



Board Agenda

Wednesday, Sept. 18, 2024
LCRA General Office Complex
Board Room – Hancock Building
3700 Lake Austin Blvd.
Austin, TX 78703
Earliest start time: 11 a.m.

Item From the Chair

- 1. Comments From the Public 3

Item From the General Manager

- 2. Resolutions..... 5

Consent Items

- 3. Appointment of Director to GenTex Power Corporation Board of Directors..... 7
- *4. Sale of Land in Llano County (Parcel BW-19) 8
- 5. Minutes of Prior Meeting..... 12

Action Item

- 6. Contracts and Contract Changes 17

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

Executive Session

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

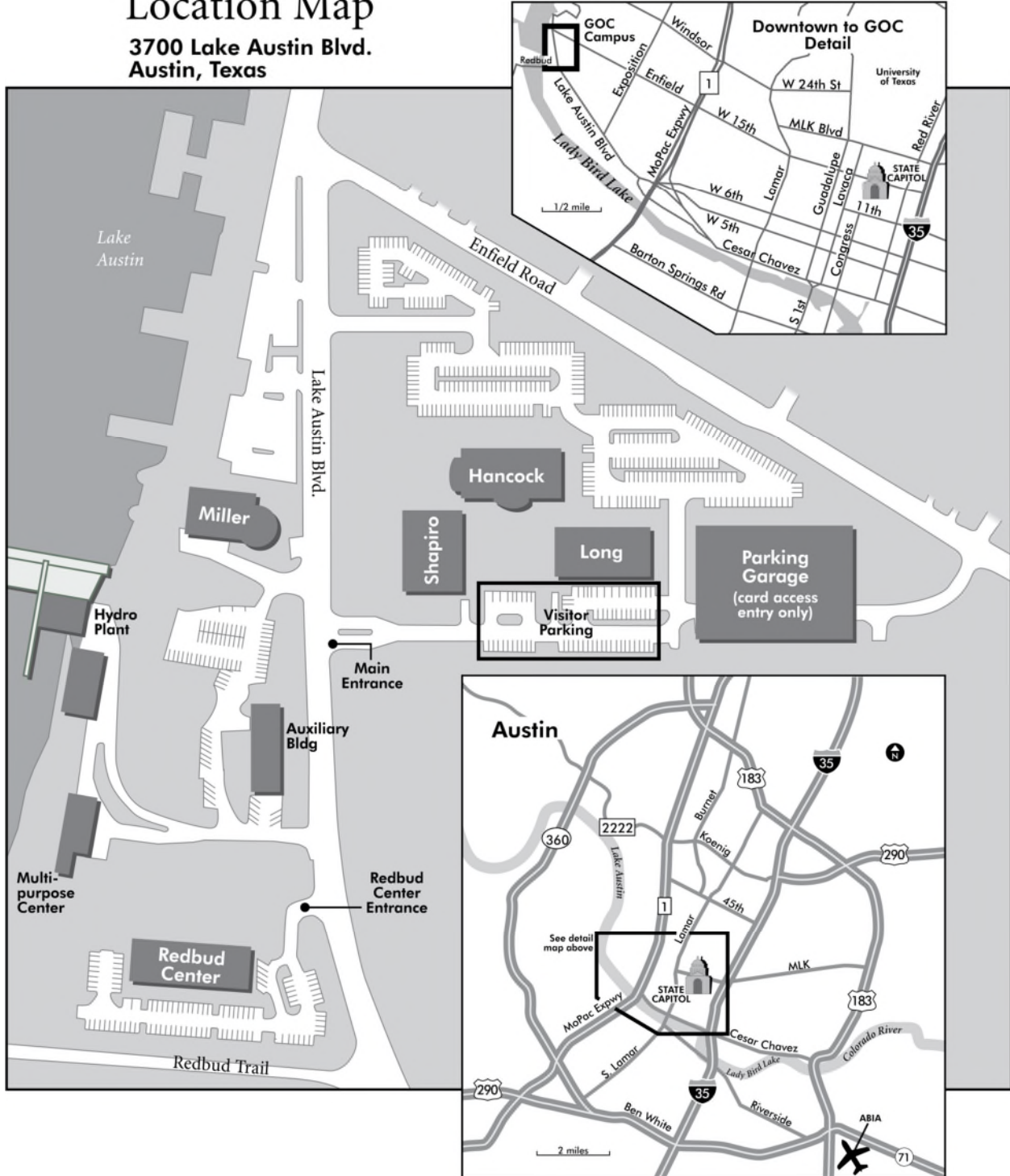
The Board also may go into executive session on any item listed above, pursuant to Chapter 551 of the Texas Government Code, including, but not limited to, sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code.

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

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 Katherine Pease

Whereas, Katherine Pease retired from the Lower Colorado River Authority on June 18, 2024, as a coal and rail analyst after nearly 40 years of service to LCRA; and

Whereas, Katherine was in her teens when she began her LCRA career on Sept. 10, 1984, as an administrative technician at the Smithville Rail Fleet Maintenance Facility, learning about Smithville Railcar's duties and its importance to the Fayette Power Project. Her knowledge of operations, attention to detail and adherence to deadlines guided her into the job of coal and rail analyst, where she was the primary point of contact with coal and rail resource vendors on inventory levels and delivery schedules. Katherine's knowledge and her willingness to share it with co-workers made her valuable and respected. She kept up with the train sets to the point of knowing the issues and history of individual railcars; and

Whereas, Katherine's teammates praised her knowledge and skills, saying she was able to save LCRA money because she knew the industry rules. One team member described her personality as a wonderful blend of southern charm and integrity because she is incredibly kind to everyone but won't stand for anyone trying to take advantage of LCRA or those close to her. She took pride in making sure team members had what they needed to do their jobs and organized celebrations for safety milestones. She cared deeply about maintaining relationships across LCRA, with her team members, and within her community and the railroad industry; and

Whereas, Katherine made lifelong friends at work, including people she met early in her career by enthusiastically volunteering for groups like the LCRA Employees' Club and LCRA Employees' United Charities. Katherine and the friends she made continue to spend time together regularly, celebrating life events, holidays and each other. Her LCRA friends say that while she's the quietest among them, when she speaks, everyone stops to listen. She often says things that are profound and hilarious at the same time. Katherine also is passionate about her family, animals, the beach and her Jeep, although some LCRA friends believe she would prefer riding a horse to driving a car. Her former co-workers will miss her contagious laugh, generosity and smile – all of which are sure to brighten your day;

Now, Therefore, Be It Resolved that the LCRA Board of Directors and employees, with extra emphasis from Smithville Railcar and Katherine's friends across LCRA, express their appreciation to Katherine Pease for her years of dedicated service, and they wish her well in all of her future endeavors.

Approved this 18th day of September 2024.

Timothy Timmerman, Board Chair

Phil Wilson, General Manager

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FOR ACTION (CONSENT)

3. Appointment of Director to GenTex Power Corporation Board of Directors

Proposed Motion

Appoint Rob Strobel to serve on the GenTex Power Corporation Board of Directors to complete the unexpired term of David Thompson.

Board Consideration

Section 2.01 of the GenTex bylaws requires that the LCRA Board of Directors appoint two directors representing LCRA's electric cooperative customers to serve two-year terms on the GenTex Board.

Budget Status and Fiscal Impact

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

Summary

David Thompson is no longer with Pedernales Electric Cooperative. His current term expires Dec. 31, 2024. Rob Strobel, PEC's director of Power Supply and Delivery, will replace David Thompson on the GenTex Board for the remainder of his term, representing LCRA's electric cooperative customers. Strobel's appointment is effective immediately.

FOR ACTION (CONSENT)

4. Sale of Land in Llano County (Parcel BW-19)

Proposed Motion

Declare an approximately 0.04 acre of land being a portion of LCRA parcel BW-19 in Llano County nonessential, and authorize the general manager or his designee to sell the land to the adjoining landowner, Richard Rouse.

Board Consideration

Section 8503.020(b) of the Texas Special District Local Laws Code requires the approval of three-fourths of the LCRA Board's statutory membership (12 members) prior to the conveyance of any interest in real property. Section 49.226 of the Texas Water Code authorizes LCRA to convey real property for fair market value without going through a bid process. LCRA Board Policy 401 – Land Resources requires three-fourths of the LCRA Board's statutory membership (12 members) to declare the land to be no longer necessary or of beneficial use to the business of LCRA prior to conveyance. Additionally, Section 8503.020 of the Texas Special District Local Laws Code and LCRA Board Policy 401 require the Board to approve the terms of all land sales.

Budget Status and Fiscal Impact

The administrative costs associated with the sale of this land are contained in the fiscal year 2025 business plan. The proceeds of \$7,100 will be credited to the LCRA Strategic Reserve Fund.

Summary

Richard Rouse, the adjacent landowner, has agreed to purchase a tract of land on Lake Buchanan that he has leased since 1985. LCRA staff reviewed available market data and determined this price is at or above the market value of the property being conveyed.

LCRA staff will complete and document environmental and cultural due diligence in accordance with Board Policy 401.403 – Land Disposition prior to the sale of the property. The property will be sold subject to the following reservations and restrictions:

- 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.
- 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.
- LCRA will retain the right to inundate with water all or any part of the property from time to time without any compensation.
- Ownership of the property will revert to LCRA if any change of use from a private residential dock occurs.
- All improvements constructed or placed on the premises would require preapproval from LCRA.

Exhibit(s)

A – Vicinity Map

B – Site Map

EXHIBIT A



EXHIBIT B



FOR ACTION (CONSENT)

5. Minutes of Prior Meeting

Proposed Motion

Approve the minutes of the Aug. 21, 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 Aug. 21, 2024, Board meeting

EXHIBIT A

LCRA Board of Directors
Minutes Digest
Aug. 21, 2024

- 24-49 Approval of the proposed LCRA Board and committee meeting dates for calendar year 2025.
- 24-50 Authorization for the general manager or his designee to convey permanent water line easements totaling approximately 0.724 acre and temporary workspace easements totaling approximately 0.754 acre over LCRA Parcel CR-08 to Aqua Water Supply Corporation in Bastrop County.
- 24-51 Approval of the Auditing Services fiscal year 2025 resource and audit plan.
- 24-52 Review and approval of LCRA Board Policy 303 – Banking and Investments.
- 24-53 Approval of directors' fees and expense reimbursements.
- 24-54 Approval of the minutes of the June 18, 2024, Board meeting.
- 24-55 Approval of a resolution honoring Sam Perine, LCRA retiree.
- 24-56 Authorization for the general manager or his designee to negotiate and execute the following contracts and contract changes: Contract No. 6528 (Burns & McDonnell Engineering Company Inc); Contract No. 6527 (SGV International LLC); Contract No. 6526 (Black & Veatch Corporation); Contract No. 6519 (Freese and Nichols); Contract No. 6534 (HDR, Inc.); Contract No. 6536 (Structural Integrity); Contract No. 6549 (Mistras Group, Inc.); Contract No. 6540 (United Restoration); Contract No. 6622 (United Healthcare Insurance Company); Contract No. 6637 (Cajun Industries, LLC); Contract No. 4921 (Irby Construction Company); and Contract No. 5450 (Electroswitch).
- 24-57 Adoption of a resolution approving the fiscal year 2024 performance evaluation, compensation and fiscal year 2025 performance goals for General Manager Phil Wilson.
- 24-58 Adoption of a resolution approving the fiscal year 2024 performance evaluation, compensation and fiscal year 2025 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. 21, 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 9:22 a.m. Wednesday, Aug. 21, 2024, 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
Matthew L. "Matt" Arthur
Melissa K. Blanding [attended via video conference]
Carol Freeman
Thomas L. "Tom" Kelley
Robert "Bobby" Lewis
Thomas Michael Martine
Margaret D. "Meg" Voelter
Martha Leigh M. Whitten
David R. Willmann
Nancy Eckert Yeary [joined the meeting at 10:13 a.m.]

Absent: Joseph M. "Joe" Crane, Secretary

Chair Timmerman convened the meeting at 9:22 a.m.

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

The Board next took action on the consent agenda. Upon motion by Director Voelter, seconded by Director Kelley, the Board unanimously approved consent items 4, 5, 6, 7, 8 and 9 by a vote of 12 to 0 as follows:

24-49 Approval of the proposed LCRA Board and committee meeting dates for calendar year 2025, as recommended in Consent Item 4 [attached hereto as Exhibit A].

24-50 Authorization for the general manager or his designee to convey permanent water line easements totaling approximately 0.724 acre and temporary workspace easements totaling approximately 0.754 acre over LCRA Parcel CR-08 to Aqua Water Supply Corporation in Bastrop County, as recommended by staff in Consent Item 5 [attached hereto as Exhibit B].

24-51 Approval of the Auditing Services fiscal year 2025 resource and audit plan, as recommended by staff in Consent Item 6 [attached hereto as Exhibit C].

24-52 Review and approval of LCRA Board Policy 303 – Banking and Investments, as recommended by staff in Consent Item 7 [attached hereto as Exhibit D].

24-53 Approval of directors' fees and expense reimbursements, as recommended in Consent Item 8 [attached hereto as Exhibit E].

24-54 Approval of the minutes of the June 18, 2024, Board meeting [Consent Item 9].

[Director Blanding left the meeting at 9:24 a.m.]

General Manager Phil Wilson gave the Board an update. He discussed the resiliency of LCRA's operations, including resilience in the face of extreme weather events and cybersecurity threats, as well as ongoing resiliency. He also discussed preparedness activities and investments in resiliency. He shared examples of how LCRA and LCRA Transmission Services Corporation maintain resiliency in their operations. Wilson discussed the recent flooding and increase of combined storage in lakes Buchanan and Travis. He also highlighted the resources LCRA offers to provide information about severe weather and flood events.

24-55 General Manager Phil Wilson presented for consideration a staff recommendation that the Board approve a resolution [attached hereto as Exhibit F] honoring Sam Perine for his service to LCRA. Upon motion by Vice Chair Cooper, seconded by Director Whitten, the recommendation was unanimously approved by a vote of 11 to 0.

Chief Financial Officer Jim Travis presented financial highlights for LCRA covering June 2024 and fiscal year 2024 [Agenda Item 3].

24-56 Senior Vice President of Supply Chain Matt Chavez 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 the following contracts and contract changes: Contract No. 6528 (Burns & McDonnell Engineering Company Inc); Contract No. 6527 (SGV International LLC); Contract No. 6526 (Black & Veatch Corporation); Contract No. 6519 (Freese and Nichols); Contract No. 6534 (HDR, Inc.); Contract No. 6536 (Structural Integrity); Contract No. 6549 (Mistras Group, Inc.); Contract No. 6540 (United Restoration); Contract No. 6622 (United Healthcare Insurance Company); Contract No. 6637 (Cajun Industries, LLC); Contract No. 4921 (Irby Construction Company); and Contract No. 5450 (Electroswitch). Upon motion by Director Lewis, seconded by Director Kelley, the recommendation was unanimously approved by a vote of 11 to 0.

Chair Timmerman declared the meeting to be in executive session at 10:01 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. Director Yeary joined the meeting at 10:13 a.m. Executive session ended, and Chair Timmerman declared the meeting to be in public session at 10:15 a.m.

24-57 Upon motion by Vice Chair Cooper, seconded by Director Arthur, the Board unanimously adopted a resolution [attached hereto as Exhibit H] approving the fiscal year 2024 performance evaluation, compensation and fiscal year 2025 performance goals for General Manager Phil Wilson by a vote of 12 to 0.

24-58 Upon motion by Director Whitten, seconded by Director Willmann, the Board unanimously adopted a resolution [attached hereto as Exhibit I] approving the fiscal year 2024 performance evaluation, compensation and fiscal year 2025 performance goals for General Auditor Gerry Garcia by a vote of 12 to 0.

Chair Timmerman recessed the meeting at 10:17 a.m., and he reconvened the meeting at 11:35 a.m. The Board met over lunch with Chief W. Nim Kidd of the Texas Division of Emergency Management to discuss issues facing the lower Colorado River basin and the LCRA service area.

There being no further business to come before the Board, the meeting adjourned at 1:20 p.m.

Joseph M. Crane
Secretary
LCRA Board of Directors
Approved: Sept. 18, 2024

FOR ACTION

6. 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: 6626

Supplier Name: Branch Communications, LLC

Contract Amount: \$5 million

Description: This master contract will provide installation services for LCRA private long-term evolution/5G Telecommunications equipment. The term of the contract is for one year with annual automatic renewal periods up to a total of five years.

Contract Number: 6627

Supplier Name: KGI Wireless, Inc.

Contract Amount: \$5 million

Description: This master contract will serve as an additional provider of installation services for LCRA private long-term evolution/5G Telecommunications equipment as described in the prior item, Contract No. 6626. The term of the contract is for one year with annual automatic renewal periods up to a total of five years.

Contract Number: 6628

Supplier Name: S&K Electrical Contracting, LLC

Contract Amount: \$5 million

Description: This master contract will serve as an additional provider of installation services for LCRA private long-term evolution/5G Telecommunications equipment as described in a prior item, Contract No. 6626. The term of the contract is for one year with annual automatic renewal periods up to a total of five years.

Contract Number: 6635

Supplier Name: Ontivity, LLC

Contract Amount: \$5 million

Description: This master contract will serve as an additional provider of installation services for LCRA private long-term evolution/5G Telecommunications equipment as described in a prior item, Contract No. 6626. The term of the contract is for one year with annual automatic renewal periods up to a total of five years.

Contract Number: 6654

Supplier Name: TSE Equipment International

Contract Amount: \$7 million

Description: This master contract will provide line-stringing equipment used by LCRA Transmission Services Corporation to install and remove overhead transmission lines. The term of this contract is for one year with annual options to extend up to a total of five years. Historical expenditures for the equipment in this category are about \$1.8 million. Expenditures are forecast to increase from prior years due to necessary replacement of aging assets and purchases of ancillary services and parts to maintain new and existing equipment.

EXHIBIT B

Contract Changes

Contract Number: 6418

Supplier Name: Mac Haik Ford

Current Approved Contract Amount: \$4.5 million

Requested Change: \$13.5 million

New Contract Amount: \$18 million

Description: This master contract was executed in November 2023 to provide fleet vehicle purchases for LCRA. Historical expenditures under this contract are \$3.2 million. Due to Mac Haik's vehicle inventory and availability of up-fit services, staff is requesting Board approval to add \$13.5 million to the existing approved contract amount to cover forecast needs through fiscal year 2027.

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