentieth Supplemental Resolution, in addition to authorizing the chief executive officer or his designee to negotiate and execute the Series C NP Agreement, the paying agent agreement and other related documents or amendments to any such agreements, as well as an amended and restated supplement to the restated Transmission Contract Revenue Debt Installment Payment Agreement between LCRA and LCRA TSC related to the Series C Notes.

LCRA, as the conduit issuer for LCRA TSC, readopted the Twentieth Supplement to the Controlling Resolution in May 2017 authorizing the issuance of the Series C Notes. Through amendments to the debt programs and bank credit facilities, LCRA TSC currently has a \$150 million tax-exempt commercial paper program with JPMorgan and State Street Bank, a \$150 million private placement Series C Notes with Bank of America (anticipated to be increased to \$200 million), a \$100 million private placement Series E Notes with US Bank and a \$50 million private placement Series F Notes with Bank of America.

Staff now seeks approval of an amendment to Series C Notes to increase the capacity from \$150 million to \$200 million, among other amendments, and offset such increase by terminating the existing \$50 million Series F Notes program. The note purchases by Bank of America allows LCRA TSC to fund project costs in a similar manner to the existing commercial paper programs. However, the direct purchase facility with the bank provides an alternative structure that eliminates marketing and remarketing risk that can occur with a public commercial paper program. This private debt facility does not require public credit ratings to be issued and maintained. The credit facility allows LCRA TSC to choose the variable interest rate and period to effectively manage the debt. Credit terms and fees are higher than existing commercial paper credit facilities due to current market conditions.

The Series C Notes will be issued on parity with LCRA TSC contract revenue bonds and notes pursuant to the Controlling Resolution and in compliance with the variable debt limitations in LCRA TSC Board Policy T301 – Finance (25% of total long-term debt and total equity of LCRA TSC).

Supplements to the restated Transmission Contract Revenue Debt Installment Payment Agreement between LCRA and LCRA TSC, dated March 1, 2003, secure the Series C Notes by obligating LCRA TSC to make all payments related to the notes. The notes may be refunded into long-term debt when the conditions are advantageous to LCRA TSC.

## **Presenter(s)**

Jim Travis  
Chief Financial Officer