



# Board Agenda

Wednesday, Sept. 20, 2023  
LCRA General Office Complex  
Board Room – Hancock Building  
3700 Lake Austin Blvd.  
Austin, TX 78703  
Earliest start time: 11 a.m.

### Items From the Chair

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

### Consent Items

- \*2. Sale of Land in Llano County (Parcel BW-09) ..... 5
- \*3. Conveyance of Easements in McLennan County ..... 9
- 4. Minutes of Prior Meetings ..... 12

### Action Items

- 5. Fiscal Year 2023 Financial Statements and Independent Auditors’ Report..... 19
- \*6. Approve the LCRA Transmission Services Corporation Transmission Contract Refunding Revenue Bond Issues and Forty-Second Supplemental Resolution..... 20
- 7. Contracts and Contract Changes ..... 23

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

### Executive Session

- 1. Competitive Electric Matters
- 2. Litigation Update

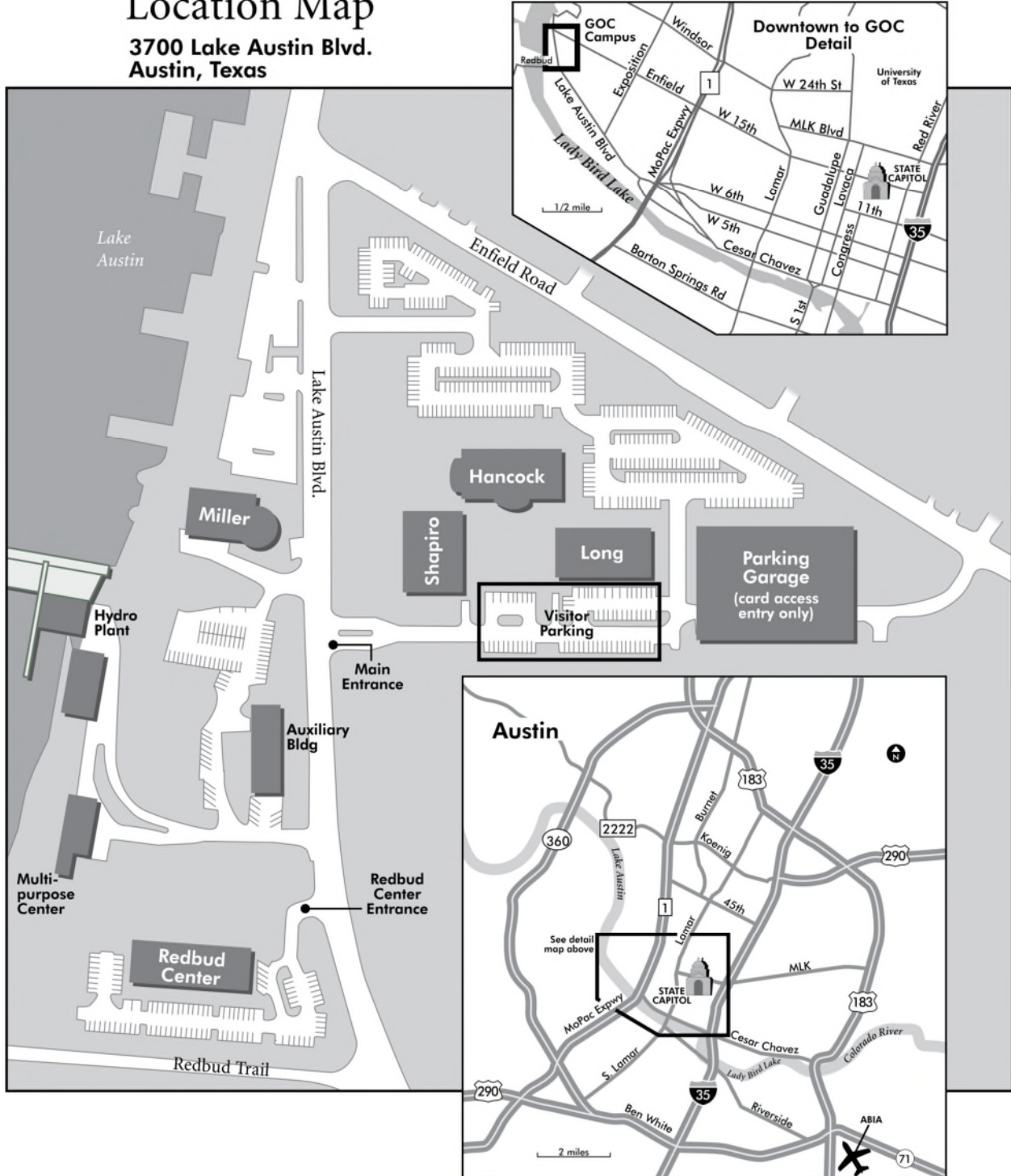
The Board also may go into executive session on any item listed above, pursuant to Chapter 551 of the Texas Government Code, including, but not limited to, sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code.

### Legal Notice

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

# LCRA General Office Complex Location Map

3700 Lake Austin Blvd.  
Austin, Texas



## **FOR DISCUSSION**

# **1. Comments From the Public**

### **Summary**

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

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

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

### **Exhibit(s)**

A – Protocols for Public Communication at Board and Committee Meetings

## EXHIBIT A

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

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

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

**FOR ACTION (CONSENT)**

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

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

### **Proposed Motion**

Declare an approximately 0.765-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 land to the adjoining landowner, Floyd Acres Property Owners Association.

### **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 beneficial 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 administrative costs associated with the sale of this land are contained in the fiscal year 2024 business plan. The proceeds of \$21,150 will be credited to the Public Recreation and Conservation Land Acquisition Fund in accordance with LCRA Board Policy 403.

### **Summary**

Floyd Acres Property Owners Association, the adjacent landowner, has agreed to purchase a tract of land on Lake Buchanan that they have leased since 1977. Real Estate Services staff determined the price based on the Llano Central Appraisal District's assessed values of the Floyd Acres Property Owners Association adjacent lot and other nearby waterfront lots. The sale price of the property is \$21,150.

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.
4. Ownership of the property will revert to LCRA if any change of use from a property owners association park or change in ownership of the adjoining POA park land (PID 56450).

LCRA representatives will complete environmental and cultural resource due diligence in accordance with Board Policy 401.403 prior to the sale of the property.

**Exhibit(s)**

A – Vicinity Map

B – Site Map





**EXHIBIT B**





### **3. Conveyance of Easements in McLennan County**

#### **Proposed Motion**

Authorize the general manager or his designee to convey a 1.971-acre permanent surface easement and a 0.436-acre temporary workspace easement over LCRA Parcel MC-01 to Atmos Energy Corporation in McLennan County.

#### **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 the approval of the LCRA Board to convey easements across LCRA land.

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

The fiscal year 2024 business plan contains the administrative costs associated with the conveyance of these easements. Proceeds from the conveyance of these easements will benefit Wholesale Power Services.

#### **Summary**

LCRA owns an 11.14% interest in the coal-fired Sandy Creek Energy Station in McLennan County. LCRA acquired this interest in Parcel MC-01 in June 2008.

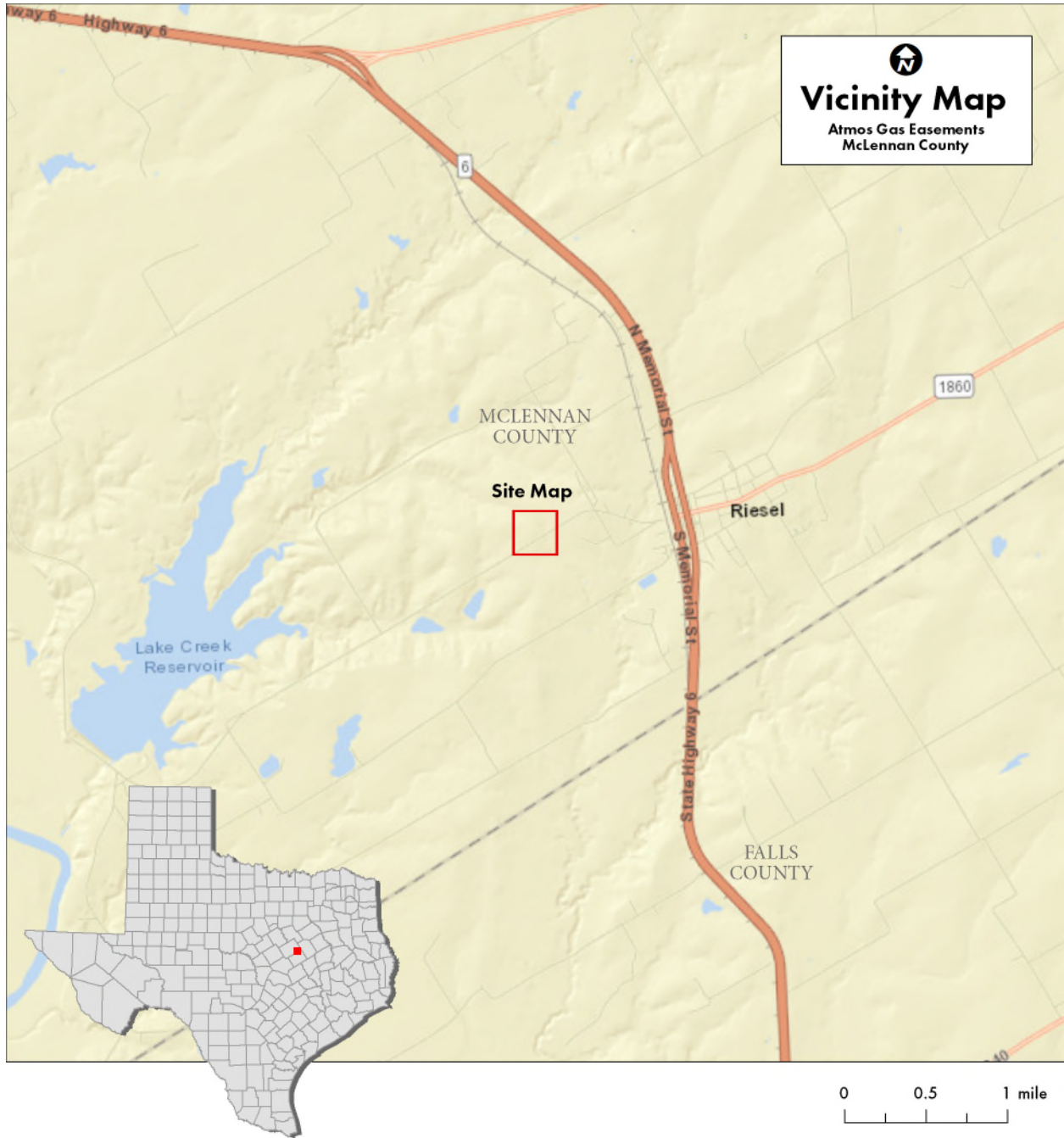
Atmos Energy has requested a 1.971-acre permanent surface easement and a 0.436-acre temporary workspace easement over MC-01. An easement price of \$14,269 has been agreed to and is based on an appraisal performed by an independent and certified third-party appraiser. LCRA's share of this easement price will be about \$1,590 based on LCRA's 11.14% interest in the land.

LCRA representatives will complete environmental and cultural resource due diligence in accordance with Board Policy 401.403 prior to conveying the easements.

#### **Exhibit(s)**

- A – Vicinity Map
- B – Site Map

**EXHIBIT A**



**EXHIBIT B**



**FOR ACTION (CONSENT)**

## **4. Minutes of Prior Meetings**

**Proposed Motion**

Approve the minutes of the Aug. 22 and Aug. 23, 2023, 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 Aug. 22, 2023, meeting

B – Minutes of Aug. 23, 2023, meeting

**EXHIBIT A**

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
LOWER COLORADO RIVER AUTHORITY  
Austin, Texas  
Aug. 22, 2023

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 noon on Tuesday, Aug. 22, 2023, in the Board Conference Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The following directors were present, constituting a quorum:

Timothy Timmerman, Chair  
Stephen F. Cooper, Vice Chair  
Joseph M. "Joe" Crane, Secretary  
Michael L. "Mike" Allen  
Matthew L. "Matt" Arthur  
Melissa K. Blanding  
Carol Freeman  
Robert "Bobby" Lewis  
Thomas Michael Martine  
Hatch C. Smith Jr.  
Margaret D. "Meg" Voelter  
Martha Leigh M. Whitten  
David R. Willmann  
Nancy Eckert Yeary

Absent: Thomas L. "Tom" Kelley

Chair Timmerman convened the meeting at noon and introduced City of Austin Mayor Kirk Watson.

Mayor Watson addressed the Board on issues of common interest between the City of Austin and LCRA and their constituents.

There being no further business to come before the Board, the meeting was adjourned at 1:15 p.m.

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Joseph M. Crane  
Secretary  
LCRA Board of Directors  
Approved: Sept. 20, 2023



## **EXHIBIT B**

Minutes Digest  
Aug. 23, 2023

- 23-36 Approval of the proposed LCRA Board and committee meeting dates for calendar year 2024.
- 23-37 Authorization for the general manager or his designee to assign easement rights across an approximately 1.810-acre and 0.046-acre permanent access easement and an approximately 1.728-acre construction access easement, and grant a surface easement over LCRA Parcel BC-03 to Kinder Morgan in Bastrop County.
- 23-38 Authorization for the general manager or his designee to negotiate and execute a 20-year lease agreement with the City of Horseshoe Bay for the use of 5.956 acres of LCRA Parcel JW-05 in Llano County.
- 23-39 Ratification of the fiscal year 2023 LCRA business plan to increase authorized operations spending in fiscal year 2023 from \$487.9 million to \$488.1 million.
- 23-40 Approval of amendments to LCRA Board Policy 301 – Finance.
- 23-41 Review and approval of LCRA Board Policy 303 – Banking and Investments.
- 23-42 Approval of directors’ fees and expense reimbursements.
- 23-43 Approval of the minutes of the June 21, 2023, meeting.
- 23-44 Approval of LCRA Board Policy 223 – Cybersecurity.
- 23-45 Authorization for the general manager or his designee to negotiate and execute the following contracts and contract changes: Contract No. 6321 (Kleinfelder, Inc.); Contract No. 6322 (Terracon Consultants, Inc.); Contract No. 6289 (Locweld, Inc.); Contract No. 6252 (Arcosa Industries, Inc.); Contract No. 6354 (Presidio Networked Solutions Group, LLC); Contract No. 6355 (Kudelski Security, Inc.); and Contract No. 5664 (Ryan LLC).
- 23-46 Adoption of a resolution approving the fiscal year 2023 performance evaluation, compensation and fiscal year 2024 performance goals for General Manager Phil Wilson.



23-47

Adoption of a resolution approving the fiscal year 2023 performance evaluation, compensation and fiscal year 2024 performance goals for General Auditor Gerry Garcia.

MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF THE  
LOWER COLORADO RIVER AUTHORITY  
Austin, Texas  
Aug. 23, 2023

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of the Lower Colorado River Authority (LCRA) convened in a regular meeting at 9:40 a.m. Wednesday, Aug. 23, 2023, in the Board Room of the Hancock Building, at the principal office of LCRA, 3700 Lake Austin Blvd., Austin, Travis County, Texas. The following directors were present, constituting a quorum:

Timothy Timmerman, Chair  
Stephen F. Cooper, Vice Chair  
Joseph M. "Joe" Crane, Secretary  
Michael L. "Mike" Allen  
Matthew L. "Matt" Arthur  
Melissa K. Blanding  
Carol Freeman  
Robert "Bobby" Lewis  
Thomas Michael Martine  
Hatch C. Smith Jr.  
Margaret D. "Meg" Voelter  
Martha Leigh M. Whitten  
David R. Willmann  
Nancy Eckert Yeary

Absent: Thomas L. "Tom" Kelley

Chair Timmerman convened the meeting at 9:40 a.m.

The Board heard public comments [Agenda Item 1]. Jim Wolsky, a mechanical engineer, shared his idea about how to improve the design of the dams to help prevent any potential flooding on Lake Travis and Lake Austin. Cindy Smiley, an attorney who represents the Central Texas Water Coalition, and Shannon Hamilton, executive director of CTWC, commented on challenges presented by exempt or unpermitted impoundments in the upstream reaches of the watershed, the need to prepare current and up-to-date hydrological data that goes beyond 2016 for the water availability models and to consider starting the process before 2025 to update the Water Management Plan. Bobby Aziz commented that parking restrictions at Jessica Hollis Park should be removed to allow the maximum visitors to the park.

General Manager Phil Wilson gave the Board an update. He discussed LCRA's safety-related accomplishments during fiscal year 2023, including safety campaigns, safety programs and Smithville Rail Fleet Maintenance Facility's achievement of no lost-time incidents. Wilson provided some highlights of how LCRA continued serving

Texans during FY 2023. He discussed the drought, water supplies and the urgent need for water conservation. He commended the Human Resources team and hiring managers, in light of the tight labor market, for their success and efforts in filling open positions at LCRA. Wilson concluded his update by recognizing teams across LCRA that recently replaced a Wholesale Power and Transmission billing system.

Chief Financial Officer Jim Travis presented financial highlights for LCRA covering fiscal year 2023 [Agenda Item 2].

The Board next took action on the consent agenda. Upon motion by Director Voelter, seconded by Director Crane, the Board unanimously approved consent items 3, 4, 5, 6, 7, 8, 9 and 10 by a vote of 14 to 0 as follows:

23-36 Approval of the proposed LCRA Board and committee meeting dates for calendar year 2024, as recommended in Consent Item 3 [attached hereto as Exhibit A].

23-37 Authorization for the general manager or his designee to assign easement rights across an approximately 1.810-acre and 0.046-acre permanent access easement and an approximately 1.728-acre construction access easement, and grant a surface easement over LCRA Parcel BC-03 to Kinder Morgan in Bastrop County, as recommended by staff in Consent Item 4 [attached hereto as Exhibit B].

23-38 Authorization for the general manager or his designee to negotiate and execute a 20-year lease agreement with the City of Horseshoe Bay for the use of 5.956 acres of LCRA Parcel JW-05 in Llano County, as recommended by staff in Consent Item 5 [attached hereto as Exhibit C].

23-39 Ratification of the fiscal year 2023 LCRA business plan to increase authorized operations spending in fiscal year 2023 from \$487.9 million to \$488.1 million, as recommended by staff in Consent Item 6 [attached hereto as Exhibit D].

23-40 Approval of amendments to LCRA Board Policy 301 – Finance, as recommended by staff in Consent Item 7 [attached hereto as Exhibit E].

23-41 Review and approval of LCRA Board Policy 303 – Banking and Investments, as recommended by staff in Consent Item 8 [attached hereto as Exhibit F].

23-42 Approval of directors' fees and expense reimbursements, as recommended in Consent Item 9 [attached hereto as Exhibit G].

23-43 Approval of the minutes of the June 21, 2023, meeting [Consent Item 10].

23-44 Chief Operating Officer Ken Price presented for consideration a staff recommendation, described in Agenda Item 11 [attached hereto as Exhibit H], that the Board approve LCRA Board Policy 223 – Cybersecurity. Upon motion by Director

Whitten, seconded by Director Lewis, the recommendation was unanimously approved by a vote of 14 to 0.

23-45 Vice President of Supply Chain Matt Chavez presented for consideration a staff recommendation, described in Agenda Item 12 [attached hereto as Exhibit I], that the Board authorize the general manager or his designee to negotiate and execute the following contracts and contract changes: Contract No. 6321 (Kleinfelder, Inc.); Contract No. 6322 (Terracon Consultants, Inc.); Contract No. 6289 (Locweld, Inc.); Contract No. 6252 (Arcosa Industries, Inc.); Contract No. 6354 (Presidio Networked Solutions Group, LLC); Contract No. 6355 (Kudelski Security, Inc.); and Contract No. 5664 (Ryan LLC). Upon motion by Director Lewis, seconded by Director Crane, the recommendation was unanimously approved by a vote of 14 to 0.

Chair Timmerman declared the meeting to be in executive session at 10:22 a.m. pursuant to sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code. Executive session ended, and Chair Timmerman declared the meeting to be in public session at 11:40 a.m.

23-46 Upon motion by Director Crane, seconded by Vice Chair Cooper, the Board unanimously adopted a resolution [attached hereto as Exhibit J] approving the fiscal year 2023 performance evaluation, compensation and fiscal year 2024 performance goals for General Manager Phil Wilson by a vote of 14 to 0.

23-47 Upon motion by Director Whitten, seconded by Director Voelter, the Board unanimously adopted a resolution [attached hereto as Exhibit K] approving the fiscal year 2023 performance evaluation, compensation and fiscal year 2024 performance goals for General Auditor Gerry Garcia by a vote of 14 to 0.

There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 11:44 a.m.

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Joseph M. Crane  
Secretary  
LCRA Board of Directors  
Approved: Sept. 20, 2023

**FOR ACTION**

## **5. Fiscal Year 2023 Financial Statements and Independent Auditors' Report**

### **Proposed Motion**

Approve the fiscal year 2023 audited financial statements and authorize the filing of the audited financial statements with the executive director of the Texas Commission on Environmental Quality.

### **Board Consideration**

TCEQ, under authority granted to it within Section 49.194 of the Texas Water Code, requires river authorities such as LCRA to file with TCEQ an annual audit report approved by the LCRA Board of Directors.

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

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

### **Summary**

The Board received the audited financial statements under separate cover.

### **Presenter(s)**

Jim Travis  
Chief Financial Officer

**FOR ACTION**

## **6. Approve the LCRA Transmission Services Corporation Transmission Contract Refunding Revenue Bond Issues and Forty-Second Supplemental Resolution**

### **Proposed Motion**

Staff recommends the Board of Directors adopt and approve the Forty-Second Supplemental Resolution (Forty-Second Supplement) to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program (Controlling Resolution) authorizing the issuance of Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project) in one or more series (a Series of Bonds) in an aggregate amount not to exceed \$600 million for the following purposes: (i) funding the acquisition, construction and improvement of certain electric transmission and transformation facilities pursuant to the Installment Payment Agreement; (ii) current refunding of certain LCRA Transmission Contract Revenue Commercial Paper Notes (LCRA Transmission Services Corporation Project) Tax-Exempt Series and any series of LCRA Transmission Contract Revenue Revolving Notes (LCRA Transmission Services Corporation Project); (iii) currently refund certain long-term Transmission Contract Debt (bonds); (iv) funding a debt service reserve fund for a Series of Bonds; and (v) paying for issuance costs.

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

The resolution also will:

1. Approve related documents, in substantially final form, including, if required, an escrow agreement, a paying agent/registrar agreement, a preliminary and final official statement, and a Transmission Contract Revenue Debt Installment Payment Agreement Supplement related to the Series of Bonds (Installment Payment Agreement Supplement). Bond counsel has prepared or reviewed all documents.
2. Delegate authority to the general manager, chief financial officer and/or treasurer to:
  - a. Finance certain electric transmission and transformation facilities;
  - b. Select all or a portion of LCRA TSC's outstanding debt to be refunded by the particular Series of Bonds and provide for appropriate notices of redemption/prepayment/defeasance;
  - c. Approve any final changes to said documents necessary to facilitate proper issuance of such Series of Bonds;
  - d. Establish the terms of each Series of Bonds as provided in the Forty-Second Supplement (including issuing such bonds in one or more separate Series of Bonds, issuing the Series of Bonds as tax-exempt or taxable, principal amounts and maturity schedules, interest rates, redemption provisions, and terms of any reserve funds); and



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

### **Board Consideration**

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

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

The fiscal year 2024 LCRA TSC business plan anticipates the refunding of a portion of LCRA TSC Series 2018 bonds and a portion of the short-term debt. The FY 2024 LCRA TSC business plan also anticipates the issuance of about \$700 million of short-term obligations to fund LCRA TSC's ongoing capital plan in FY 2024. If the issuance of a Series of Bonds includes funding of electric transmission/transformation facilities, the issuance of short-term obligations in FY 2024 will be reduced.

### **Summary**

With this action, the Board will approve one or more Series of Bonds issued for the purpose of funding electric transmission/transformation facilities, current refunding of certain LCRA TSC commercial paper, revolving notes and bonds establishing a debt service reserve fund for a particular Series of Bonds, and paying for the issuance costs related to such bonds, all in an amount not to exceed \$600 million. The Board also will approve the execution of documents necessary for the sale of each Series of Bonds further described below.

### **Background**

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

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

A bond purchase agreement is the contract among LCRA, LCRA TSC and the underwriters of the Series of Bonds that establishes the terms of the sale and delivery of such Series of Bonds from LCRA and LCRA TSC to such underwriters. This agreement provides for the conditions for closing on the Series of Bonds, including required legal opinions, and provides for certain limited events that may terminate LCRA TSC's obligation to deliver and/or the underwriters' obligation to accept the Series of Bonds at closing.

The paying agent/registrars agreement is the contract among LCRA, LCRA TSC and The Bank of New York Mellon Trust Company NA setting forth the rights, duties and obligations of the parties under which such bank will act as the paying agent and registrar for the particular Series of Bonds. The bank will provide paying agent and transfer agent services, maintain registration books, and facilitate providing certain notices for the Series of Bonds, among other services.

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

### **Use of Proceeds**

Proceeds from each Series of Bonds will be used to fund electric transmission/transformation facilities, refund certain LCRA TSC commercial paper notes, revolving notes and bonds, establish a debt service reserve fund for the particular Series of Bonds, and pay for issuance costs.

LCRA and LCRA TSC have authorized the issuance of commercial paper and revolving notes under programs backed by three separate credit facilities. Periodically, staff recommends refunding short-term, variable-rate debt with long-term, fixed-rate debt when market conditions are favorable and the short-term debt credit facilities approach their maximum capacity. In addition, staff periodically recommends refunding existing long-term debt (such as the LCRA TSC Series 2018 bonds) with new long-term debt to capture interest rate savings and/or adjust the debt structure to benefit LCRA TSC customers.

Staff currently expects the bonds to be sold and delivered in one Series of Bonds, in the spring of 2024, subject to the approving opinions of the Office of the Attorney General and bond counsel.

### **Presenter(s)**

Jim Travis  
Chief Financial Officer

## **FOR ACTION**

# **7. Contracts and Contract Changes**

### **Proposed Motion**

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

### **Board Consideration**

LCRA Board Policy 308 – Purchasing Contracts requires Board of Directors approval for:

- Any contract for consulting services with projected expenditures exceeding \$250,000, whether under the original contract or as a result of a change.
- Any contract for goods, services (excluding consulting services), construction or software with projected expenditures exceeding \$5 million, whether under the original contract or as a result of a change.

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

Board of Directors approval of contracts and contract changes does not create a commitment to spend funds. All commitments made under these contracts will be for budgeted items contained in separately authorized operations and capital budgets or pre-spending requirements as outlined in LCRA Transmission Services Corporation Board Policy T301 – Finance.

### **Summary**

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

### **Presenter(s)**

Matt Chavez  
Vice President, Supply Chain

### **Exhibit(s)**

A – New Contracts  
B – Contract Administration

**EXHIBIT A**

<b>New Contracts</b>
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**Contract Number:** 6362

**Supplier Name:** NV5 Geospatial, Inc.

**Contract Amount:** \$5.5 million

**Description:** This master contract is for aerial mapping services, light detection and ranging services and deliverables primarily used by LCRA Transmission Services Corporation for transmission line capital projects and general maintenance activities. The term of the contract is for one year, with annual options to extend up to a total of five years. Historical contract expenditures were \$4 million under the existing five-year contract with NV5 Geospatial, Inc. (previously Quantum Spatial). Total projected contract expenditures are forecast to increase from prior years due to the continued growth of the LCRA TSC capital plan.

**EXHIBIT B**

<b>Contract Changes</b>
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**Contract Number:** 5580

**Supplier Name:** Dell Marketing LP

**Current Approved Contract Amount:** \$5 million

**Requested Change:** \$1 million

**New Contract Amount:** \$6 million

**Description:** This master contract provides for Dell branded devices including client hardware, laptops, desktops, workstations, monitors, etc. Five months are remaining on the current contract with expenditures totaling \$5 million. This contract had a faster-than-forecasted burn rate to accommodate work-from-home equipment during COVID-19 as well as an increase in new employee onboarding rates during the contract term. Total projected category expenditures are forecast to increase due to the continued growth of the organization (onboarding) and the exchange of older devices reaching the end of support. Staff is requesting Board approval to add an additional \$1 million to the existing contract amount to cover Dell products for the remainder of the contract term as Supply Chain staff is currently evaluating new client hardware options.

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