



Board Agenda

Wednesday, Feb. 23, 2022
LCRA General Office Complex
Board Room – Hancock Building
3700 Lake Austin Blvd.
Austin, TX 78703
Earliest start time: 10:30 a.m.

Item From the Chair

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Consent Items

- 2. Actuarial and Mortality Assumptions Recommended by LCRA Actuaries
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Action Items

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Executive Session

- 1. Litigation Update

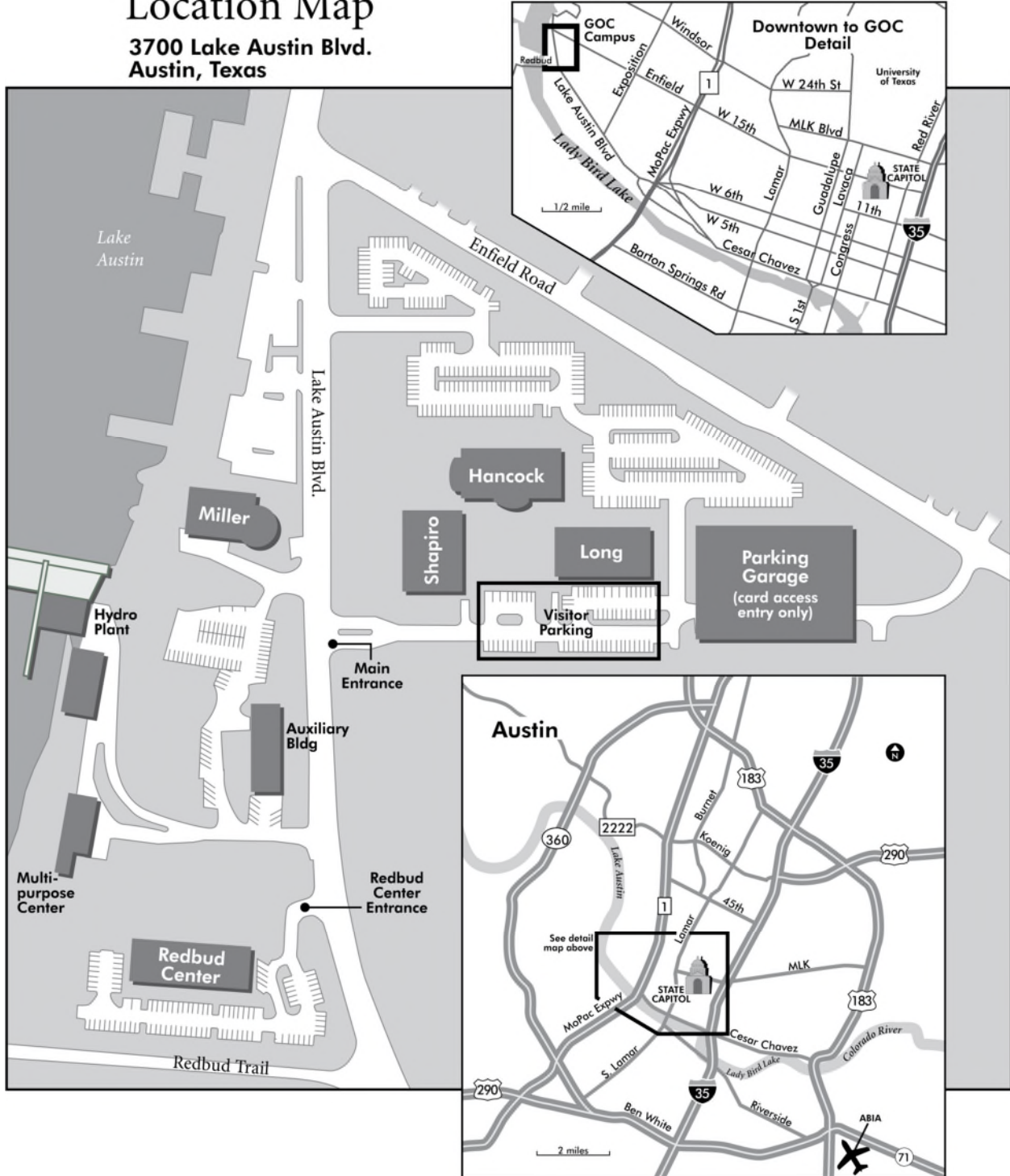
The Board also may go into executive session on any item listed above, pursuant to Chapter 551 of the Texas Government Code, including, but not limited to, sections 551.071, 551.072, 551.074, 551.076, 551.086, 551.089 and 418.183(f) of the Texas Government Code.

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)

**2. Actuarial and Mortality Assumptions
Recommended by LCRA Actuaries and
Approved by the LCRA Retirement Benefits
Board of Trustees**

Proposed Motion

Approve Amendment to the Lower Colorado River Authority Retirement Plan and Trust Agreement (Retirement Plan) effective April 1, 2022, and authorize the use of the recommended actuarial and mortality assumptions recommended by LCRA actuaries and approved by the LCRA Retirement Benefits Board of Trustees.

Board Consideration

Amendments to the Retirement Plan require LCRA Board of Directors approval of any changes to the plan, such as the proposed amendment.

Budget Status and Fiscal Impact

The LCRA Retirement Plan and Trust Agreement is within the approved budget allocated for benefit costs in the fiscal year 2022 business plan.

Summary

The Retirement Plan is a qualified plan, which means the Internal Revenue Service has approved the Retirement Plan as meeting certain requirements enabling employees to defer taxation of their benefit until it is received.

Every five years, a public retirement system that has assets of at least \$100 million is required under state law to conduct an actuarial experience study, in which actuarial assumptions are reviewed in light of relevant experience factors, important trends and economic projections with the purpose of determining whether actuarial assumptions require adjustment. The proposed Amendment No. Five reflects the assumptions recommended by LCRA's actuaries and approved by the Board of Trustees and includes updates to the mortality rates currently referenced and relied upon in the Retirement Plan.

Exhibit(s)

A – Amendment No. Five to Lower Colorado River Authority Retirement Plan and Trust Agreement

EXHIBIT A

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

KNOW ALL MEN BY THESE PRESENTS:

AMENDMENT NO. FIVE

TO

LOWER COLORADO RIVER AUTHORITY

RETIREMENT PLAN AND TRUST AGREEMENT

WHEREAS, the Lower Colorado River Authority (the “Authority”) maintains the Lower Colorado River Authority Retirement Plan and Trust Agreement (the “Plan”) for the benefit of eligible employees and their beneficiaries, which Plan was effective April 1, 1946, and was subsequently amended and restated thereafter, the most recent restatement of which is effective January 1, 2014, as subsequently amended;

WHEREAS, the Board of Directors of the Authority is authorized to amend the Plan at any time and to any lawful extent deemed advisable; and

WHEREAS, the Authority desires to amend the Plan to revise the actuarial assumptions used to determine Actuarially Equivalent monthly retirement benefits and lump sum distributions payable as an optional form of benefit pursuant to Section 5.07(a)(vii) in the Retirement Plan, and to determine the present value of benefits attributable to Employer Contributions;

NOW, THEREFORE, the Board of Directors hereby amends the Plan as follows, effective as of April 1, 2022, except as otherwise specifically provided below:

Article 5, Section 5.07, shall be amended in its entirety, to read as follows:

“Section 5.07 Optional Methods for Payment of Benefits.

(a) Actuarial Equivalent Benefits: Subject to Section 5.07(b), as applicable, and prior to the commencement of the payment of any benefit hereunder, the following benefits, which shall be the Actuarial Equivalent of the basic form of retirement benefit provided in Section 5.01, or, as applicable, Section 5.02, may be elected by a Participant or Beneficiary over a period not to exceed the time set forth in Section 5.08 in lieu of the basic form of retirement benefit prescribed in Section 5.01 or Section 5.02, as applicable:

(i) A joint and survivor annuity payable throughout the lives of the Participant and spouse. Such joint and survivor annuity shall provide for receipt by the survivor annuitant of an amount equal to fifty percent (50%), seventy-five percent (75%) or one hundred percent (100%), as elected by the Participant, of the full amount of the monthly annuity paid during the joint lives of the Participant and spouse. Any joint and survivor annuity on the lives of the Participant and spouse shall be reduced only upon the death of the Participant;

(ii) A joint and survivor annuity payable throughout the lives of the Participant and of an individual other than his spouse. Such joint and survivor annuity shall provide for the receipt by the survivor co-annuitant of an amount equal to fifty percent (50%), seventy-five percent (75%) or one hundred percent (100%), as elected by the Participant, of the full amount of the monthly annuity paid during the joint lives of the Participant and non-spousal co-annuitant; provided that the actuarial value of the monthly retirement benefit payable to the Participant shall exceed fifty percent (50%) of the total actuarial value of the basic monthly retirement benefit to which such Participant is otherwise entitled in the absence of such option. Any joint and survivor annuity on the lives of the Participant and non-spousal survivor co-annuitant shall be reduced only upon the death of the Participant;

(iii) An annuity payable for the life of the Participant only;

(iv) An annuity payable for the life of the Participant, with a specified period certain equal to five (5) years, ten (10) years, fifteen (15) years or twenty (20) years, as elected by the Participant;

(v) An annuity payable during the joint lives of the Participant and his spouse providing for receipt by the survivor annuitant of an amount equal to one hundred percent (100%) of the full amount of the monthly annuity paid during the joint lives of the Participant and spouse, with a period certain equal to ten (10) years or twenty (20) years, as elected by the Participant;

(vi) An annuity payable during the joint lives of the Participant and an individual other than his spouse providing for receipt by the survivor co-annuitant of an amount equal to one hundred percent (100%) of the full amount of the monthly annuity paid during the joint lives of the Participant and non-spousal survivor co-annuitant, with a period certain equal to ten (10) years or twenty (20) years, as elected by the Participant;

(vii) A lump sum distribution to a Pension Participant that satisfies one of the following criteria:

(1) A distribution representing the return of Employee contributions plus interest;

(2) A distribution representing the present value of the Accrued Retirement Benefit which becomes available to a Participant, where such Participant has satisfied the Rule of 92, as such term was defined in Section 5.04(b) of the Plan, as in effect on June 30, 1994, within a future period of service equal to his past service as of March 31, 1984; where the Participant reaches the age of sixty-five (65) within a future period of service equal to his past service as of March 31, 1984; or where the Participant reaches the age of fifty-five (55) and otherwise qualifies for an early retirement benefit hereunder within a future period of service equal to his past service at March 31, 1984, and actually elects early retirement within such future period of service; or

(3) A distribution in accordance with Section 5.12(b) to the Beneficiary or Beneficiaries of a Participant who dies after reaching his Early Retirement Date and prior to the date of actual retirement; provided that such Participant was eligible under the provisions of subsection (1) or (2) above to elect a lump sum at the time of his death;

(viii) A lump sum distribution representing either fifty percent (50%) or one hundred percent (100%) of the present value of the Participant's Vested Accrued Retirement Benefit. Optional forms of distribution under this subparagraph (viii) shall also be available to each individual entitled to a retirement benefit hereunder who is in pay status as of January 1, 2002, or, in the event of the death of such individual prior to January 1, 2002, his Beneficiary or Beneficiaries, provided that distribution was being made in a form pursuant to which distributions were to continue after the death of such individual. Such individual or, if applicable, his Beneficiary or Beneficiaries, shall have a one-time election to choose a lump sum distribution representing either fifty percent (50%) or one hundred percent (100%) of the present value of such individual's Vested Accrued Retirement Benefit determined as of January 1, 2002, (after reduction for previous payments), such election to be made within the time

period established by, and in accordance with the method prescribed by, the Board of Trustees, in the case of a Participant or Beneficiary who elects a fifty percent (50%) lump sum distribution hereunder, the remaining fifty percent (50%) of the present value of such Participant's Vested Accrued Retirement Benefit shall be payable in the basic form of monthly retirement benefit or the Qualified Joint and Survivor Annuity prescribed in Section 5.01 or 5.02, as applicable, unless such Participant or Beneficiary elects an optional method for payment, as set forth in this Section 5.07 and subject to Section 5.07(b) hereof; provided, however, that with respect to an individual who was in pay status as of January 1, 2002, or if applicable, his Beneficiary or Beneficiaries, said remaining fifty percent (50%) shall be payable in the form of payment previously elected and pursuant to which payments were being made prior to January 1, 2002;

(ix) For Pension Participants who made Employee contributions prior to April 1, 1984, and who are not eligible to receive a total lump sum distribution pursuant to subsection (vii) above:

(1) A lump sum payment equal to Employee contributions made prior to April 1, 1984, if any, plus interest thereon at the rate of two percent (2%) compounded annually through March 31, 1975 and at the rate of five percent (5%) compounded annually after April 1, 1975; plus

(2) A monthly annuity in either the basic form of payment, the Qualified Joint and Survivor Annuity form of payment, as prescribed in Section 5.01 or 5.02, as applicable, or an optional form of payment provided in subsections (i) through (vi) above, subject to Section 5.07(b) hereof; provided that such monthly annuity shall be the Actuarial Equivalent of the Participant's total benefit if paid entirely in a monthly form (using the assumptions stated in Section 5.07(c)(iii) less the Actuarial Equivalent of the amount paid pursuant to subparagraph (1) above).

(b) Required Spousal Consent: Notwithstanding the foregoing or any other provision in the Plan, unless an optional form of benefit is selected pursuant to a Qualified Election (as defined below) within the period prior to the annuity starting date that is established by the Board of Trustees, a Participant who is married as of the annuity starting date shall receive payment of such benefits in the form of a Qualified Joint and Survivor Annuity pursuant to Section 5.01 or 5.02, as applicable.

(i) Qualified Election: A Qualified Election for purposes of this Section shall mean a waiver of a Qualified Joint and Survivor Annuity. The waiver must be in writing and must be consented to by the Participant's spouse, which consent must be witnessed by a Plan representative or a notary public.

Notwithstanding this consent requirement, a waiver will not be necessary if the Participant establishes to the satisfaction of the Board of Trustees that such written consent may not be obtained because there is no spouse, the spouse cannot be located, or under other similar facts that, in the sole discretion of the Board of Trustees, make the ability to obtain spousal consent unreasonable. Any waiver by a spouse shall only be effective with respect to such spouse.

A revocation of a prior waiver may be made by a Participant without the consent of his spouse at any time before the commencement of benefits and the number of revocations of prior waivers shall not be limited.

The waiver shall include the consent to a specific designation of beneficiary (if other than the spouse) and the consent to receive a specific alternate form of benefit. The waiver shall also include the option for the Participant to select an alternative form of benefit as well as an alternative Beneficiary without spousal consent; however, the options to select an alternative form of benefit and alternative Beneficiary must be specifically consented to by the spouse on a consent form that acknowledges the spouse's right to limit consent to a specific Beneficiary and a specific form of benefit, and that states that the spouse voluntarily elects to give up either or both of those rights.

(ii) Notice Requirement. The Authority shall provide each Participant within a reasonable period prior to the commencement of benefits a written explanation of the following:

(1) The terms and conditions of a Qualified Joint and Survivor Annuity;

(2) The Participant's right to waive the Qualified Joint and Survivor Annuity form of benefit, subject to the consent of his or her spouse;

(3) The right of a Participant's spouse not to consent to a waiver of the Qualified Joint and Survivor Annuity; and

(4) The right to make, and the effect of, a revocation of a previous election to waive a Qualified Joint and Survivor Annuity.

(c) Assumptions for Computing Actuarial Equivalent Benefits: The actuarial assumptions used to compute benefits of equal value to the basic form of retirement benefit in Section 5.01 or 5.02, as applicable, shall be computed as follows:

(i) Determination of the amount of a lump sum distribution payable as an optional form of retirement benefit pursuant to Section 5.07(a)(vii)(1) or (2) on or after a Participant's Normal Retirement Date

shall be computed on the basis of the 1971 Individual Annuity Mortality Table and six percent (6%) interest for males and the male rate set back two (2) years for females, with respect to benefits accrued prior to August 1, 1983 and the 1984 Unisex Pension Mortality Table and a variable interest rate with respect to benefits which accrued subsequent to August 1, 1983. Such variable interest rate shall be determined by averaging the prime interest rate, as quoted by the Wall Street Journal as of the first day of each month over a twelve-month period ending six (6) months prior to the date of retirement, less two percent (2%) rounded to the nearest one-half ($\frac{1}{2}$) of one percent (.5%).

(ii) The amount of a lump sum distribution payable as an optional form of early retirement benefit pursuant to Section 5.07(a)(vii)(1) or (2) shall be the sum of (a) plus (b), where (a) is the lump sum equivalent, determined using the assumptions and methodology described in paragraph (i) above, but applied only to that portion of the monthly early retirement benefit that would have been payable under the early retirement provisions of the Plan, as in effect on June 30, 1994, (disregarding, as applicable, the attainment of age fifty-five (55) as a condition for commencement of such early retirement benefit), and where (b) is the lump sum equivalent, determined using the assumptions described in subparagraph (iii) below, but applied only to that portion, if any, of the monthly early retirement benefit in excess of the amount valued in accordance with (a) above.

(iii) The actuarial assumptions used to determine Actuarially Equivalent monthly retirement benefits and lump sum distributions payable as an optional form of benefit pursuant to Section 5.07(a)(vii), and to determine the present value of benefits attributable to Employer Contributions, shall be 80% of the PubG-2010 Above-Median Income Male Mortality Table for Retirees Projected to 2026 using scale MP-2020 plus 20% of the PubG-2010 Above-Median Income Female Mortality Table for Retirees Projected to 2026 using scale MP-2020 for retiring Employees, and 20% of PubG-2010 Above-Median Income Male Mortality Table for Retirees Projected to 2026 using scale MP-2020 plus 80% of the PubG-2010 Above-Median Income Female Mortality Table for Retirees Projected to 2026 using scale MP-2020 for spouses, joint pensioners and Beneficiaries, and an interest rate determined at the beginning of each calendar year, where the interest rate shall be equal to eight percent (8%) plus the amount, if any, by which the 30-Year U.S. Bond Yield exceeds eleven percent (11%) and minus the amount, if any, by which the 30-Year U.S. Bond Yield is less than five percent (5%), with such result rounded to the nearest one-half ($\frac{1}{2}$) of one percent (0.5%), and where the 30-Year U.S. Bond Yield applied to a given calendar year is the twelve (12) month average of the 30-Year Treasury Constant Maturity Yield Percent, Average Daily Figures (Federal Reserve Bulletin) for the twelve (12) consecutive months ending with the November immediately preceding the calendar year.

In no event shall the present value of the Vested Accrued Retirement Benefit of a Participant in the Plan prior to July 1, 1994, be less than the present value of such Participant's Vested Accrued Retirement Benefit computed as of June 30, 1994, using the actuarial assumptions of the Plan as of that date.

It is specifically provided that in the event the Plan is amended to change the assumptions specified herein for determining Actuarially Equivalent benefits, the Actuarial Equivalent of a Participant's Accrued Retirement Benefit on or after the date of change shall be determined as the greater of (i) the Actuarial Equivalent of the Accrued Retirement Benefit as of the date of change computed on the old basis; or (ii) the Actuarial Equivalent of the total Accrued Retirement Benefit computed on the new basis.

(d) Direct Rollover of Eligible Rollover Distributions: An individual who is entitled to a benefit hereunder (including a Participant's or former Participant's surviving spouse, spouse or former spouse who is an alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, as well as a non-spouse Beneficiary of a Participant), the distribution of which would qualify as an 'eligible rollover distribution,' as such term is hereinafter defined, may, in lieu of receiving any payment or payments from the Plan, direct the Trustee to transfer all or any portion of his such payment or payments directly to the trustee of an 'eligible retirement plan,' as such term is hereinafter defined, that agrees to accept the distributee's 'eligible rollover distribution.' For purposes hereunder, the term 'eligible rollover distribution' is defined as any distribution of all or any portion of the balance to the credit of the distributee, except that an 'eligible rollover distribution' does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; and any hardship distribution described in Section 401(k)(2)(B)(i)(IV) of the Code. For purposes of this paragraph (d), an 'eligible retirement plan' shall mean (1) an individual retirement account described in Section 408(a) of the Code, (2) an individual retirement annuity described in Section 408(b) of the Code (other than an endowment contract), (3) a qualified trust described in Section 401(a) of the Code, (4) an annuity plan described in Section 403(a) of the Code, (5) an annuity contract described in Section 403(b) of the Code, (6) an eligible plan under Section 457(b) of the Code that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and that agrees to separately account for amounts transferred into such plan from this Plan, and (7) a ROTH IRA described in Section 408A of the Code; provided, that, the plan accepts the individual's 'eligible rollover distribution.' Notwithstanding the foregoing, in the case of a non-spouse Beneficiary, the term 'eligible retirement plan' shall refer only to a plan described in clauses (1) and (2) above that is established on behalf of the designated Beneficiary and that is required to be treated as an inherited IRA pursuant to the provisions of Section 402(c)(11) of the Code.

Also, in this case, the determination of any required minimum distribution under Section 401(a)(9) of the Code that is ineligible for rollover shall be made in accordance with IRS Notice 2007-7, Q&A 17 and 18, 2007-5 I.R.B. 395.

An election under this paragraph (d) must be made in the manner prescribed by the Board of Trustees prior to the date on which the distribution is to occur. Such election may be revoked at any time prior to the date that is five (5) business days preceding the date on which the distribution is to occur. If an individual who is so entitled has not elected a direct rollover within the time and in the manner set forth above, such distributee shall be deemed to have affirmatively waived a direct rollover. A distributee who wishes to elect a direct rollover shall provide to the Board of Trustees, within the time and in the manner prescribed by the Board of Trustees, such information as the Board of Trustees shall reasonably request regarding the 'eligible retirement plan' to which the payment or payments are to be transferred. The Board of Trustees shall be entitled to rely on the information so provided, and shall not be required to independently verify such information. The Board of Trustees shall be entitled to delay the transfer of any payment or payments pursuant to this paragraph (d) until it has received all of the information that it has requested in accordance with this paragraph (d)."

[Signature page follows]

IN WITNESS WHEREOF, on this _____ day of _____, 2022, this Amendment No. Five to the Plan, effective as of the date specified herein, has been properly authorized and adopted by the Board of Directors of the Authority.

LOWER COLORADO RIVER AUTHORITY

By: _____

Timothy T. Timmerman
Chair, LCRA Board of Directors

ATTEST:

Thomas E. Oney
Assistant Secretary, LCRA Board of Directors

FOR ACTION (CONSENT)

3. LCRA Land and Water Use Regulations

Proposed Motion

Amend the LCRA Land and Water Use Regulations to include new regulations, provide clarifications and better address current issues on LCRA Land and Water. Upon LCRA Board approval and a submittal to the Texas Parks and Wildlife Department, the updated regulations will become effective April 1, 2022.

Board Consideration

Amendment of the LCRA Land and Water Use Regulations requires the approval of the Board of Directors. Following Board approval, the regulations must be submitted to the Texas Parks and Wildlife Department for review before becoming effective.

Budget Status and Fiscal Impact

The fiscal year 2022 business plan contains the administrative costs for enforcing the LCRA Land and Water Use Regulations.

Summary

The LCRA Land and Water Use Regulations are designed to provide clear, enforceable rules related to activities on LCRA Land and Water. The regulations have been updated periodically throughout the years to adapt to external factors, and in fiscal year 2022, LCRA conducted an internal departmental review. It was determined an update of the regulations is needed to provide clarifications related to enforcement and better address current issues on LCRA Land and Water. The most substantive recommended revisions are:

- Abandoned Property and Property in Violation of Law (Section 3):
 - Expand the scope of personal property to include “structures,” which would include houseboats.
 - Add that LCRA may remove abandoned property immediately if it poses a significant threat to human life, public safety or the environment.
 - Clarify that LCRA can remove personal property, such as a houseboat, that is on LCRA Land or Water for more than 24 hours after notice of violation is provided, regardless of whether it is attended.
- Firearms, Bow Fishing, Hunting and Trapping (Section 8):
 - Modify LCRA policy to reflect current “open carry” laws and to be consistent with current law and regulations at other state parks.
 - Update the prohibition on hunting or shooting a firearm, bow or crossbow on or over LCRA Water to specify the prohibition does not apply north of Falls Creek on Lake Buchanan.

- Park Use (Section 14):
 - Update the regulations related to the consumption of alcohol on LCRA Land. The consumption of alcohol is and will continue to be allowed on LCRA Land. Current rules ban “public consumption” of alcohol on LCRA Land. The change strikes that ban, and, instead, prohibits people who are intoxicated or are causing a nuisance, annoyance or alarm on LCRA Land.
- Solicitation of Business (Section 18):
 - Clarify that the ban on solicitation of business on LCRA Land and Water is to prohibit the sale of food, beverages or merchandise on LCRA Water.
- Additional Resources: Add hyperlinks to resources with additional information.

Proposed changes to the LCRA Land and Water Use Regulations are shown in Exhibit A.

Exhibit(s)

A – LCRA Land and Water Use Regulations

EXHIBIT A

LCRA Land and Water Use Regulations

The purpose of these regulations is to ~~ensure a safe~~protect public safety and ~~enjoyable stay~~for all~~critical infrastructure on LCRA Land and LCRA Water, as well as to help protect~~visitors to LCRA parks. For more information, submit your questions to Contact LCRA~~These regulations are effective April 1, 2022.~~

- ~~• Updated Land and Water Use Regulations took effect Oct. 1, 2015.~~
- ~~• View a printable version of the Highland Lakes Marina Ordinance.~~
- ~~• Follow updated regulations to prevent the spread of zebra mussels.~~

1. AUTHORITY

These regulations are adopted and promulgated under authority vested in the LCRA Board of Directors and laws of the State of Texas, including, but not limited to, the LCRA Act, Chapter 51 of the Texas Water Code and Chapter 31 of the Texas Parks and Wildlife Code.

2. DEFINITION OF TERMS

The following terms in these regulations have these meanings:

- ~~a. "General manager" means the general manager or the acting general manager of LCRA or his or her designee.~~
- ~~b. "Watercraft" means any boat, any boat, vessel, personal watercraft, barge or similar floating craft used or capable of being used for transportation on water.~~
- ~~c. "Motorboat" means any vessel propelled or designed to be propelled by machinery, whether or not the machinery is permanently or temporarily affixed or is the principal source of propulsion.~~
- ~~d.a.~~ "Floating Habitable Structure" means a floating structure intended to be used or actually used as a temporary or permanent domicile by one or more persons and containing all or ~~part~~some of the following: cooking, eating, sleeping or sanitary facilities. A Floating Habitable Structure includes a structure that may be capable of navigation but is not designed primarily for that purpose. The attachment of an outboard motor and registration as a vessel does not exclude the structure from this definition. ~~This definition expressly excludes Houseboats~~ or other Watercraft with overnight accommodations ~~that are~~ designed primarily for navigation are excluded from this definition.
- ~~e.b.~~ "General Manager" means the general manager or acting general manager of LCRA or his or her designee.
- ~~c.~~ "Grandfathered Floating Habitable Structure" means a Floating Habitable

- Structure that existed on one of the Highland Lakes prior to Oct. 20, 2010.
- f.d.** “Highland Lakes” for purposes of these regulations means Lake Travis, Lake Marble Falls, Lake LBJ, Inks Lake and Lake Buchanan collectively.
- g.e.** “Law” means any applicable federal, state or local laws, ordinances, rules or regulations, including these regulations and all other LCRA rules and regulations.
- h.f.** “LCRA Land” shall include any real property owned or leased by LCRA.
- g.** “LCRA Water” shall include the Highland Lakes along the Colorado River from Mansfield Dam to the 1,020 feet above mean sea level contour elevation line aboveat Lake Buchanan and any other lakes under LCRA’s control.
- i.** ~~“Highland Lakes” for the purposes of these regulations, means Lake Travis, Lake Marble Falls, Lake LBJ, Inks Lake and Lake Buchanan collectively.~~
- j.h.** “Motorboat” means any Watercraft propelled or designed to be propelled by machinery, regardless of whether the machinery is permanently or temporarily affixed or is the principal source of propulsion.
- k.i.** “Watercraft: means any boat, vessel, personal watercraft, barge or similar floating craft used or capable of being used for transportation on water.

3. ABANDONED PROPERTY AND PROPERTY IN VIOLATION OF LAW

- a.** Abandonment of personal property on or in LCRA Land or LCRA Water, including is prohibited. Abandoned personal property can include, but is not limited to, docks, Watercraft and vehicles, is prohibited. Personal property left unattended on LCRA Land or in LCRA Water for more than 24 hours shall be considered abandoned property, except when authorized at a dock or marina.
- b.** Maintaining personal property, including but not limited to, docks, Watercraft, vehicles, and structures on LCRA Land or LCRA Water in violation of Law is prohibited. -Personal property maintained on LCRA Land or LCRA Water in violation of Law is subject to removal and enforcement when:
- (i) the personal property remains on LCRA Land or in LCRA Water for more than 24 hours after notice of violation is given, regardless of whether the personal property is attended or unattended; or
 - (ii) with respect to docks or structures, the personal property remains on LCRA Land or LCRA Water for more than 24 hours after the period given to cure a notice of violation, regardless of whether the dock or structure is attended or unattended.
- a.c.** Abandoned property and property remaining on LCRA Land or in LCRA Water in violation of this regulation may be removed and disposed of in any manner deemed appropriate by the General Manager. LCRA is not responsible for personal property left on LCRA Land or in LCRA Water.
- d.** Notwithstanding any other provision in this regulation, LCRA may immediately remove personal property, docks or structures on LCRA Land or in LCRA Water if they present an immediate and significant threat to human life, public safety or the environment.
- e.** For all property removed from LCRA Land or LCRA Water pursuant to this

regulation, LCRA may seek civil restitution of all costs of removal, storage and disposal from a responsible party, the owner of the property, or the registered or titled owner of the property. Any person seeking to recover abandoned or unclaimed property removed from LCRA Land or LCRA Water must pay all costs incurred by LCRA, including but not limited to, costs of towing, storage, and removal.

4. ADVERTISEMENTS

No commercial notices, signs or advertisements shall be placed on LCRA Land. Private messages may be posted only in areas designated by the ~~general manager for such messages~~General Manager.

5. BUOYS

No persons other than LCRA employees performing their duties shall place any buoy or marker on LCRA Water except as authorized by the LCRA Buoy Permit Guide.

6. DREDGING AND FILLING

Any excavation, discharge or fill of materials in LCRA Water shall be performed in accordance with all applicable regulations and permits ~~of the, including, but not limited to,~~ U.S. Army Corps of Engineers (Fort Worth or Galveston districts) regulations and permits, LCRA's Highland Lakes Dredge and Fill Ordinance, and LCRA's Highland Lakes Watershed Ordinance.

7. EMERGENCY RESTRICTIONS

In the case of extreme flooding, water contamination, or other emergency or natural disaster, the General Manager is authorized to declare restrictions on the use of all or any portion of LCRA Water as deemed necessary and convenient for purposes of public health, safety and welfare. No person shall engage in any activity that violates such restrictions.

8. FIREARMS, BOW FISHING, HUNTING, AND TRAPPING

- a. Hunting is prohibited and the possession or use of a firearm, bow, crossbow, slingshot or any other type of weapon on LCRA Land are illegal under Chapter 62 of the Texas Parks and Wildlife Code, ~~with certain exceptions. No person shall hunt or shoot a firearm, bow or crossbow on or over LCRA Water except bow fishing as noted below. No person shall place poisons, salt blocks, feed, or mechanical devices such as traps and snares on LCRA Land.~~

- b. No person shall hunt or shoot a firearm, bow or crossbow on or over LCRA Water, except for bow fishing as noted below. This restriction shall not apply

north of Falls Creek on Lake Buchanan at mile marker 26.

- b.c.** Bow fishing is allowed on the Highland Lakes with these restrictions:
- I. Bow fishing must take place from a boat.
 - II. Bow fishing is not allowed from the bank, within 75 feet of any marked designated swimming area, within 50 feet of any boat dock, pier or restricted or residential areas, or while wading.
 - III. Crossbows, draw-locking mechanisms and arrows designed for flight through the air are prohibited; only hand-pulled and hand-released equipment is allowed.
 - IV. Archery equipment is prohibited on LCRA Land.
- d.** No person shall place poisons, salt blocks, feed, or mechanical devices such as traps and snares on LCRA Land.

9. FIREWORKS AND EXPLOSIVES

Possession or discharge of fireworks or explosives on LCRA Land or LCRA Water is prohibited.

10. FLOATING HABITABLE STRUCTURES

- a. Floating Habitable Structures are prohibited within the floodplain of the Highland Lakes.
- b. A Grandfathered Floating Habitable Structure is excluded from the prohibition in this regulation if it complies with all of the following conditions:
 - I. It is registered with LCRA within six months after notification by LCRA staff;
 - II. It is not relocated, replaced, expanded or modified, other than as required for necessary maintenance; and
 - III. It complies with all applicable federal, state or local rules and regulations, including any applicable LCRA rules and regulations.

11. GROUPS

Prior written permission shall be obtained from LCRA for any organized group activity involving 20 or more individuals on LCRA Land. At the sole discretion of the General Manager, LCRA may designate a particular site ~~reserved~~ for any group activity.

12. MOTOR VEHICLES

- a.** ~~Except in special-use areas designated by the general manager, all motor vehicle operation~~ All motor vehicles operating on LCRA Land shall be confined to designated roads and parking areas, except in designated special-use areas. All motor vehicles operated on LCRA Land shall be licensed for street use and ~~shall be~~ operated ~~only~~ by persons with valid driver's licenses.
- b.** LCRA may issue a permit to allow the operation of utility terrain vehicles (UTV), all-terrain vehicles (ATV), recreational off-highway vehicles (ROV), and golf carts

on designated LCRA Land. Permitted vehicles shall be operated by persons with a valid driver's license.

~~a.c.~~ All motor vehicles shall be operated in a reasonable and prudent manner. ~~No motor vehicle may be operated in excess of a~~ not to exceed the posted speed limit.

13. OBSTRUCTION OF NAVIGATION AND WATER FLOW

- a. No person shall anchor ~~any watercraft or,~~ construct or maintain any Watercraft or floating or fixed structure on or in LCRA Water that unreasonably prevents, impedes or interferes with safe navigation or access to the water by the public. No person shall construct or maintain in LCRA Water any fence, pump, pipe or similar device ~~for that changes~~ the purpose normal movement of ~~diverting~~ water and/or wind currents or ~~interfere~~ otherwise interferes with the normal movement of water and floating debris.
- b. All floating or fixed structures of any type on LCRA Water shall be adequately marked or lighted so as not to create a safety hazard for the public. This paragraph does not apply to breakwater structures permitted under the Highland Lakes Marina Ordinance.

14. PARK USE

- a. No person shall enter or remain in parks operated by LCRA or use LCRA services or equipment without paying applicable fees.
- ~~a.b.~~ Picnicking and camping are ~~Camping is~~ allowed ~~on LCRA Land~~ only in ~~those public areas so~~ designated areas on LCRA Land.
- ~~b.c.~~ No person shall camp on ~~any~~ LCRA Land for more than five consecutive days or on multiple LCRA Lands for more than 10 days within any calendar month without reservations.
- ~~c.d.~~ No person shall litter or contaminate any ~~camping, picnic, or other areas~~ area of LCRA Land or LCRA Water. Park visitors may dispose of garbage and waste only in trash ~~barrels or dumpsters~~ receptacles provided by LCRA. In areas ~~in~~ which ~~where~~ there are no trash receptacles provided, ~~campers and picnickers~~ visitors shall collect and remove their ~~garbage and~~ waste from LCRA Land for lawful disposal.
- ~~d.e.~~ Campfires are allowed only in ~~established~~ designated fire rings or ~~in contained camp stoves. During times of extreme fire hazard conditions~~ barbecue pits. LCRA enforces burn bans declared by local counties. In addition, the General Manager may declare a ban on all ~~ground~~ fires on ~~all or any part of~~ LCRA Land during extreme fire hazard conditions. No person shall build or maintain a fire on LCRA Land ~~at any time~~ when a burn ban declaration is in effect. No person shall at any time burn garbage, brush or other refuse on LCRA Land.
- ~~e.f.~~ All pets must be kept on leash ~~at all times~~ while in designated camping and picnicking areas; outside the designated camping and picnicking areas, pets must be kept under their owners' direct control. In no case shall a pet be allowed to

constitute a nuisance.

~~f.g.~~ f.g. No horses shall be allowed in designated camping or picnicking areas unless dedicated equine facilities are ~~established~~available at the park.

~~g.h.~~ g.h. No person shall place, construct, erect or occupy any temporary or permanent structure for human habitation or other purposes on LCRA Land. This provision does not apply to the use of normal camping equipment. No person shall install or construct an electric, water, wastewater or other utility line or service ~~upon~~on, over or under LCRA Land.

~~h.~~ h. ~~No person shall bring or use any glass containers on LCRA Land.~~

i. No person shall cause, create or contribute to excessive noise, including generators and amplified music on LCRA Land, between the hours of 10 p.m. and 6 a.m. Noise that unreasonably disturbs other visitors is considered excessive.

~~j.~~ j. ~~Persons who are intoxicated or are causing a nuisance, annoyance, or alarm. Public consumption or display of alcoholic beverages is prohibited on LCRA Land. Intoxicated persons~~ are not allowed on LCRA Land.

~~15.~~ 15. **PARK REGULATIONS**

~~In addition to these regulations, LCRA may enact regulations specifically for certain LCRA Lands and adjacent LCRA Water, and may approve park regulations enacted by other political subdivisions for LCRA Land leased to them for public parks. In case of conflict between specific park regulations and these general use regulations, the specific park regulations shall govern.~~

~~16.~~ 16. **PROTECTION OF LCRA PROPERTY AND NATURAL AND CULTURAL RESOURCES**

a. Archaeological and historical features ~~of every character located~~ in, on or under LCRA Land or LCRA Water are protected by state law and may not be disturbed or removed without a permit from the Texas Historical Commission, or successor agency, and without having obtained prior written permission from LCRA.

b. No person shall destroy, alter, excavate or remove from LCRA Land any timber, shrubs, other vegetation, rock, sand, gravel, caliche, or any other substance, or material or any archaeological, historic or geologic feature.

c. No person shall use ~~or operate~~ a metal detector on LCRA Land.

d. No person shall damage, deface or destroy any LCRA property, including equipment and facilities provided for outdoor recreational purposes.

e. No person shall, ~~in any manner~~, alter or remove any LCRA sign, survey marker, boundary fence, cross fence, gate, cattle guard or wire gap. No person shall construct any road, trail, path or other avenue on, over or across LCRA Land or cross LCRA Land to reach adjacent property.

~~17.~~ 17. **RESTRICTED AREAS**

- a. Access to all LCRA critical infrastructure, including dams, power plants, substations, and natural gas facilities, and the LCRA Land surrounding them, is restricted to authorized personnel only. Public use of such critical infrastructure for recreational purposes and fishing would interfere with the proper conduct of LCRA business and the lawful use of LCRA's critical infrastructure.
- a.b. The General Manager is authorized to close areas of LCRA Land to the public and to restrict activities in certain areas to help ~~To~~ ensure the safety and health of the public and to ~~provide for the security, safeguarding, and preservation of~~ secure and preserve property and improvements, ~~the general manager is authorized to designate areas of LCRA Land.~~ Areas that the public is prohibited from entering or in which certain activities are prohibited. Such areas restricted will be clearly ~~marked by signs indicating the prohibition~~ designated.
- b.c. The General Manager is authorized to designate certain areas of LCRA Water as restricted to fishing, swimming or ~~otherwise restricted areas~~ other activities. Such areas will be marked by buoys or signs.
- c.d. No person shall enter into such prohibited areas or engage in any activity that violates a posted prohibition ~~or,~~ restriction, sign or buoy.
- d.e. The use of ~~drones or other types of~~ unmanned aircraft systems (UAS) or surveillance equipment is strictly prohibited at or near LCRA's ~~core~~ critical infrastructure such as dams, power plants, substations, natural gas facilities, power lines and other designated areas. Any use that interferes with LCRA operations, causes damage or injury, creates a public safety hazard, or is in violation of Law is strictly prohibited. The takeoff, landing, or control of UAS at, on or over LCRA infrastructure is prohibited.
- f. Commercial filming on LCRA Land, including the use of UAS, is prohibited without a film permit from LCRA.
- e.g. This ~~section~~ regulation shall not apply to LCRA-authorized operations, maintenance, patrol or rescue activities.

18-17. SANITATION

- a. No person shall dump or otherwise dispose of garbage, polystyrene foam, construction materials, hazardous materials or other solid waste on LCRA Land or into LCRA Water.
- a.b. No person shall discharge wastewater, sewage or effluent from holding tanks, sinks, toilets or other plumbing fixtures on LCRA Land or ~~in~~ into LCRA Water.

19-18. SOLICITATION OF BUSINESS

- a. No person shall engage in or solicit any business on LCRA Land ~~or LCRA Water.~~
- b. No person shall solicit any business on LCRA Water. The sale of food, beverages or merchandise on LCRA- Water is prohibited.
 - l. For the purpose of this regulation, merchandise does not include goods sold incidental to services rendered in support of public safety, navigation, or shoreline, dock or marina maintenance.

20-19. SWIMMING

Swimming is prohibited within 50 feet of any public boat ramp.

21.1. VIOLATIONS

~~Any person who knowingly or intentionally violates or fails to comply with any provision of these regulations is guilty of a Class C misdemeanor. Upon conviction, a violator is subject to punishment by a fine not to exceed \$500. In addition, a violator may be barred from use of LCRA Land and facilities. It is a defense to prosecution for a violation of these regulations that the person had a current valid permit issued by the general manager and that the person was in compliance with any special conditions of the permit.~~

22.1. WAIVER AND PERMITS

~~Except when prohibited by state law, any provision of these regulations may be waived in whole or in part as deemed necessary and appropriate at the sole discretion of the general manager. A waiver shall be evidenced by a permit or other prior written permission issued by the general manager.~~

23-20. WATERCRAFT

- a. A Motorboat operating on LCRA Water must have an exhaust water manifold or a factory-type muffler installed on the engine.
- b. Watercraft on LCRA Water shall be equipped and operated in accordance with all provisions of the [Texas](#) Water Safety Act and all water safety rules and regulations adopted by the Texas Parks and Wildlife Department.
- c. The operator of any Watercraft involved in an accident [on LCRA Water](#) shall immediately report the accident to an LCRA Ranger or other law enforcement official.
- d. Any Watercraft operated on ~~the Highland Lakes~~[LCRA Water](#) that is equipped with an optional exhaust noise--suppression device shall be operated with the device engaged when in a "No Wake" area.
- e. No person may operate a ~~motorized watercraft on the Highland Lakes~~[Motorboat on LCRA Water](#) at a speed greater than the minimum speed necessary to maintain steerageway and headway within 50 feet of the shoreline, structures, swimmers or restricted areas.
- f. ~~No person may operate a watercraft~~[shall anchor or otherwise leave any Watercraft unattended](#) on ~~the Highland Lakes~~[LCRA Land unless authorized by LCRA.](#)
- g. ~~No person shall anchor or otherwise leave any Watercraft unattended on LCRA Water except when authorized~~ at a ~~noise level greater than 92 decibels, dock or marina.~~

~~1.~~

~~measured using the Society of Automotive Engineers' standard J-2005 (stationary test).~~

~~f. It is unsafe to operate watercraft faster than 20 miles per hour or the minimum planing speed at night on the Highland Lakes.~~

24.21. WILD AND FERAL ANIMALS; LIVESTOCK

a. No person shall feed any feral or wild animal on LCRA Land.

b. No person shall place, dump, abandon or leave any animal on LCRA Land.

a.c. Livestock are not allowed to range or graze on LCRA Land.

22. WAIVER AND PERMITS

Except when prohibited by state law, any provision of these regulations may be waived in whole or in part as deemed necessary and appropriate at the sole discretion of the General Manager. A waiver shall be evidenced by a permit or other prior written permission issued by the General Manager.

25.23. VALIDITY

If any part of these regulations should be held by a court of competent jurisdiction to be invalid or unconstitutional, the validity of the remainder ~~hereof~~ of these regulations shall not be affected.

24. VARIANCE BETWEEN ~~PARK~~ REGULATIONS

In addition to these regulations, LCRA may enact regulations specifically for certain LCRA Lands and adjacent LCRA Water and may approve park regulations enacted by other political subdivisions for LCRA Land leased to them for public parks. In case of conflict between more specific ~~park~~ regulations and these general use regulations, the specific ~~park~~ regulations shall govern.

25. VIOLATIONS

Any person who knowingly or intentionally violates or fails to comply with any provision of these regulations is guilty of a Class C misdemeanor. Upon conviction, a violator is subject to punishment by a fine not to exceed \$500. In addition, a violator may be barred from the use of LCRA Land and facilities. It is a defense to prosecution for a violation of these regulations that the person had a current valid permit issued by the General Manager and ~~that the person was in compliance with any special conditions of the conditions of the permit.~~

ADDITIONAL RESOURCES

- [Highland Lakes Dredge and Fill Ordinance](#)
- [Highland Lakes Marina Ordinance](#)
- [Highland Lakes Watershed Ordinance](#)
- [LCRA Buoy Permit Guide](#)
- [Information and state requirements on preventing the spread of zebra mussels](#)
- [Texas Water Safety Act](#)

[To submit questions: Contact LCRA.](#)

FOR ACTION (CONSENT)

4. April 2022 LCRA Board Meeting Date

Proposed Motion

Approve changing the date of the April 2022 LCRA Board of Directors meeting to Tuesday, April 19.

Budget Status and Fiscal Impact

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

Summary

The Board approved its calendar year 2022 Board and committee meetings schedule on Aug. 18. The proposed change would move the April Board meeting from April 20 to April 19.

FOR ACTION (CONSENT)

5. Directors' Attendance at Seminars, Conferences

Proposed Motion

Approve directors' attendance at seminars or conferences for an additional conference in 2022.

Board Consideration

LCRA Board Policy 105 – Directors' Fees and Expense Reimbursement and the LCRA bylaws require approval for directors' attendance at seminars and conferences.

Budget Status and Fiscal Impact

The budget in the business plan provides for travel to seminars and conferences by members of the Board of Directors.

Summary

The Board approved a list of conferences for directors to attend in 2022 at its Dec. 14 Board meeting. Exhibit A lists an additional conference for 2022.

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

Section 2.08 of the LCRA bylaws provides that per diem and expenses shall be paid to members of the Board who attend association meetings, conventions and conferences directly related to LCRA business, provided such attendance is authorized by prior resolution of the Board.

Exhibit(s)

A – 2022 Additional Annual Conferences and Travel for Board Approval

EXHIBIT A

**2022 ADDITIONAL ANNUAL CONFERENCES AND TRAVEL
FOR BOARD APPROVAL**

March 2-4

Texas Land Conservation Conference, Austin

FOR ACTION (CONSENT)

6. Minutes of Prior Meeting

Proposed Motion

Approve the minutes of the Jan. 19, 2022, 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 Jan. 19, 2022, meeting

EXHIBIT A

Minutes Digest
Jan. 19, 2022

- 22-01 Approval of a resolution honoring Lori A. Berger for her service on the LCRA Board of Directors.
- 22-02 Declaration of an approximately 0.023-acre tract of land and a 0.057-acre tract of land, being portions of LCRA Parcel BW-01 in Llano County, nonessential and authorization for the general manager or his designee to sell the property to the adjoining landowner. [Due to a clerical error, this previously approved sale was amended. The October 2021 Board Meeting approval incorrectly included a sale price of \$23,547. The correct sale price is \$22,547.]
- 22-03 Declaration of an approximately 0.038-acre tract of land, being a portion of LCRA Parcel BW-16 in Llano County, nonessential and authorization for the general manager or his designee to sell the property to the adjoining landowner.
- 22-04 Authorization for the general manager or his designee to grant a 0.15-acre access easement to the owners of the adjacent property across an LCRA canal property in the Gulf Coast Agricultural Division in Matagorda County.
- 22-05 Review and approval of LCRA Board Policy 303 – Banking and Investments.
- 22-06 Approval of directors’ fees and expense reimbursements.
- 22-07 Approval of the minutes of the Dec. 14, 2021, meeting.
- 22-08 Adoption and approval of the Thirty-ninth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program authorizing the issuance of Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project), Series 2022 (Bonds) in an amount not to exceed \$500 million for the following purposes: (i) current refunding of portions of the 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); (ii) currently refund certain outstanding long-term Transmission Contract Debt; (iii) funding a debt service reserve fund for the Bonds; and (iv) paying for issuance costs.

- 22-09 Approval of an updated interruptible agricultural Drought Contingency Plan for customers in the Garwood, Gulf Coast and Lakeside agricultural divisions and Pierce Ranch.
- 22-10 Approval of updated interruptible agricultural water contract rules and rates for the Garwood, Gulf Coast and Lakeside agricultural divisions.

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
LOWER COLORADO RIVER AUTHORITY
Austin, Texas
Jan. 19, 2022

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 9:31 a.m. Wednesday, Jan. 19, 2022, 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
Laura D. Figueroa
Carol Freeman
Thomas L. "Tom" Kelley
Robert "Bobby" Lewis [attended via videoconference]
Thomas Michael Martine
Margaret D. "Meg" Voelter [attended via videoconference]
Martha Leigh M. Whitten
Nancy Eckert Yeary [attended via videoconference]

Absent: Raymond A. "Ray" Gill Jr.

Chair Timmerman convened the meeting at 9:31 a.m.

There were no general comments from the public on topics under LCRA's jurisdiction not related to an item on the agenda [Agenda Item 1]. Attorney Cindy Smiley, on behalf of the Central Texas Water Coalition, addressed the Board regarding Agenda Item 11 – LCRA Interruptible Agricultural Drought Contingency Plan and Agenda Item 12 – LCRA Interruptible Agricultural Water Contract Rules and Rates for Garwood, Gulf Coast and Lakeside Agricultural Divisions.

General Manager Phil Wilson gave the Board an update, highlighting some of LCRA's core values: focus on safety, take initiative and focus on service. Wilson provided a summary of LCRA's safety results for calendar year 2021. He recognized LCRA's Cybersecurity, Resilience, Generation and Transmission teams for taking the initiative to plan and execute a cyber-physical exercise called GridEx. Wilson also shared how LCRA team members recently helped the City of Marble Falls move a transmission tower away from a creek bank near Johnson Park, in an area Marble Falls plans to use for future park expansion.

22-01 General Manager Phil Wilson presented for consideration a recommendation that the Board approve a resolution [attached hereto as Exhibit A] honoring Lori A. Berger for her service on the LCRA Board of Directors. Upon motion by Vice Chair Cooper, seconded by Director Kelley, the Board unanimously approved the resolution by a vote of 14 to 0.

Chair Timmerman recessed the meeting at 9:56 a.m. for a break and reconvened the meeting at 10:09 a.m.

Chief Financial Officer Jim Travis presented financial highlights for LCRA covering December 2021 and the fiscal year to date [Agenda Item 3].

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

22-02 Declaration of an approximately 0.023-acre tract of land and a 0.057-acre tract of land, being portions of LCRA Parcel BW-01 in Llano County, nonessential (not necessary or 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 [Due to a clerical error, this previously approved sale was amended. The October 2021 Board Meeting approval incorrectly included a sale price of \$23,547. The correct sale price is \$22,547.], as recommended by staff in Consent Item 4 [attached hereto as Exhibit B].

22-03 Declaration of an approximately 0.038-acre tract of land, being a portion of LCRA Parcel BW-16 in Llano County, nonessential (not necessary or 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 5 [attached hereto as Exhibit C].

22-04 Authorization for the general manager or his designee to grant a 0.15-acre access easement to the owners of the adjacent property across an LCRA canal property in the Gulf Coast Agricultural Division in Matagorda County, as recommended by staff in Consent Item 6 [attached hereto as Exhibit D].

22-05 Review and approval of LCRA Board Policy 303 – Banking and Investments, as recommended by staff in Consent Item 7 [attached hereto as Exhibit E].

22-06 Approval of directors' fees and expense reimbursements, as recommended in Consent Item 8 [attached hereto as Exhibit F].

22-07 Approval of the minutes of the Dec. 14, 2021, meeting [Consent Item 9].

22-08 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 Thirty-ninth Supplemental Resolution to the Controlling Resolution establishing the LCRA Transmission Contract Revenue Financing Program authorizing the issuance of Transmission Contract Refunding Revenue Bonds (LCRA Transmission Services Corporation Project), Series 2022 (Bonds) in an amount not to exceed \$500 million for the following purposes: (i) current refunding of portions of the 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); (ii) currently refund certain outstanding long-term Transmission Contract Debt; (iii) funding a debt service reserve fund for the Bonds; and (iv) paying for issuance costs.

[This item required approval of at least 12 members of the Board.] The resolution also will:

1. Approve related documents, in substantially final form, including the escrow agreement, the paying agent/registrar agreement, the preliminary official statement and the Transmission Contract Revenue Debt Installment Payment Agreement Supplement Related to the Bonds (the 2022 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. Select all or a portion of LCRA TSC's outstanding debt to be refunded by the Bonds and provide for appropriate notices of redemption/prepayment/defeasance;
 - b. Approve any final changes to said documents necessary to facilitate proper issuance of such Bonds;
 - c. Establish the terms of the Bonds as provided in the resolution (including issuing such bonds in one or more separate series (tax-exempt and/or taxable), principal amounts and maturity schedules, interest rates, redemption provisions and terms of any reserve funds); and
 - d. Approve the terms of the sale of the Bonds to an underwriting team and execute a Bond purchase agreement.

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

22-09 Vice President of Water Operations Kelly Payne presented for consideration a staff recommendation, described in Agenda Item 11 [attached hereto as Exhibit H], that the Board approve an updated interruptible agricultural Drought Contingency Plan for customers in the Garwood, Gulf Coast and Lakeside agricultural divisions and Pierce Ranch. [Staff discussed this item with the Water Operations Committee on Jan. 18.] Upon motion by Director Martine, seconded by Vice Chair Cooper, the recommendation was unanimously approved by a vote of 14 to 0.

22-10 Vice President of Water Operations Kelly Payne presented for consideration a staff recommendation, described in Agenda Item 12 [attached hereto as Exhibit I], that the Board approve updated interruptible agricultural water contract rules and rates for the Garwood, Gulf Coast and Lakeside agricultural divisions. [Staff

discussed this item with the Water Operations Committee on Jan. 18.] Upon motion by Director Martine, seconded by Director Arthur, 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 11:24 a.m.

There being no further business to come before the Board, Chair Timmerman adjourned the meeting at 11:24 a.m.

Joseph M. Crane
Secretary
LCRA Board of Directors
Approved: Feb. 23, 2022

FOR ACTION

7. Lease of Land in Travis County

Proposed Motion

Authorize the general manager or his designee to negotiate and execute a 12-year lease extension with The Creek at Hurst Harbor, LLC for the operation of a commercial marina, being about 5.05 acres of LCRA Parcel TS-06 and 5.894 acres of LCRA Parcel TN-15 in Travis County.

Board Consideration

LCRA Board Policy 401 – Land Resources requires LCRA Board of Directors approval for a lease of LCRA property for a term greater than 15 years.

Budget Status and Fiscal Impact

The administrative costs associated with the lease of this land are contained in the fiscal year 2022 business plan. Proceeds from this lease will be credited to the Public Recreation Conservation Land Acquisition Fund in accordance with LCRA Board Policy 403.

Summary

Parcel TS-06 and Parcel TN-15 contain about 56 and 320 acres, respectively. Both parcels are located on Lake Travis in Travis County. In 2001, MOF Hurst Harbor, L.P. began leasing a portion of TS-06 and TN-15 for a commercial marina. The current lease to Hurst Harbor Venture, L.P. began in 2016 under a 15-year term, which will be replaced by a new 15-year lease to the purchaser of the marina, The Creek at Hurst Harbor, LLC.

Real Estate Services recommends a 12-year lease extension on 5.05 acres of Parcel TS-06 and 5.894 acres of Parcel TN-15 to The Creek at Hurst Harbor, LLC.

Annual rent would be set at \$28,581 for the first five years of the new 15-year lease with three five-year escalation options. The proposed 12-year lease extension would include two additional five-year escalation options. The lease would start Feb. 11, 2022, and expire Feb. 10, 2049.

LCRA staff has completed and documented environmental and cultural due diligence in accordance with Board Policy 401.403 prior to executing the lease.

Presenter(s)

Mark Sumrall
Director, Real Estate Services

Exhibit(s)

A – Vicinity Map
B – Site Map

EXHIBIT A

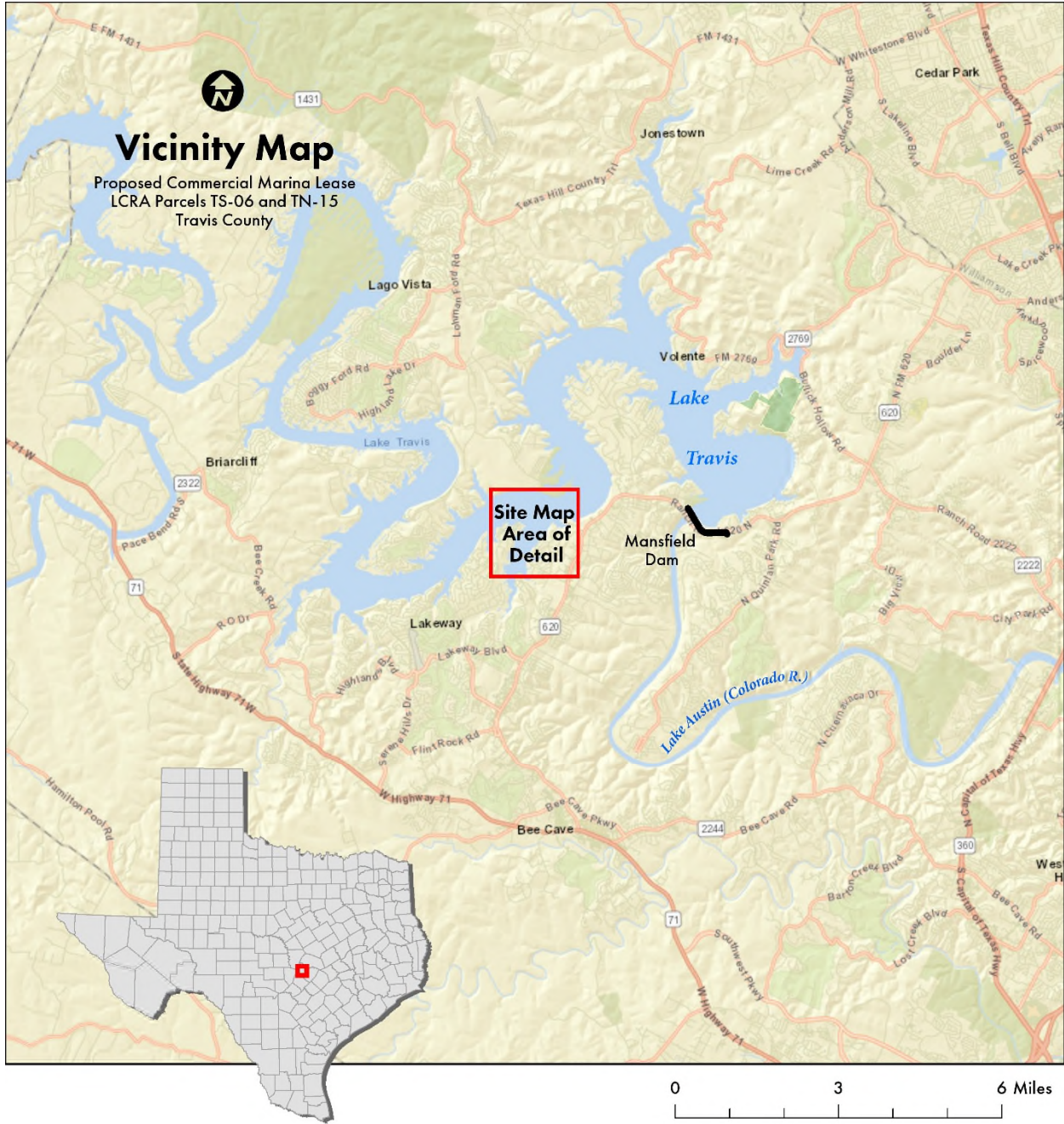
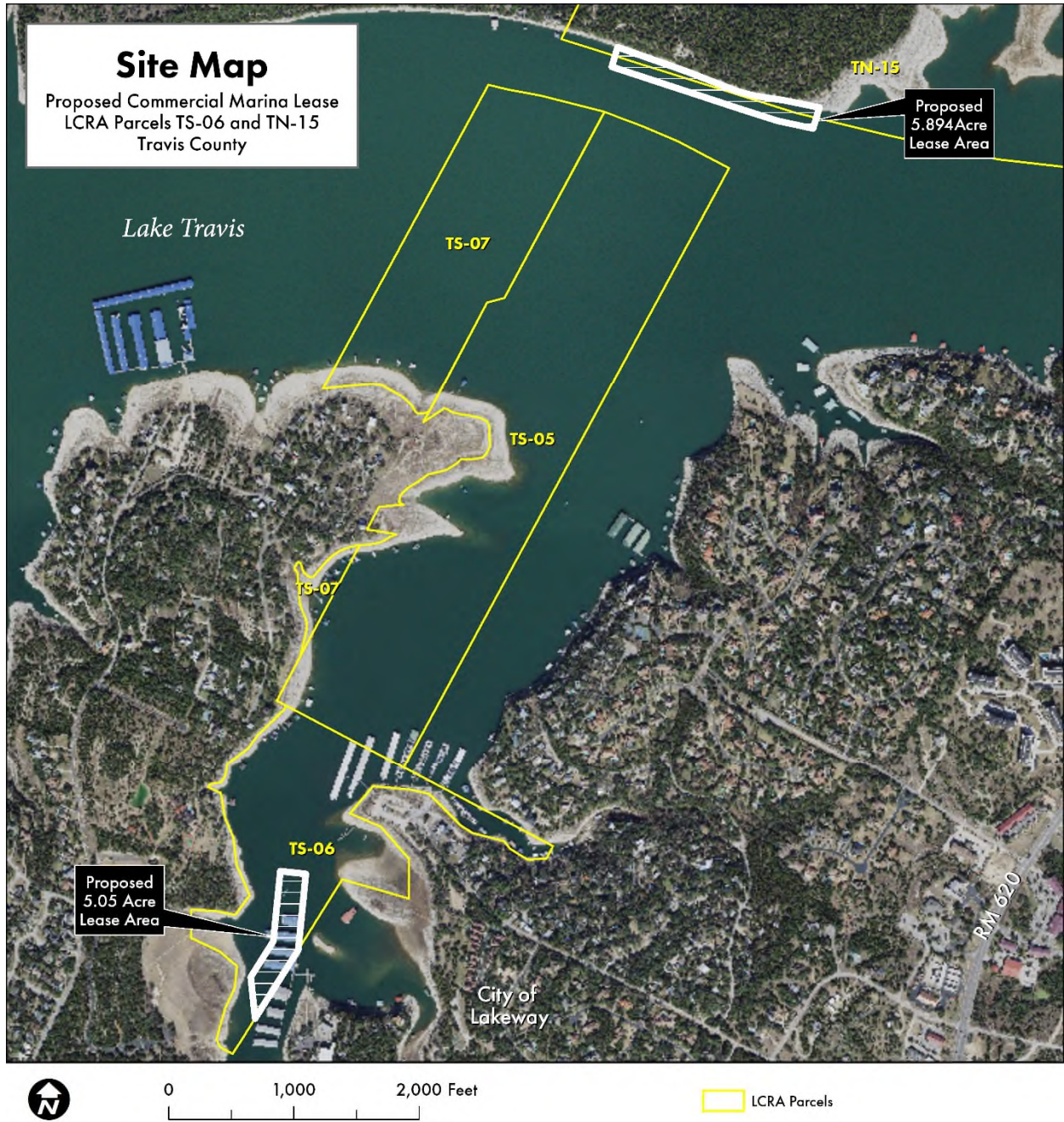


EXHIBIT B



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 and services. 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 Board approval of contracts and contract changes does not create a commitment to spend funds; rather, all orders and commitments will be for budgeted items contained in separately authorized operations and capital budgets or pre-spending authorizations.

Summary

Supplier (Contract Number)	Contract Type	Approval Amount	Contract Description
Contract Changes			
CH2M Hill Engineers, Inc. (3672)	Master	\$39.177 million	Professional engineering services for the Arbuckle Reservoir
Delta Star, Inc. (5838) and Hyundai Electric America Corporation (5839)	Master	\$30 million	Power transformers and small megavolt amperes autotransformers
Trans American Power Poles Inc. (4756), Pinnacle Steel Inc. (4757), Trinity Industries De Mexico S De RL De Cv (4758), Valmont Industries Inc. (4762), Valmont Industries Inc. (Microflect) (4763) and CHM Industries Inc. (4765)	Master	\$309 million	Variety of transmission structures

Presenter(s)

Matt Chavez
Vice President, Supply Chain

Exhibit(s)

A – Contract Administration

EXHIBIT A

Contract Administration

Contract changes that require Board approval under Board Policy 308 are noted in this exhibit.

- 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.

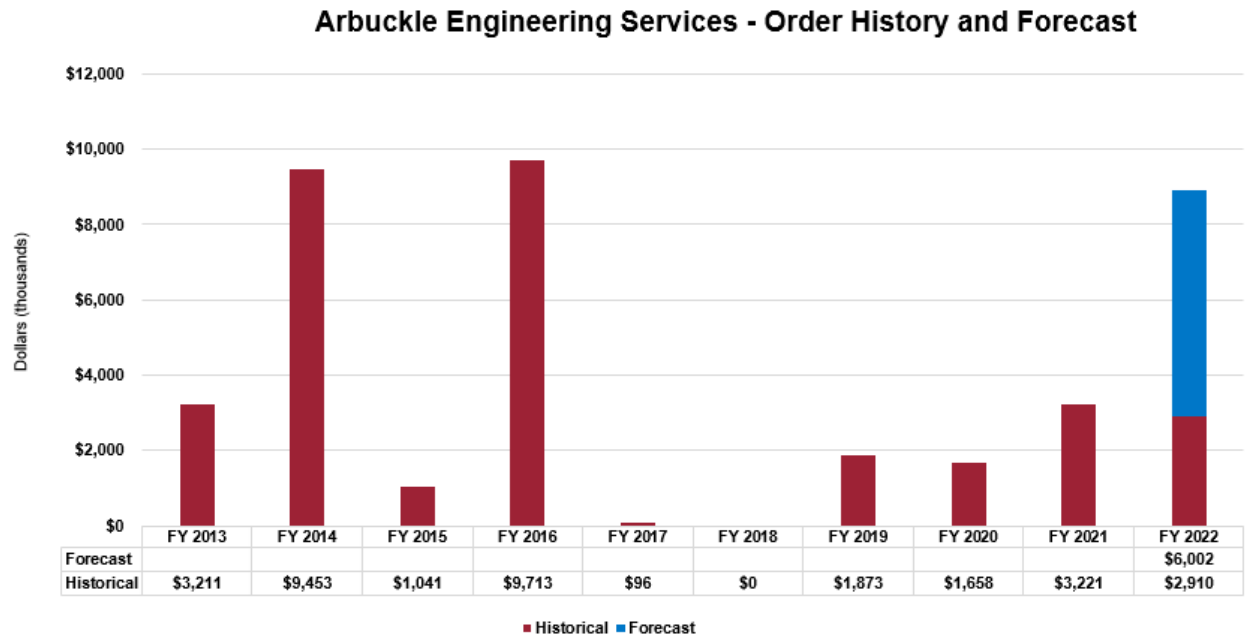
Contract No. **3672**
Supplier: CH2M Hill Engineers, Inc.
Contract Amount: Not to exceed \$39.177 million
Description: This master contract is for engineering services for the Arbuckle Reservoir.

Background:

- LCRA entered into a contract with CH2MHill for engineering services in 2013 for the Arbuckle Reservoir project and subsequent engineering support.
- The Board previously has approved a total of \$28.177 million for this contract.
- Since the Board approved a contact increase in February 2020, staff has added \$5 million to the contract value via administrative increases, which did not require Board approval per LCRA Board Policy 308.
- To date, LCRA has issued more than \$33.174 million for engineering services under the contract, which reflects 99% of the contract value.
- Staff requests Board approval to add \$6 million to the total contract value for additional engineering services.

Contract History:

Previous Board Approval	\$28,177,000
Administrative Approval	\$5,000,000
Increase in Estimate (February 2022 Board Approval)	\$6,000,000
Total	\$39,177,000



Contract No. 5838 and 5839
Supplier: Delta Star, Inc. and Hyundai Electric America Corporation
Contract Amount: Not to exceed \$30 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 transformers and small MVA autotransformers used by LCRA Transmission Services Corporation.

Background:

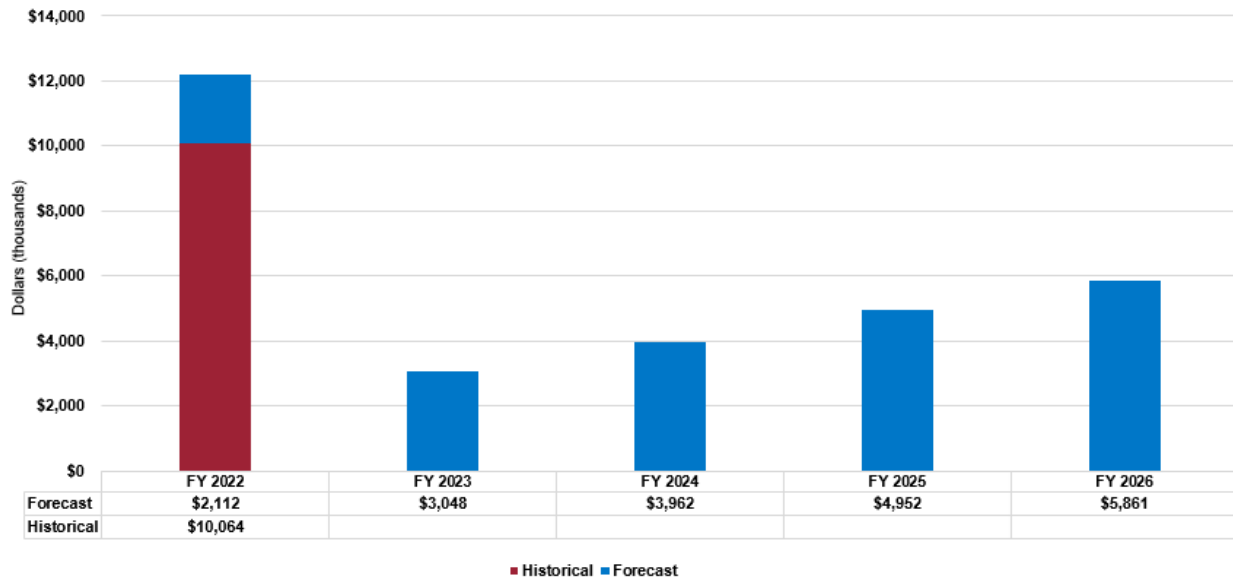
- In August 2021, the Board approved aggregate contracts with Delta Star, Inc. and Hyundai Electric America Corporation to provide power transformers and small MVA autotransformers to support capital project requirements associated with power delivery to LCRA TSC wholesale customers.
- The aggregate value of these master contracts previously approved by the Board was not to exceed \$20 million.
- LCRA TSC added transformer scope to recent interconnect projects and issued more than \$10 million in orders, which is about 50% of the Board-approved aggregate value of the contracts.

- Staff is requesting an additional \$10 million to replenish the aggregate master contract value based on LCRA TSC’s continued use of power transformers and small MVA autotransformers, bringing the total aggregate approval amount to \$30 million.

Contract History:

Original Contract (January 2018 Board Approval)	\$20,000,000
Requested Increase in Estimate (February 2022 Board Approval)	\$10,000,000
Total	\$30,000,000

Power Transformer - Order History and Forecast



Contract No. 4756, 4757, 4758, 4762, 4763, and 4765

Supplier: Trans American Power Poles Inc., Pinnacle Steel Inc., Trinity Industries De Mexico S De RL De Cv, Valmont Industries Inc., Valmont Industries Inc. (Microflect) and CHM Industries Inc.

Contract Amount: Not to exceed \$309 million in the aggregate

Contract Length: One-year contracts with four additional, optional one-year terms

Description: These master contracts are for the provision of steel transmission poles, concrete transmission poles, security camera poles and substation steel structures used by LCRA TSC.

Background:

- In January 2018, the Board approved aggregate master contracts with Trans American Power Poles Inc., Pinnacle Steel Inc., Trinity Industries De Mexico S De RL De Cv, Valmont Industries Inc., Valmont Industries Inc. (Microflex) and CHM Industries Inc. to provide steel transmission poles, concrete transmission poles, security camera poles and substation steel structures used by LCRA TSC.
- The aggregate value of these contracts previously approved by the Board was not to exceed \$159 million.
- Since Board approval of these aggregate contracts, LCRA TSC’s five-year capital plan has increased significantly to meet the continued aggressive growth throughout the state.
- Structure prices have risen significantly due to higher and increasingly volatile prices for labor, freight and raw material since the contracts were executed.
- In four years, LCRA TSC has issued nearly \$107 million in purchase orders for structures, or 67% of the Board-approved aggregate value of the contracts.
- Additional funds are requested to cover higher prices and to place orders early to lock in pricing and manufacturing production capacity for anticipated future projects.

Contract History:

Original Contract (January 2018 Board Approval)	\$159,000,000
Requested Increase in Estimate (February 2022 Board Approval)	\$150,000,000
Total	<u>\$309,000,000</u>

Transmission Steel Structures - Order History and Forecast

