



# Board Agenda

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

### Items From the Chair

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

### Items From the General Manager

- General Manager’s Update
- 2. Resolutions..... 5

### Items From the Chief Financial Officer

- 3. Financial Report ..... 7

### Consent Items

- 4. Proposed LCRA Board and Committee Meeting Dates  
for Calendar Year 2022 ..... 8
- \*5. Sale of Land in Llano County (Parcel BW-09) ..... 10
- 6. Directors’ Fees, Expenses..... 13
- 7. Minutes of Prior Meetings ..... 14

### Action Items

- 8. Contracts and Contract Changes ..... 28

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

### Executive Session

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

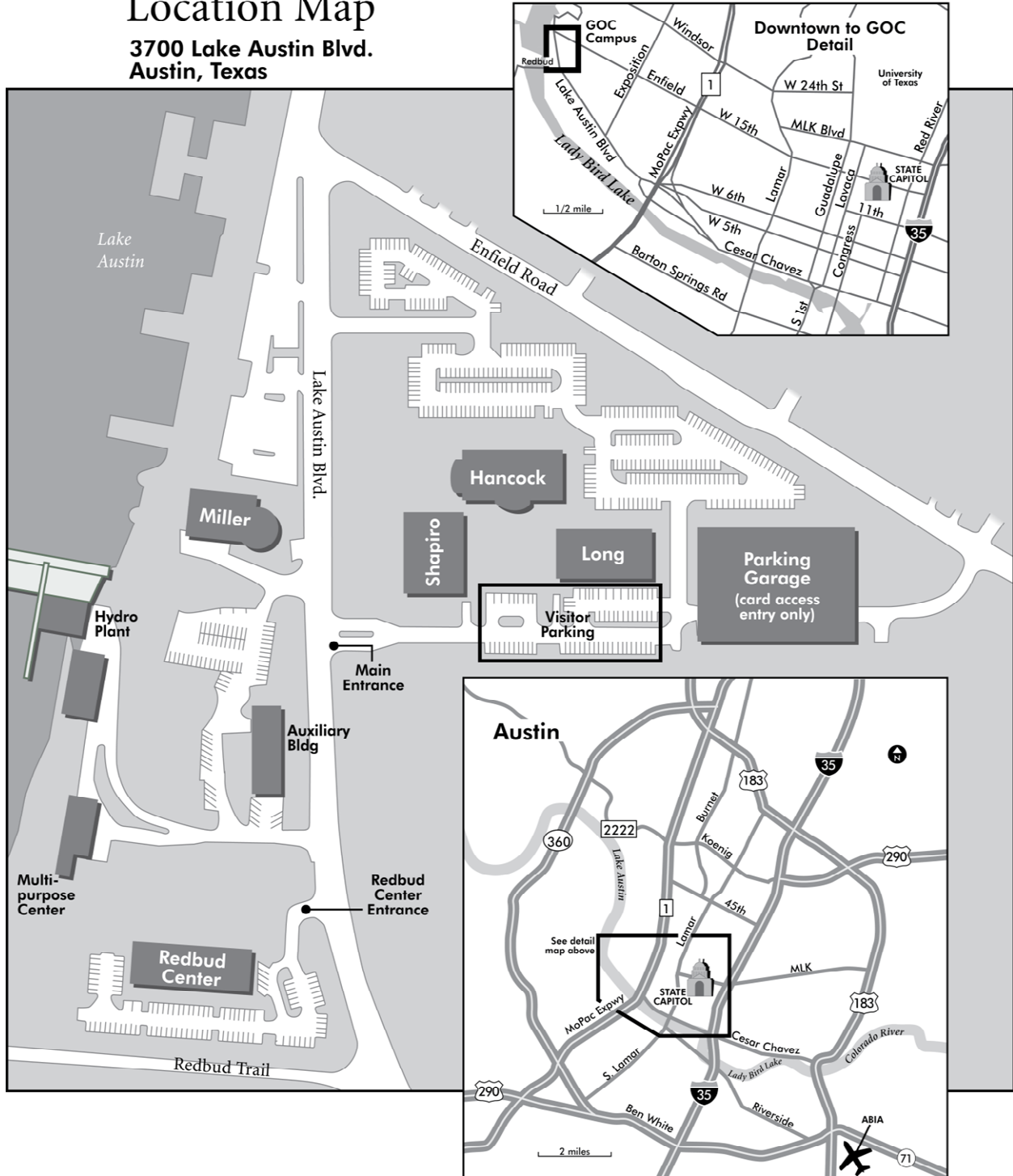
The Board also may go into executive session for advice from legal counsel on any item(s) listed above, pursuant to Chapter 551 of the Texas Government Code.

### Legal Notice

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

# LCRA General Office Complex Location Map

3700 Lake Austin Blvd.  
Austin, Texas



## **FOR DISCUSSION**

# **1. Comments From the Public**

### **Summary**

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

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

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

### **Exhibit(s)**

A – Protocols for Public Communication at Board and Committee Meetings

## EXHIBIT A

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

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

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

## **FOR ACTION**

# **2. Resolutions**

### **Proposed Motion**

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

### **Board Consideration**

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

### **Summary**

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

### **Presenter(s)**

Phil Wilson  
General Manager

Timothy Timmerman  
LCRA Board Chair

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# Resolution of the Board of Directors Of the Lower Colorado River Authority

## Honoring Charles B. “Bart” Johnson

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

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

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

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

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

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

Approved this 18th day of August 2021.

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Timothy Timmerman, Board Chair

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Phil Wilson, General Manager

# Resolution of the Board of Directors Of the Lower Colorado River Authority

## Honoring George W. Russell

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

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

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

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

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

Approved this 18th day of August 2021.

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Timothy Timmerman, Board Chair

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Phil Wilson, General Manager



**FOR DISCUSSION**

## **3. Financial Report**

### **Summary**

The financial report for LCRA covers fiscal year 2021.

### **Presenter(s)**

Jim Travis  
Chief Financial Officer

**Lower Colorado River Authority**  
**Financial Highlights**  
**June 2021**

**Lower Colorado River Authority**  
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**Key terms:**

**4CP** – Four-month coincident peak is the average of the peak Electric Reliability Council of Texas electrical demands (measured in kilowatts) during the months of June, July, August and September of the previous calendar year.

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

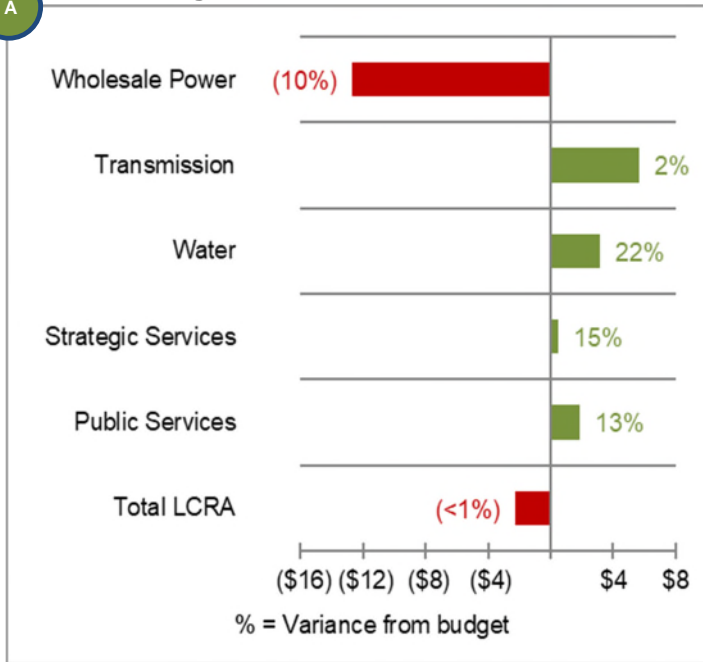
# Lower Colorado River Authority

June 30, 2021

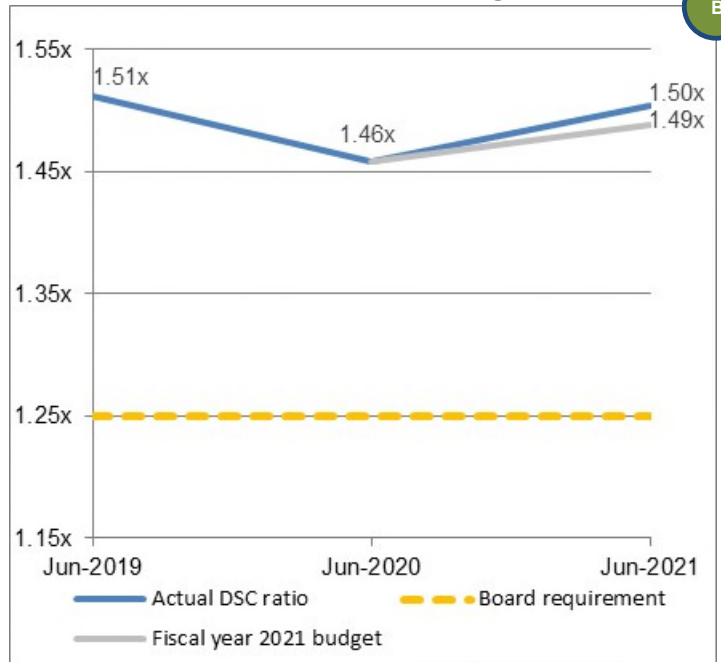
(Dollars in Millions)

## Budget-to-Actual Highlights

### Net Margin Fiscal Year-to-Date Variances



### Debt Service Coverage



#### Key takeaways:

- Higher-than-budgeted costs to serve load due to the winter storm Uri primarily drove Wholesale Power's year-to-date performance.
- Lower-than-budgeted expenses primarily drove Transmission's year-to-date performance.
- Lower-than-budgeted river management expenses and higher-than-budgeted river management revenues primarily drove Water's year-to-date performance.
- Higher-than-budgeted radio sales and services revenues primarily drove Strategic Services' year-to-date performance.
- Lower-than-budgeted park, water quality and natural resource expenses and higher-than-budgeted park revenues primarily drove Public Services' year-to-date performance.
- Lower-than-budgeted debt service drove the higher-than-budgeted debt service coverage.

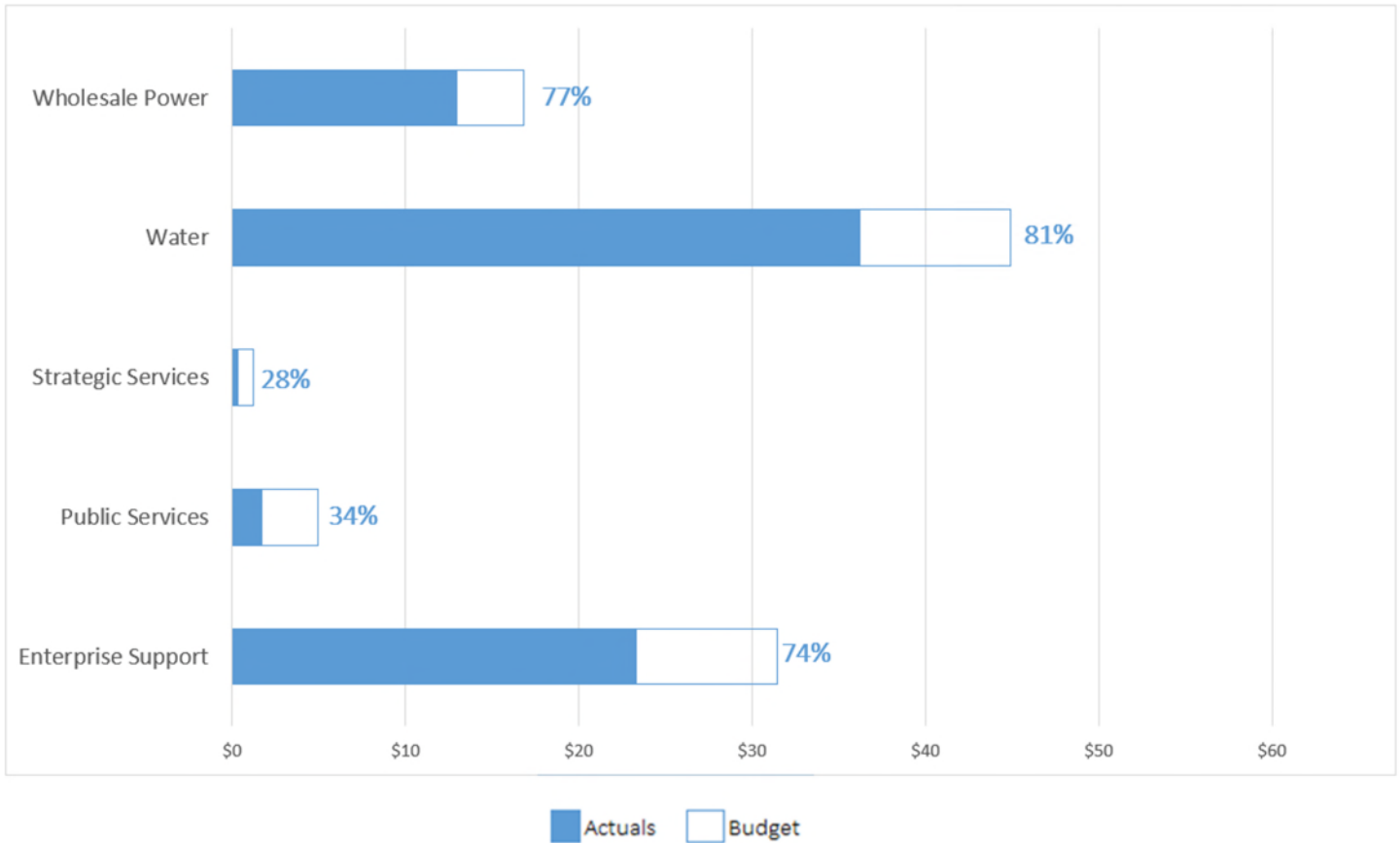
Note: Wholesale Power includes nonprofit corporations.

# Lower Colorado River Authority

June 30, 2021

(Dollars in Millions)

## Capital Performance



### Key takeaways:

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

### General manager project approval:

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

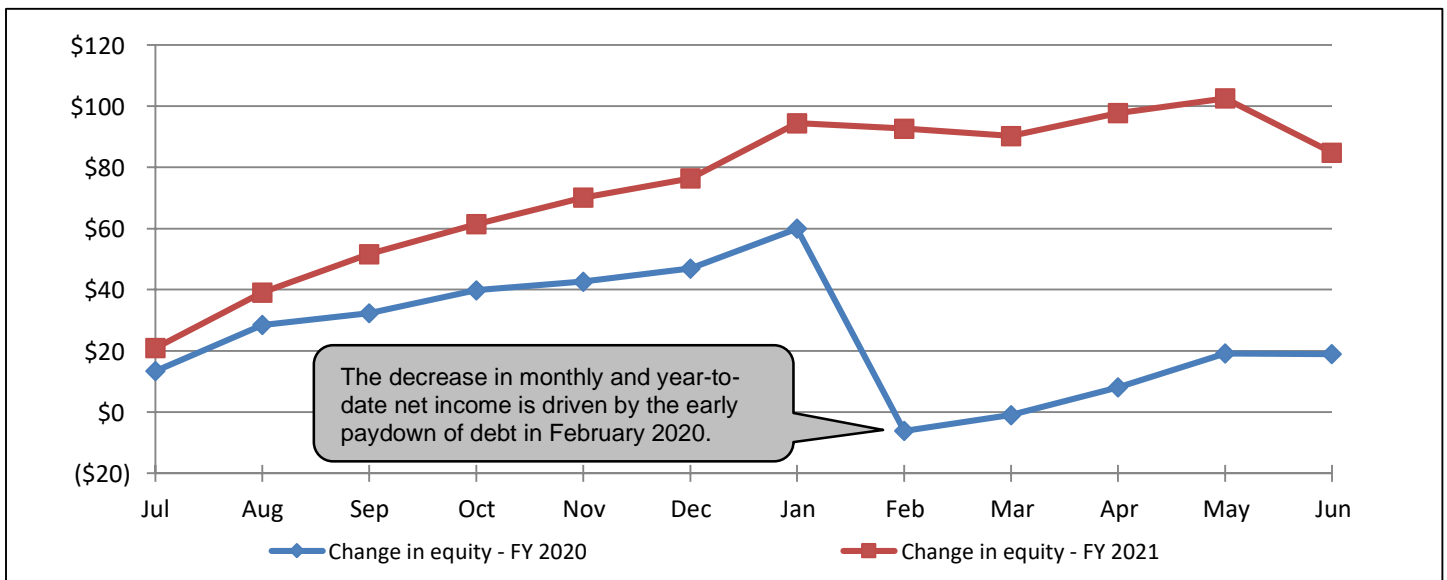
# Lower Colorado River Authority

June 30, 2021  
(Dollars in Millions)

## Board Metrics

Board Metric	Description	Compliant
<b>Equity Ratio</b>	LCRA will attempt to maintain a long-term average 30% equity ratio. At no time will the equity ratio fall below 20% without specific Board approval in the business plan.	✓
<b>Debt Service Reserves</b>	LCRA will covenant debt service reserves in the amount of six months of average annual debt service requirements on outstanding debt.  Debt service reserves may be collected through nonfuel rates or met with proceeds from additional debt or through the use of a surety to mitigate rate impacts.	✓
<b>Operating Reserves</b>	LCRA will target three months of average operating and maintenance expense for the purposes of operating liquidity and maintaining reserves for liquidity of two to three months. Compliance will be evaluated at the end of each fiscal year. These reserves will be collected through nonfuel rates.  If at any time the operating reserves are projected to fall below the minimum two months established by this policy, the Board will promptly implement a plan, to be recommended by staff, to increase rates, reduce costs or otherwise cause there to be sufficient revenues to replenish the operating reserves to such target levels within 12 months.	✓

## Income Statement Trends Cumulative Fiscal Year to Date



### Key takeaways:

- FY 2021 year-to-date operating income includes the effects of the winter storm, resulting in an increase in electric and other (ancillary) revenue offset by the related increase in fuel expense.

# Lower Colorado River Authority

June 30, 2021

## **Key takeaways (continued):**

- FY 2021 year-to-date nonoperating expenses decreased compared with the prior year due to a decrease in interest expense and the early paydown of LCRA debt in February 2020.

## Lower Colorado River Authority

June 30, 2021

(Dollars in Millions)

### Condensed Balance Sheets

	June 30, 2021	June 30, 2020
<b>Assets</b>		
Cash and cash equivalents	\$ 421.4	\$ 377.7
Current assets	516.9	358.9
Total current assets	938.3	736.6
Capital assets	5,200.1	4,941.4
Long-term assets	850.9	871.3
Total long-term assets	6,051.0	5,812.7
Total Assets	\$ 6,989.3	\$ 6,549.3
<b>Liabilities</b>		
Bonds, notes and loans payable	\$ 628.9	\$ 432.0
Current liabilities	265.6	252.4
Total current liabilities	894.5	684.4
Bonds, notes and loans payable	3,810.9	3,622.7
Pension liability	168.2	207.6
Long-term liabilities	375.8	379.5
Total long-term liabilities	4,354.9	4,209.8
<b>Equity</b>		
Total equity	1,739.9	1,655.1
Total Liabilities and Equity	\$ 6,989.3	\$ 6,549.3

**Key takeaway:**

- Assets and liabilities have trended steadily upward over the past year due to construction activities related to Transmission's capital plan.



# Lower Colorado River Authority

June 30, 2021

(Dollars in Millions)

## Condensed Statements of Revenues, Expenses and Changes in Equity

	Fiscal Year to Date	
	2021	2020
<b>Operating Revenues</b>		
Electric	\$ 1,153.6	\$ 965.1
Water and irrigation	32.5	29.7
Other	56.4	47.9
Total Operating Revenues	<u>1,242.5</u>	<u>1,042.7</u>
<b>Operating Expenses</b>		
Fuel	341.3	233.7
Purchased power	126.8	173.5
Operations	271.7	148.2
Maintenance	58.9	47.4
Depreciation, depletion and amortization	208.3	215.6
Total Operating Expenses	<u>1,007.0</u>	<u>818.4</u>
Operating Income	<u>235.5</u>	<u>224.3</u>
<b>Nonoperating Revenues (Expenses)</b>		
Interest on debt	(137.1)	(160.5)
Other expenses	(13.6)	(44.8)
Total Nonoperating Revenues (Expenses)	<u>(150.7)</u>	<u>(205.3)</u>
Change in Equity	84.8	19.0
<b>Equity - Beginning of Period</b>	<u>1,655.1</u>	<u>1,636.1</u>
<b>Equity - End of Period</b>	<u>\$ 1,739.9</u>	<u>\$ 1,655.1</u>

# Lower Colorado River Authority

June 30, 2021

(Dollars in Millions)

## Condensed Statements of Cash Flows

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

# Lower Colorado River Authority

June 30, 2021

(Dollars in Millions)

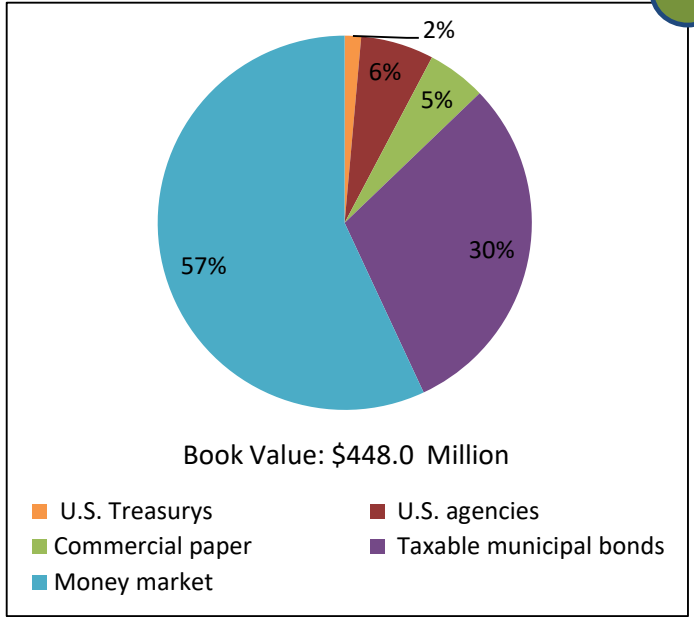
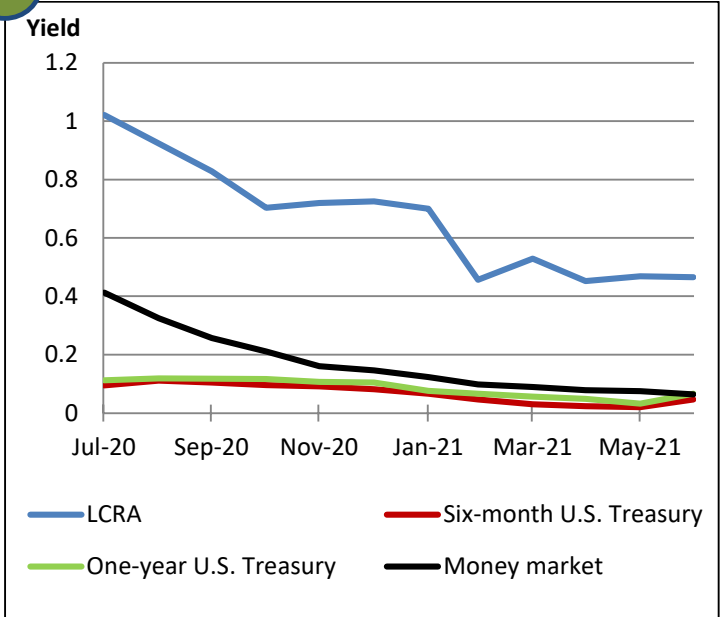
## Investments and Debt

**Investment Portfolio Yield**

**Investment Portfolio Composition**

A

B

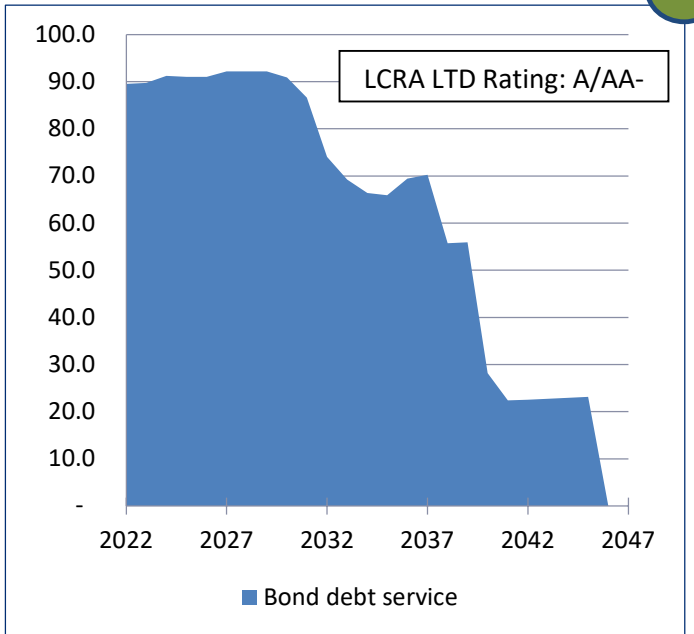
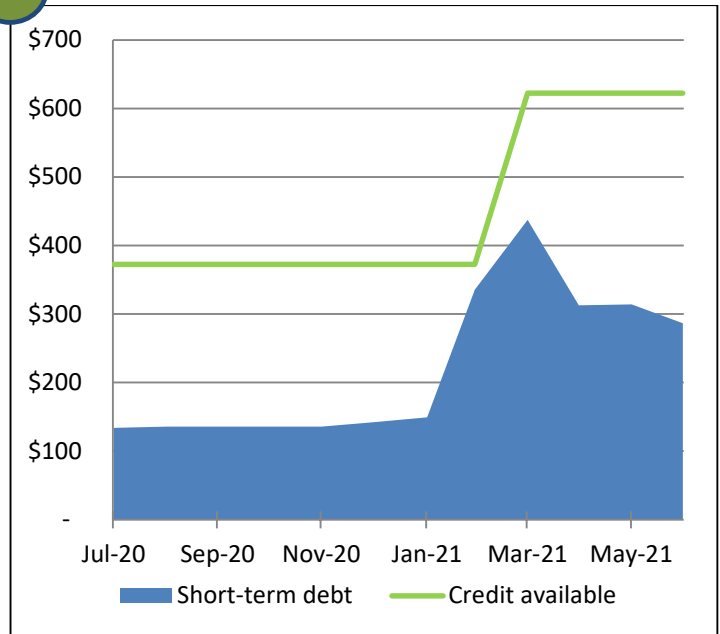


**Short-Term Debt**

**Bond Debt Service**

C

D



**Key takeaway:**

- The Federal Open Market Committee has noted that “indicators of economic activity and employment have strengthened” but will hold the benchmark rate steady at 0-0.25% through 2022.

**FOR ACTION (CONSENT)**

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

### **Proposed Motion**

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

### **Board Consideration**

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

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

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

### **Summary**

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

### **Exhibit(s)**

A – Proposed LCRA Board and Committee Meeting Dates for Calendar Year 2022

## **EXHIBIT A**

### **Proposed LCRA Board and Committee Meeting Dates for Calendar Year 2022**

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

\*This Board meeting will include the annual business and capital plans work session.

**FOR ACTION (CONSENT)**

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

### **Proposed Motion**

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

### **Board Consideration**

Section 8503.020(b) of the Texas Special District Local Laws Code requires the approval of at least 12 members of the LCRA Board of Directors to convey any interest in real property. LCRA Board Policy 401 – Land Resources requires at least 12 members of the LCRA Board to declare the land no longer necessary or convenient or of beneficial use to the business of LCRA before conveyance. Additionally, Section 8503.020 of the Texas Special District Local Laws Code and LCRA Board Policy 401 require Board approval of the terms of all land sales before conveyance.

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

The fiscal year 2022 business plan contains the administrative costs associated with the sale of this land. The proceeds of \$40,447 will be credited to the LCRA Strategic Reserve Fund.

### **Summary**

Steve and Tammie Lea Englert, the adjacent landowners, have agreed to purchase a 0.309-acre fill encroachment (13,460 square feet), which will permanently resolve the encroachment. The 0.309-acre tract is priced at \$40,447. Staff determined the price based on the Llano County Appraisal District's assessed values of Englert's adjacent lot and other nearby waterfront lots.

LCRA staff will complete environmental and cultural resource due diligence assessments in accordance with Board Policy 401.403 – Land Disposition before the sale of the property.

The property will be sold subject to the following reservations and restrictions:

- 1) LCRA will reserve all presently held oil, gas and other mineral rights of every kind or character in, on and under the property, provided that LCRA shall not be permitted to drill or excavate for minerals on the surface of the property.
- 2) LCRA will retain a 20-foot-wide recreation easement abutting the high-water line of Lake Buchanan for use by the public as required by Section 8503.023(d) of the Texas Special District Local Laws Code.
- 3) LCRA will retain the right to inundate with water all or any part of the property from time to time without any compensation.

### **Exhibit(s)**

- A – Vicinity Map
- B – Site Map

**EXHIBIT A**





**EXHIBIT B**





**FOR ACTION (CONSENT)**

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

**Proposed Motion**

Approve directors' fees and expense reports.

**Board Consideration**

LCRA Board Policy 105 – Directors' Fees and Expense Reimbursement and the LCRA bylaws require Board approval for directors' fees and expenses.

**Budget Status and Fiscal Impact**

Directors' fees and expenses are provided for in the budget in the business plan.

**Summary**

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

**FOR ACTION (CONSENT)**

## **7. Minutes of Prior Meetings**

### **Proposed Motion**

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

### **Board Consideration**

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

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

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

### **Summary**

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

### **Exhibit(s)**

- A – Minutes of April 28, 2021, meeting
- B – Minutes of May 19, 2021, meeting
- C – Minutes of June 16, 2021, meeting

## **EXHIBIT A**

Minutes Digest  
April 28, 2021

- 21-23 Appointment of David Thompson to serve on the GenTex Power Corporation Board of Directors to complete the unexpired term of Julie C. Parsley.
  
- 21-24 Adoption of the resolution making determinations regarding the payment from LCRA Transmission Services Corporation of an Extraordinary LCRA Optional Purchase Price Payment for fiscal year 2021 and, when such payment is made, reserve those funds in the LCRA Strategic Reserve.

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
LOWER COLORADO RIVER AUTHORITY  
Burnet, Texas  
April 28, 2021

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of the Lower Colorado River Authority (LCRA) convened in a meeting at 8:31 a.m. Wednesday, April 28, 2021, in the Live Oak Room at Canyon of the Eagles Nature Park, 16942 Ranch Road 2341, Burnet, Burnet County, Texas. The following directors were present, constituting a quorum:

Timothy Timmerman, Chair  
Stephen F. Cooper, Vice Chair  
Joseph M. "Joe" Crane, Secretary  
Michael L. "Mike" Allen  
Lori A. Berger  
Raymond A. "Ray" Gill Jr.  
Thomas L. "Tom" Kelley  
Robert "Bobby" Lewis  
Thomas Michael Martine  
George W. Russell  
Margaret D. "Meg" Voelter  
Martha Leigh M. Whitten  
Nancy Eckert Yeary

Absent: Laura D. Figueroa  
Charles B. "Bart" Johnson

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

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

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

The Board next took action on the consent agenda.

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

21-24 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 4 [attached hereto as Exhibit B], that the Board adopt a resolution making determinations regarding the payment from

LCRA Transmission Services Corporation of an Extraordinary LCRA Optional Purchase Price Payment for fiscal year 2021 and, when such payment is made, reserve those funds in the LCRA Strategic Reserve. Upon motion by Director Allen, seconded by Director Whitten, the recommendation was unanimously approved by a vote of 13 to 0.

Chair Timmerman declared the meeting to be in executive session at 8:42 a.m., pursuant to sections 551.071 and 551.086 of the Texas Government Code (Open Meetings Act). Executive session ended, and Chair Timmerman declared the meeting to be in public session at 9:34 a.m.

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

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

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

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

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

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

appreciation for the long-standing relationship between LCRA and BBEC. Holford also expressed appreciation for BBEC's relationship with LCRA.

Kellicker continued the review of the business plan.

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

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

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

Chair Timmerman declared the meeting to be in executive session at 11:01 a.m., pursuant to sections 551.071 and 551.086 of the Texas Government Code (Open Meetings Act). Executive session ended, and Chair Timmerman declared the meeting to be in public session at 12:15 p.m.

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

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

## **EXHIBIT B**

Minutes Digest  
May 19, 2021

- 21-25 Declaration of an approximately 0.0193-acre tract of land, being a portion of LCRA Parcel JW-06 in Llano County on Lake LBJ, nonessential and authorization for the general manager or his designee to sell the property to the adjoining landowner.
- 21-26 Adoption of the regulation for contracting for construction projects.
- 21-27 Approval of directors' fees and expense reimbursements.
- 21-28 Approval of the minutes of the Jan. 20, 2021, Feb. 24, 2021, March 1, 2021, and March 24, 2021, meetings.
- 21-29 Approval of amendments to LCRA Board Policy 220 – Telecommunications.
- 21-30 Authorization for the general manager or his designee to negotiate and execute a standard firm raw water contract renewal with Hurst Creek Municipal Utility District for municipal use of LCRA's firm water supply of up to 1,200 acre-feet per year for a term of 40 years.
- 21-31 Authorization for the general manager or his designee to negotiate and execute a standard firm raw water contract renewal with the Highway 71 Municipal Utility District for municipal use of LCRA's firm water supply of up to 640 acre-feet per year for a term of 40 years.
- 21-32 Adoption and approval of the Sixtieth Supplemental Resolution extending the credit facility that supports LCRA Commercial Paper Notes, Series B, and the Commercial Paper Notes, Taxable Series B, (together, the Series B Notes), and authorizing the general manager or chief financial officer to negotiate and execute certain related agreements, including the Fourth Amendment to the Reimbursement Agreement between LCRA and State Street Bank and Trust Company, setting forth the terms and conditions governing the issuance of the direct-pay letter of credit securing the Series B Notes in the amount of \$150 million.
- 21-33 Approval of an amendment to the fiscal year 2021 LCRA business plan to increase the spending authorization in fiscal year 2021 from \$390.4 million to \$415.4 million.

- 21-34 Adoption of resolutions approving the fiscal year 2022 business and capital plans for LCRA and each of its affiliated nonprofit corporations: LCRA Transmission Services Corporation, LCRA Wholesale Energy Services Corporation, WSC Energy II and GenTex Power Corporation.
- 21-35 Adoption and approval of the Sixty-first Supplemental Resolution to the Master Resolution to authorize the issuance of a taxable private placement note program in an amount not to exceed \$150 million principal amount, and to authorize the general manager or the chief financial officer to execute a related note purchase agreement and all associated agreements necessary to support a letter of credit to the Electric Reliability Council of Texas to satisfy LCRA's financial security credit requirements pursuant to the ERCOT protocols for nodal market participants.
- 21-36 Adoption and approval of the Sixty-second Supplemental Resolution to the Master Resolution to authorize the issuance of a taxable private placement note program in an amount not to exceed \$150 million principal amount, and to authorize the general manager or the chief financial officer to execute a related note purchase agreement and all associated agreements necessary to support a letter of credit to the Electric Reliability Council of Texas to satisfy LCRA's financial security credit requirements pursuant to the ERCOT protocols for nodal market participants.



MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF THE  
LOWER COLORADO RIVER AUTHORITY  
Austin, Texas  
May 19, 2021

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of the Lower Colorado River Authority (LCRA) convened in a regular meeting at 1:06 p.m. Wednesday, May 19, 2021, in the Board Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The following directors were present, constituting a quorum:

Timothy Timmerman, Chair  
Stephen F. Cooper, Vice Chair  
Joseph M. "Joe" Crane, Secretary  
Michael L. "Mike" Allen  
Lori A. Berger  
Laura D. Figueroa  
Raymond A. "Ray" Gill Jr.  
Robert "Bobby" Lewis  
Thomas L. "Tom" Kelley  
Thomas Michael Martine  
George W. Russell  
Margaret D. "Meg" Voelter  
Martha Leigh M. Whitten  
Nancy Eckert Yeary

Absent: Charles B. "Bart" Johnson

Due to health and safety concerns related to the COVID-19 pandemic, and in accordance with the governor's disaster declaration and subsequent temporary suspension of certain provisions of the Texas Open Meetings Act, the public was not allowed to attend this meeting in person but had access to the open session portions of this meeting via livestream and via telephone for comment.

Chair Timmerman convened the meeting at 1:06 p.m.

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

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

Director Berger gave an update on Community Development Partnership Program grants and shared a video showing CDPD grant funded projects.

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

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

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

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

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

21-28 Approval of the minutes of the Jan. 20, 2021, Feb. 24, 2021, March 1, 2021, and March 24, 2021, meetings [Consent Item 6].

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

21-30 Vice President of Water Resources Monica Masters presented for consideration a staff recommendation, described in Agenda Item 8 [attached hereto as Exhibit E], that the Board authorize the general manager or his designee to negotiate and execute a standard firm raw water contract renewal with Hurst Creek Municipal Utility District for municipal use of LCRA's firm water supply of up to 1,200 acre-feet per year for a term of 40 years. Upon motion by Director Yearly, seconded by Director Martine, the recommendation was unanimously approved by a vote of 13 to 0. [Director Berger was absent for voting on this item in addition to Director Johnson, who was absent from the meeting.]

21-31 Vice President of Water Resources Monica Masters presented for consideration a staff recommendation, described in Agenda Item 9 [attached hereto as Exhibit F], that the Board authorize the general manager or his designee to negotiate and execute a standard firm raw water contract renewal with the Highway 71 Municipal Utility District for municipal use of LCRA's firm water supply of up to 640 acre-feet per

year for a term of 40 years. Upon motion by Vice Chair Cooper, seconded by Director Crane, the recommendation was unanimously approved by a vote of 14 to 0.

21-32 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 10 [attached hereto as Exhibit G], that the Board adopt and approve the Sixtieth Supplemental Resolution extending the credit facility that supports LCRA Commercial Paper Notes, Series B, and the Commercial Paper Notes, Taxable Series B, (together, the Series B Notes), and authorizing the general manager or chief financial officer to negotiate and execute certain related agreements, including the Fourth Amendment to the Reimbursement Agreement between LCRA and State Street Bank and Trust Company, setting forth the terms and conditions governing the issuance of the direct-pay letter of credit securing the Series B Notes in the amount of \$150 million. Upon motion by Director Lewis, seconded by Director Gill, the recommendation was unanimously approved by a vote of 14 to 0.

21-33 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 11 [attached hereto as Exhibit H], that the Board approve an amendment to the fiscal year 2021 LCRA business plan to increase authorization for spending in fiscal year 2021 from \$390.4 million to \$415.4 million. Upon motion by Director Allen, seconded by Director Voelter, the recommendation was unanimously approved by a vote of 14 to 0.

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

Chair Timmerman declared the meeting to be in executive session at 1:43 p.m., pursuant to sections 551.071 and 551.086 of the Texas Government Code (Open Meetings Act). Executive session ended, and Chair Timmerman declared the meeting to be in public session at 2:09 p.m.

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

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

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

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

## **EXHIBIT C**

Minutes Digest  
June 16, 2021

- 21-37 Appointment of LCRA Board committee members as follows:  
Director Carol Freeman to the Land and Community Resources  
Committee, and Director Melissa K. Blanding to the Finance Committee  
and Transmission Committee.
- 21-38 Approval of changing the dates of the August 2021 committee and  
LCRA Board of Directors meetings to Tuesday, Aug. 17, and Wednesday,  
Aug. 18, respectively.
- 21-39 Adoption of the Amended and Restated Twentieth Supplemental  
Resolution to the Controlling Resolution establishing the LCRA  
Transmission Contract Revenue Financing Program to authorize an  
increase in the capacity of the LCRA Transmission Contract Revenue  
Notes, Series C and Taxable Series C and other amendments. The  
adoption also authorizes the general manager or his designee to negotiate  
and execute all related documents setting forth the terms and conditions  
governing the issuance of such in an amount up to \$200 million, including  
but not limited to, a new note purchase agreement and among LCRA,  
LCRA Transmission Services Corporation and Bank of America, N.A. and  
an amended and restated supplement to the restated Transmission  
Contract Revenue Debt Installment Payment Agreement between LCRA  
and LCRA TSC.

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
LOWER COLORADO RIVER AUTHORITY  
Austin, Texas  
June 16, 2021

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of the Lower Colorado River Authority (LCRA) convened in a meeting at 10:09 a.m. Wednesday, June 16, 2021, in the Board Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The following directors were present, constituting a quorum:

Timothy Timmerman, Chair  
Stephen F. Cooper, Vice Chair  
Michael L. "Mike" Allen  
Lori A. Berger  
Melissa K. Blanding  
Carol Freeman  
Raymond A. "Ray" Gill Jr.  
Thomas L. "Tom" Kelley  
Thomas Michael Martine  
Margaret D. "Meg" Voelter  
Martha Leigh M. Whitten  
Nancy Eckert Yeary [arrived at 10:12 a.m.]

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

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

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

21-37 Chair Timmerman presented for consideration a recommendation, described in Agenda Item 2 [attached hereto as Exhibit A], that the Board approve the appointment of LCRA Board committee members as follows: Director Carol Freeman to the Land and Community Resources Committee, and Director Melissa K. Blanding to the Finance Committee and Transmission Committee. Upon motion by Director Berger, seconded by Director Kelley, the recommendation was unanimously approved by a vote of 11 to 0.

Chair Timmerman also noted he appointed Director Carol Freeman to the Community Development Partnership Program Review Committee and the Water Conservation Incentives Program Review Committee. [These appointments do not require Board approval.]

The Board next took action on the consent agenda.

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

[Director Yeary joined the meeting.]

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

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

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

**FOR ACTION**

## **8. Contracts and Contract Changes**

### **Proposed Motion**

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

### **Board Consideration**

LCRA Board Policy 308 – Purchasing Contracts establishes requirements for contracts for the purchase of goods, services, construction and software. LCRA has two types of contracts, master and one-time.

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

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

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

### **Summary**

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

### **Presenter(s)**

Matt Chavez  
Vice President, Supply Chain



**Exhibit(s)**

A – New Contracts

B – Contract Administration

**EXHIBIT A**

**New Contracts**

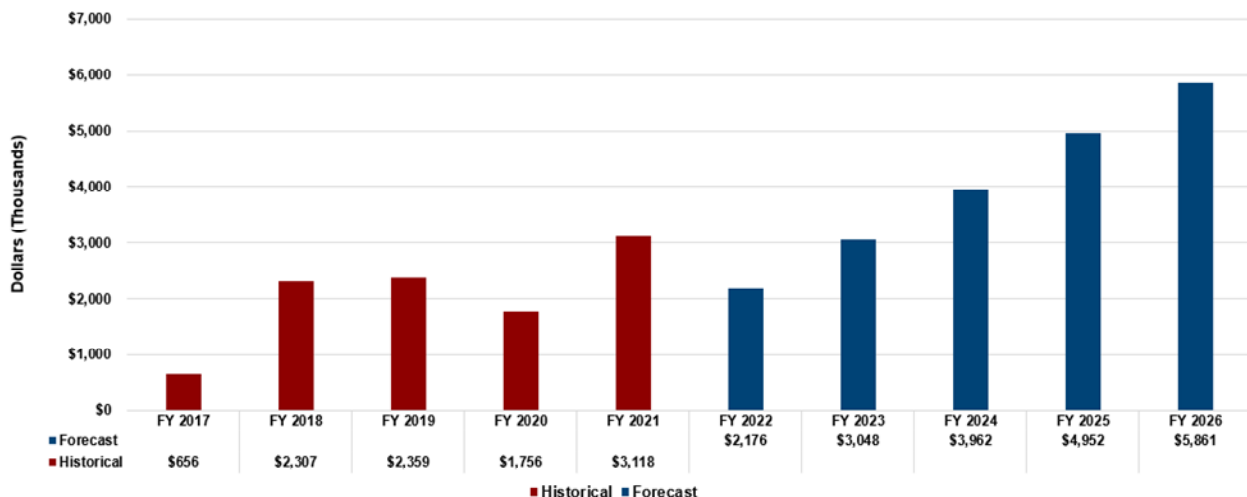
New contracts that require Board approval under Board Policy 308 are noted in Exhibit A.

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

**Background:**

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

**Power and Small MVA Autotransformer Order History and Forecast**



**Actions:**

- Staff recommends awarding these contracts based on a fully competitive process.
- Staff evaluated 12 proposals.
- Staff evaluated suppliers based on quality and technical requirement compliance, delivery lead time, and price.
- The contract award amount is not to exceed \$20 million. This amount represents a shared sum from which the proposed contracts may draw.
- Based upon the evaluation and subsequent negotiations, staff recommends Delta Star, Inc. and Hyundai Electric America Corporation as the suppliers for this category.

## **EXHIBIT B**

### **Contract Administration**

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

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

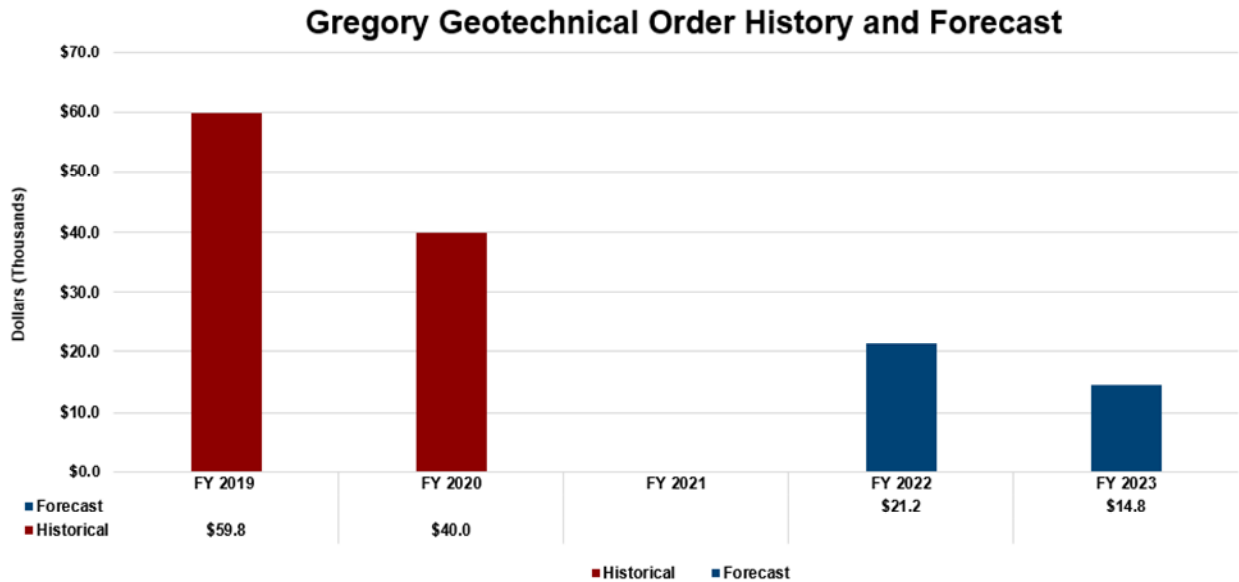
**Contract No.**                    **5210**  
**Supplier:**                        Gregory Geotechnical  
**Contract Amount:**            Not to exceed \$135,790  
**Contract Length:**            Until the contract is fulfilled  
**Description:**                 This one-time contract is for service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

#### **Background:**

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

**Contract History:**

Original Contract (May 2019)	\$60,000
Increase in Estimate No. 1 (March 2020)	\$39,790
Increase in Estimate No. 2 (August 2021) (Board Approval)	\$36,000
<b>Total</b>	<b>\$135,790</b>



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

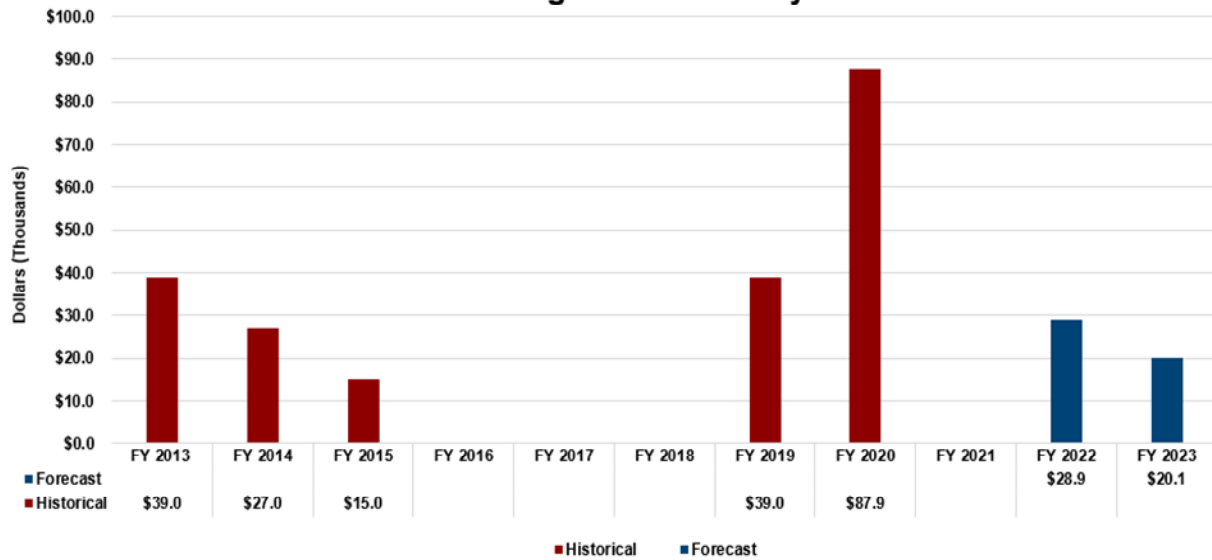
**Background:**

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

**Contract History:**

Original Contract (May 2013)	\$39,000
Increase in Estimate No. 1 (March 2014) (Board Approval)	\$27,000
Increase in Estimate No. 2 (June 2015)	\$15,000
Increase in Estimate No. 3 (August 2018)	\$18,853
Increase in Estimate No. 4 (May 2019)	\$20,147
Increase in Estimate No. 5 (August 2019) (Board Approval)	\$27,853
Increase in Estimate No. 6 (January 2020)	\$60,000
Increase in Estimate No. 7 (August 2021) (Board Approval)	\$49,000
<b>Total</b>	<b>\$256,853</b>

**Steven G. Wright Order History and Forecast**



**Contract No.** 4931  
**Supplier:** Presidio Networked Solutions Group LLC  
**Contract Amount:** Not to exceed \$46 million  
**Contract Length:** One-year contract with four additional, optional one-year terms  
**Description:** This master contract is for technology infrastructure and networking equipment used by Digital Services, Cybersecurity and Telecommunications.

**Background:**

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

**Contract History:**

Original Contract September 2018 (Board Approval)	\$25,000,000
Increase in Estimate No. 1 May 2021	\$1,000,000
Increase in Estimate No. 2 August 2021 (Board Approval)	\$20,000,000
<b>Total</b>	<b>\$46,000,000</b>

