



Board Agenda

Tuesday, June 18, 2024
LCRA General Office Complex
Board Room – Hancock Building
3700 Lake Austin Blvd.
Austin, TX 78703
Earliest start time: 10:45 a.m.

Item From the Chair

- 1. Comments From the Public 3

Items From the General Manager

General Manager’s Update

Consent Item

- 2. Minutes of Prior Meeting 5

Action/Discussion Items

- 3. Basin Conditions Update 12
- 4. Small Pond Study Presentation 13
- 5. Fiscal Year 2024 LCRA Transmission Services Corporation Capital Plan
Amendment 15
- 6. Fiscal Year 2024 LCRA Business Plan Amendment 16
- *7. Approve the LCRA Transmission Services Corporation Transmission
Contract Refunding Revenue Bond Issuance and Forty-fifth
Supplemental Resolution 17
- 8. Contracts and Contract Changes 20

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

Executive Session

- 1. Competitive Electric Matters
- 2. Environmental Regulatory Update
- 3. Litigation Update
- 4. Legal Advice on Legal Matters

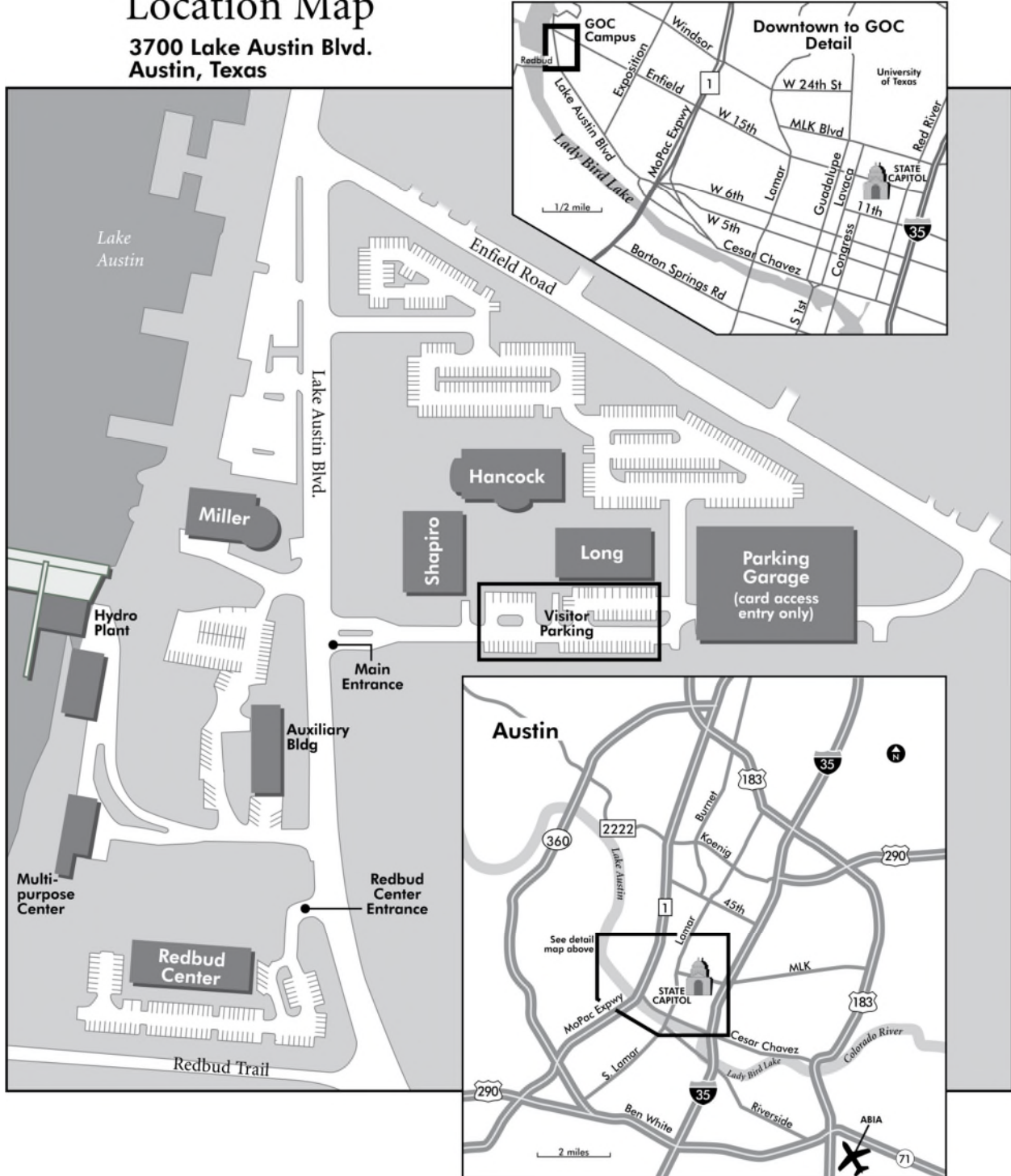
The Board also may go into executive session on any item listed above, pursuant to Chapter 551 of the Texas Government Code, including, but not limited to, sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code.

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)

2. Minutes of Prior Meeting

Proposed Motion

Approve the minutes of the May 22, 2024, Board meeting.

Board Consideration

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

Budget Status and Fiscal Impact

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

Summary

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

Exhibit(s)

A – Minutes of May 22, 2024, Board meeting

EXHIBIT A

LCRA Board of Directors
Minutes Digest
May 22, 2024

- 24-35 Authorization for the general manager or his designee to convey a 0.415-acre permanent easement over LCRA Parcel MC-01 to Oncor Electric Delivery Company, LLC in McLennan County. [Oncor will then release an existing 0.306-acre easement on the same parcel.]
- 24-36 Approval of directors' fees and expense reimbursements.
- 24-37 Approval of the minutes of the April 25, 2024, Board meeting.
- 24-38 Adoption of the Forty-fourth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program to authorize a note purchase agreement (Series C NP Agreement) among LCRA, LCRA Transmission Services Corporation and Bank of America, N.A., or another bank if acceptable terms cannot be reached with Bank of America (in each case, the Bank), for the LCRA Transmission Contract Revenue Notes, Series C (Series C Notes) for a term of three years, and authorization for the general manager, chief financial officer or treasurer to select the Bank, negotiate and execute such Series C NP Agreement and any related fee agreement, setting forth the terms and conditions governing the issuance of the debt directly to the Bank in an amount up to \$200 million for the Series C Notes and authorization for any other necessary agreements.
- 24-39 Adoption and approval of the Seventieth Supplemental Resolution to the Master Resolution authorizing the issuance of Refunding Revenue Bonds (Bonds) in one or more series in an amount not to exceed \$350 million for the following purposes: (i) currently refund portions of the LCRA Commercial Paper Notes, Series B and Taxable Series B and any series of LCRA Revenue Revolving Notes; (ii) fund the debt service reserve fund or purchase a reserve fund obligation for the Bonds; and (iii) pay for issuance costs of the Bonds.
- 24-40 Adoption and approval of the Seventy-first Supplemental Resolution authorizing a letter of credit reimbursement agreement 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, chief financial officer or treasurer to negotiate and execute the related reimbursement agreement with one or more banks to be determined by LCRA's general manager, chief financial officer or treasurer, setting forth the terms and conditions governing the issuance of

a direct-pay letter of credit securing the Series B Notes for a term not more than five years and in the amount of \$250 million and authorization for other related agreements.

- 24-41 Adoption of resolutions approving the fiscal year 2025 business and capital plans for LCRA and each of its nonprofit corporations, authorizing the initiation of recommended projects and expenditures.
- 24-42 Authorization for the general manager or his designee to negotiate and execute Contract (change) No. 5909 (Hyundai Electric America Corporation).

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER COLORADO RIVER AUTHORITY
Matagorda, Texas
May 22, 2024

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 10:45 a.m. Wednesday, May 22, 2024, in Redfish Hall, at Matagorda Bay Nature Park, 6420 Farm to Market Road 2031, Matagorda, Matagorda 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
Thomas L. "Tom" Kelley
Robert "Bobby" Lewis
Thomas Michael Martine
Margaret D. "Meg" Voelter
Martha Leigh M. Whitten

Absent: David R. Willmann
Nancy Eckert Yeary

Chair Timmerman convened the meeting at 10:45 a.m. and welcomed special guests in attendance.

The Board heard public comments [Agenda Item 1]. The speakers thanked LCRA for its efforts and for working with counties, communities, groups and other stakeholders in the lower basin.

Mike Ferdinand with the Matagorda County Economic Development Corporation expressed appreciation for LCRA's services and support for businesses and industry in Matagorda County. Matagorda County Judge Bobby Seiferman welcomed everyone to Matagorda County. He expressed appreciation for LCRA working with the county, LCRA's diligence and consideration for the needs of the entire watershed.

Mitch Thames with the Bay City Chamber of Commerce and Agriculture commented about the drought situation, thanked the LCRA Board for its leadership on the current Water Management Plan and expressed support for following the plan. Kirby Brown with Ducks Unlimited, and co-chair of the Lower Colorado River Basin Coalition Executive Committee, expressed concerns about the ongoing drought situation and endangered

species in Matagorda Bay. He stressed the importance of water inflows needed for the bay system.

Chief Financial Officer Jim Travis presented financial highlights for LCRA covering April 2024 and the fiscal year to date [Agenda Item 2].

The Board next took action on the consent agenda. Upon motion by Vice Chair Cooper, seconded by Director Voelter, the Board unanimously approved consent items 3, 4 and 5 by a vote of 12 to 0 as follows:

24-35 Authorization for the general manager or his designee to convey a 0.415-acre permanent easement over LCRA Parcel MC-01 to Oncor Electric Delivery Company, LLC in McLennan County [Oncor will then release an existing 0.306-acre easement on the same parcel.], as recommended by staff in Consent Item 3 [attached hereto as Exhibit A].

24-36 Approval of directors' fees and expense reimbursements, as recommended in Consent Item 4 [attached hereto as Exhibit B].

24-37 Approval of the minutes of the April 25, 2024, Board meeting [Consent Item 5].

24-38 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 6 [attached hereto as Exhibit C], that the Board adopt the Forty-fourth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program to authorize a note purchase agreement (Series C NP Agreement) among LCRA, LCRA Transmission Services Corporation and Bank of America, N.A., or another bank if acceptable terms cannot be reached with Bank of America (in each case, the Bank), for the LCRA Transmission Contract Revenue Notes, Series C (Series C Notes) for a term of three years, and authorize the general manager, chief financial officer or treasurer to select the Bank, negotiate and execute such Series C NP Agreement and any related fee agreement, setting forth the terms and conditions governing the issuance of the debt directly to the Bank in an amount up to \$200 million for the Series C Notes and authorize any other necessary agreements. Upon motion by Director Lewis, seconded by Director Arthur, the recommendation was unanimously approved by a vote of 12 to 0.

24-39 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 7 [attached hereto as Exhibit D], that the Board adopt and approve the Seventieth Supplemental Resolution to the Master Resolution authorizing the issuance of Refunding Revenue Bonds (Bonds) in one or more series in an amount not to exceed \$350 million for the following purposes: (i) currently refund portions of the LCRA Commercial Paper Notes, Series B and Taxable Series B and any series of LCRA Revenue Revolving Notes; (ii) fund the debt service reserve fund or purchase a reserve fund obligation for the Bonds; and (iii) pay for issuance costs of the Bonds.

The resolution also will:

1. Approve related documents, including the bond purchase agreement; escrow agreement; paying agent/registrar agreement; remarketing agreement, if necessary; tender agreement, if necessary; and the preliminary and final official statements in substantially final form. Bond counsel has prepared or reviewed all documents.
2. Delegate authority to the general manager, chief financial officer and/or treasurer to:
 - a. Select all or a portion of LCRA's outstanding debt to be refunded and provide for appropriate notices of redemption/defeasance/prepayment.
 - b. Approve any final changes to said documents necessary to facilitate proper issuance of the Bonds.
 - c. Establish the terms of the Bonds as provided in the resolution (including issuing such bonds in one or more separate series; principal amounts and maturity schedules; interest rates; whether the bonds are taxable or tax-exempt; tender and remarketing provisions, if any; and redemption provisions).
 - d. Select a remarketing agent and a tender agent if the Bonds are to be subject to a mandatory tender provision.
 - e. Approve the terms of the sale of the Bonds to an underwriting team and execute a bond purchase agreement.

Upon motion by Director Arthur, seconded by Director Lewis, the recommendation was unanimously approved by a vote of 12 to 0.

24-40 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 8 [attached hereto as Exhibit E], that the Board adopt and approve the Seventy-first Supplemental Resolution authorizing a letter of credit reimbursement agreement 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, chief financial officer or treasurer to negotiate and execute the related reimbursement agreement with one or more banks to be determined by LCRA's general manager, chief financial officer or treasurer, setting forth the terms and conditions governing the issuance of a direct-pay letter of credit securing the Series B Notes for a term not more than five years and in the amount of \$250 million and authorize other related agreements. Upon motion by Director Allen, seconded by Director Kelley, the recommendation was unanimously approved by a vote of 12 to 0.

24-41 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 9 [attached hereto as Exhibit F], that the Board adopt resolutions approving the fiscal year 2025 business and capital plans for LCRA and each of its nonprofit corporations [LCRA Transmission Services Corporation, GenTex Power Corporation, LCRA Wholesale Energy Services Corporation and WSC Energy II], authorizing the initiation of recommended projects and expenditures. The Board had a detailed discussion on the FY 2025 business and capital plans during

a work session on April 25. Upon motion by Director Whitten, seconded by Director Voelter, the recommendation was unanimously approved by a vote of 12 to 0.

24-42 Chief Financial Officer Jim Travis presented for consideration a staff recommendation, described in Agenda Item 10 [attached hereto as Exhibit G], that the Board authorize the general manager or his designee to negotiate and execute Contract (change) No. 5909 (Hyundai Electric America Corporation). Upon motion by Director Kelley, seconded by Director Crane, the recommendation was unanimously approved by a vote of 12 to 0.

Chair Timmerman declared the meeting to be in executive session at 11:14 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 11:58 a.m.

There being no further business to come before the Board, the meeting adjourned at 11:58 a.m.

Joseph M. Crane
Secretary
LCRA Board of Directors

Approved: June 18, 2024

FOR DISCUSSION

3. Basin Conditions Update

Summary

Staff will present an update on basin conditions.

Presenter(s)

Kelly D. Payne

Vice President, Water Operations

FOR DISCUSSION

4. Small Pond Study Presentation

Summary

Staff will present a study on small pond identification in the Highland Lakes Watershed using satellite imagery.

Presenter(s)

Monica Masters
Vice President, Water Resources

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FOR ACTION

5. Fiscal Year 2024 LCRA Transmission Services Corporation Capital Plan Amendment

Proposed Motion

Approve an amendment to the fiscal year 2024 LCRA Transmission Services Corporation capital plan to increase authorization for capital spending in FY 2024 from \$759.7 million to up to \$790 million.

Board Consideration

Texas Water Code Chapter 152 requires the Board of Directors to approve LCRA TSC's budget and capital plan.

Budget Status and Fiscal Impact

The proposed amendment to increase LCRA TSC's capital budget authorization in FY 2024 will have no impact on LCRA TSC's existing rates for the provision of regulated transmission services. All of these costs will be recoverable in a future interim capital addition or full rate case filing. There is no impact to LCRA.

Summary

Because LCRA TSC anticipates exceeding the capital spending budget, staff is seeking approval to increase the FY 2024 capital budget by \$30.3 million. The additional FY 2024 funding will cover costs for materials and construction to keep approved projects on schedule.

The LCRA TSC Board approved the FY 2024 LCRA TSC capital plan in May 2023, establishing a capital spending limit of \$759.7 million for FY 2024. The current fiscal year-end forecast for capital spending is up to \$790 million. This is an increase of \$30.3 million or about 4% of the original budget. The increase in FY 2024 capital spending is primarily the result of increased project costs, schedule changes and new projects.

The Public Utility Commission of Texas establishes LCRA TSC's rates for regulated transmission services based on the actual costs of capital projects. This amendment does not increase the lifetime budget for any individual capital project but amends the spending limit established for FY 2024 to reflect changes to LCRA TSC's expectation of spending within the current fiscal year.

Presenter(s)

Kristen Senechal
Executive Vice President and Chief Operating Officer, Transmission

FOR ACTION

6. Fiscal Year 2024 LCRA Business Plan Amendment

Proposed Motion

Approve an amendment to the fiscal year 2024 LCRA business plan to increase authorization for spending in fiscal year 2024 from \$564.6 million to \$590.6 million.

Board Consideration

LCRA Board Policy 301 – Finance requires annual approval of a business plan by the LCRA Board of Directors. The policy requires additional Board approval if annual expenditures for operations or capital are expected to exceed Board-authorized levels. LCRA operations expenditures will exceed the Board-approved amounts, and staff is seeking approval to increase the FY 2024 operations budget.

Budget Status and Fiscal Impact

Staff expects LCRA's year-end actual spending for FY 2024 operations expense to exceed the business plan operations budget of \$564.6 million by \$26 million. This variance is due to higher-than-budgeted nonfuel and telecommunications expenses. These additional expenses will be covered by additional revenues.

Summary

Because LCRA anticipates exceeding the operations budget, staff is seeking approval to increase the FY 2024 business plan budget. The increase in FY 2024 spending is primarily the result of higher-than-budgeted nonfuel and telecommunications expenses.

The LCRA Board of Directors approved the FY 2024 business and capital plans in May 2023, establishing a spending limit for FY 2024 operations of \$564.6 million. The current year-end actual spending for FY 2024 operations is expected to be \$590.6 million, an increase of \$26 million or about 4.6%.

Presenter(s)

Jim Travis
Chief Financial Officer

FOR ACTION

7. Approve the LCRA Transmission Services Corporation Transmission Contract Refunding Revenue Bond Issuance and Forty-fifth Supplemental Resolution

Proposed Motion

Staff recommends the Board of Directors adopt and approve the Forty-fifth Supplemental Resolution (Forty-fifth 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 \$500 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) current refunding of 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-fifth 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 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 2025 LCRA TSC business plan anticipates the issuance of about \$800 million of short-term obligations to fund LCRA TSC's ongoing capital plan in FY 2025. If the issuance of a Series of Bonds includes funding of electric transmission/transformation facilities, the issuance of short-term obligations in FY 2025 will be reduced. Additionally, the FY 2025 LCRA TSC business plan anticipates the refunding of certain existing bonds.

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 \$500 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-fifth Supplement is a supplemental resolution to the Controlling Resolution adopted by the Board in 2001 and readopted in 2003. The Forty-fifth 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-fifth Supplement. State law authorized the Forty-fifth 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-fifth Supplement also requires an officer of LCRA TSC to agree to the specific terms of each Series of Bonds. The Controlling Resolution, the Forty-fifth 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/registrant 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 summer 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

8. 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 exhibits.

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 Board Policy 301 – 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 Changes

EXHIBIT A

New Contracts

Contract Number: 6522

Supplier Name: ERP Analysts, Inc

Contract Amount: \$10 million

Description: This master contract is for PeopleSoft managed services. The term of this contract is for one year with annual options to extend up to a total of five years. Historical expenditures for this category are about \$6 million under the existing five-year contract. Supply Chain conducted market analysis of PeopleSoft managed service providers in the marketplace and identified ERP Analysts, Inc as the provider with the best overall cost model, project experience, and resource capability and availability. Total projected contract expenditures are forecast to increase from prior years due to the continued growth of the LCRA Digital Services road map.

EXHIBIT B

Contract Changes

Contract Number: 4537

Supplier Name: Convergent Technologies LLC

Current Approved Contract Amount: \$17 million

Requested Change: \$13 million

New Contract Amount: \$30 million

Description: The LCRA Board originally approved this master contract in February 2017 to provide materials and services for physical access control systems (e.g., badge readers, door alarms, cameras, motion detectors, etc.) for LCRA facilities, dams, power plants and substations. Historical expenditures under this contract are \$16 million with a 10-year term. Staff is requesting Board approval to add \$13 million to the existing contract amount to cover the remaining contract term and installation of new systems and servicing/updating of aging infrastructure.

Contract Number: 6067

Supplier Name: McCurley Enterprises, Inc.

Current Approved Contract Amount: \$40 million

Requested Change: \$16 million

New Contract Amount: \$56 million

Description: The LCRA Board originally approved this master contract in September 2022 to provide field construction coordinator services used by LCRA Transmission Services Corporation for construction oversight on transmission line and substation construction projects. Historical expenditures under this contract are \$10 million. Due to a higher number of external construction projects than previous years and projects requiring multiple field construction coordinators because of the size of the line, staff is requesting Board approval to add \$16 million to the existing approved contract amount to cover service needs through the end of the contract term in September 2027.

Contract Number: 6068

Supplier Name: Power Engineers Inc.

Current Approved Contract Amount: \$15 million

Requested Change: \$41 million

New Contract Amount: \$56 million

Description: The LCRA Board originally approved this master contract in September 2022 to serve as an additional provider of field construction coordinator services for LCRA Transmission Services Corporation for construction oversight as described in the prior item, Contract No. 6067. Historical expenditures under the contract are \$11.5 million. Staff is requesting Board approval to add \$41 million to the existing contract to cover service needs through the end of the contract term in September 2027.

Contract Number: 5101

Supplier Name: Saber Power Services

Current Approved Contract Amount: \$245.6 million

Requested Change: \$125 million

New Contract Amount: \$370.6 million

Description: The LCRA Board originally approved this master contract in February 2019 to provide external substation construction services for LCRA Transmission Services Corporation maintenance, construction and emergency response operations. Historical expenditures under this contract are about \$250 million. Due to a higher number of external substation construction projects than previous years and larger substation builds, staff intends to extend the contract term and requests Board approval to add \$125 million to the existing approved contract amount to cover construction needs through May 2025 while this category is being re-sourced for new contracts.

Contract Number: 5351

Supplier Name: Irby Construction Inc.

Current Approved Contract Amount: \$38 million

Requested Change: \$62 million

New Contract Amount: \$100 million

Description: The LCRA Board originally approved this master contract in October 2019 to serve as an additional provider of external substation construction services used by LCRA Transmission Services Corporation maintenance, construction and emergency response operations as described in the prior item, Contract No. 5101. Historical expenditures under this contract are about \$30 million. Staff is requesting Board approval to add \$62 million to the existing contract amount to cover construction needs through May 2025 while this category is being re-sourced for new contracts.

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