

# LCRA Transmission Services Corporation

## Board Agenda

Wednesday, March 22, 2023

Dalchau Service Center – Building A

Conference Rooms A504-A505

3505 Montopolis Drive

Austin, TX 78744

Earliest start time: 10:30 a.m.

### Items From the Chair

1. Comments From the Public ..... 4

### Consent Items

2. New Capital Improvement Project Approval – Gillespie County  
System Upgrade ..... 5
3. Minutes of Prior Meeting ..... 7

### Action Items

4. Fiscal Year 2023 LCRA Transmission Services Corporation Capital Plan  
Amendment ..... 11
5. Acquisition of Interests in Real Property – Use of Eminent Domain  
in Comal, DeWitt and Travis Counties ..... 12
6. Acquisition of Interests in Real Property – Use of Eminent Domain  
in Gillespie County ..... 25

### Executive Session

The Board 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>

## OVERVIEW OF LCRA TRANSMISSION SERVICES CORPORATION

In connection with the implementation of retail competition in the electric utility industry in the state of Texas, LCRA was required by the Texas Legislature in its amendments to the Public Utility Regulatory Act (enacted in 1999 under state legislation known as Senate Bill 7, and referred to as SB 7) to unbundle its electric generation assets from its electric transmission and distribution assets. LCRA conveyed, effective Jan. 1, 2002, all of its existing electric transmission and transformation assets (collectively, the Transferred Transmission Assets) to the LCRA Transmission Services Corporation (LCRA TSC) pursuant to the terms of an Electric Transmission Facilities Contract (the Initial Contractual Commitment), dated Oct. 1, 2001.

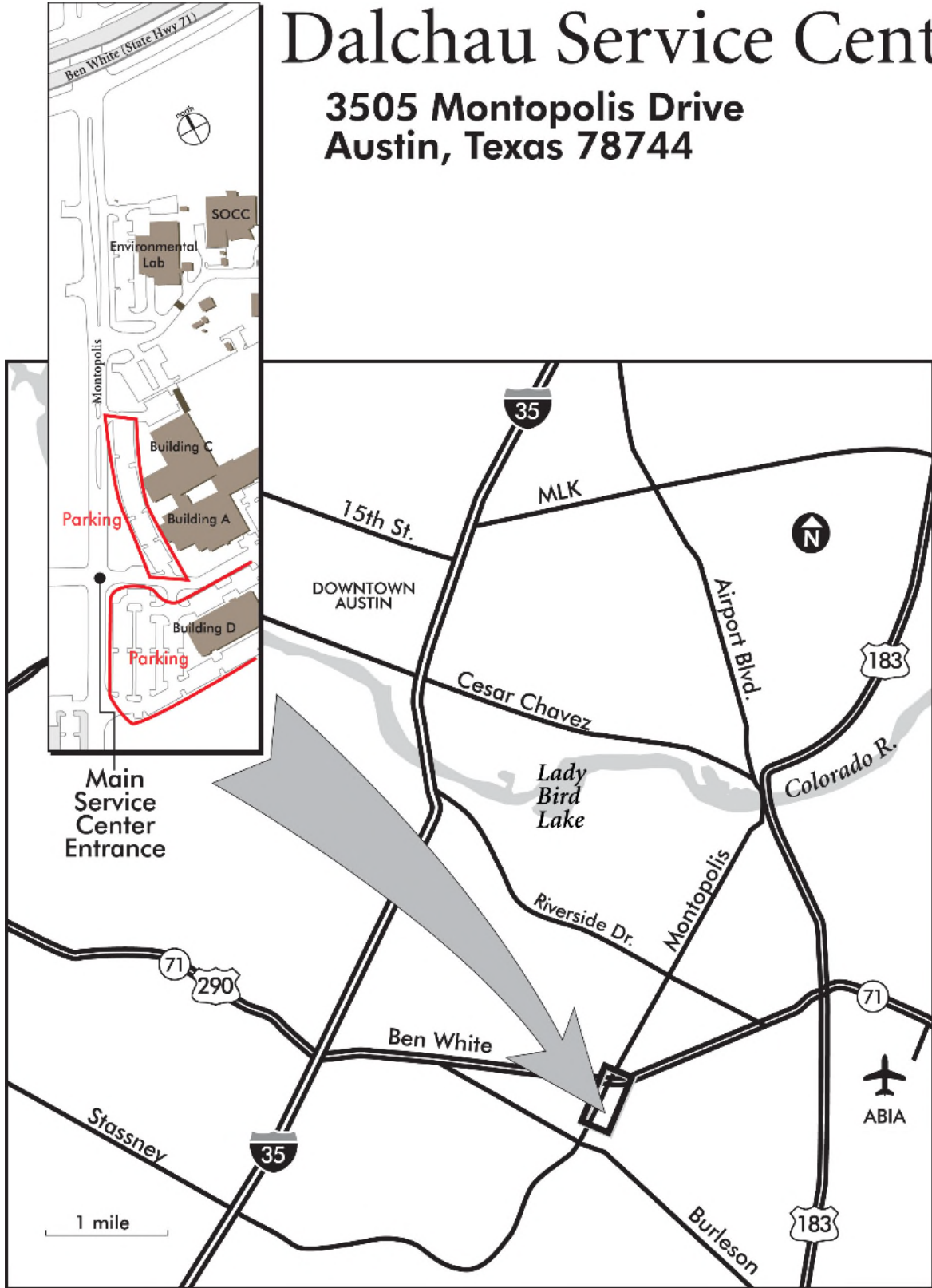
LCRA TSC is a nonprofit corporation created by LCRA to act on LCRA's behalf pursuant to Chapter 152, Texas Water Code, as amended. After Jan. 1, 2002, LCRA TSC engaged in the electric transmission and transformation activities previously carried out by LCRA and assumed LCRA's obligation to provide, and the right to collect revenues for, electric transmission and transformation services. LCRA TSC is an electric transmission service provider (a TSP) under the state's open-access electric transmission regulatory scheme within the approximately 85% area of the state covered by the Electric Reliability Council of Texas (ERCOT). In such capacity, LCRA TSC is entitled to receive compensation from all electric distribution service providers using the electric transmission system within ERCOT. As a TSP in the ERCOT region of the state, the rates that LCRA TSC will charge for transmission services are regulated by the Public Utility Commission of Texas (PUC) and determined pursuant to transmission cost of service rate proceedings filed with and approved by the PUC.

Within the framework of SB 7, LCRA TSC implements the electric transmission business of LCRA, including the expansion of electric transmission services outside of LCRA's traditional electric service territory. LCRA personnel are responsible for performing all of LCRA TSC's activities pursuant to a services agreement between LCRA TSC and LCRA. This includes procuring goods and services on behalf of LCRA TSC and is reflected in the LCRA Board agenda contracts.

Under the LCRA Master Resolution, defined as the LCRA Board resolution governing LCRA's outstanding debt, and certain provisions of state law, the LCRA Board is required to exercise control over all operations of LCRA TSC. This control includes approval of LCRA TSC's business plan and of the sale or disposition of any significant assets of LCRA TSC. The Board of Directors of LCRA TSC (LCRA TSC Board) is appointed by and serves at the will of the LCRA Board. The current membership of LCRA TSC Board is made up entirely of the existing LCRA Board.

# Dalchau Service Center

**3505 Montopolis Drive  
Austin, Texas 78744**



## **FOR DISCUSSION**

# **1. Comments From the Public**

### **Summary**

This part of the meeting is intended for comments from the public on topics under LCRA Transmission Services Corporation'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.

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.

**FOR ACTION (CONSENT)**

## **2. New Capital Improvement Project Approval – Gillespie County System Upgrade**

### **Proposed Motion**

Approve the Capital Improvement Project Authorization Request for the Gillespie County System Upgrade project.

### **Board Consideration**

LCRA Transmission Services Corporation Board Policy T301 – Finance requires Board of Directors approval for any project exceeding \$1.5 million.

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

- Staff seeks approval to create a separate project for the Gillespie County System Upgrade with a total lifetime budget of \$71.752 million.
- This project's scope of work and budget previously were included in the approved Mountain Home Substation and Transmission Line Addition project.
- Staff is not seeking authorization for increased funds in excess of the already-approved budget. The Mountain Home Substation and Transmission Line Addition project budget will be reduced by the amount approved for the Gillespie County System Upgrade project.
- The proposed lifetime budget for the project includes contingency.
- The treasurer and chief financial officer will release funds as needed.
- Project costs will be funded through LCRA TSC regulated rates, subject to approval by the Public Utility Commission of Texas.

### **Summary**

Staff recommends creating a separate Gillespie County System Upgrade project located in Gillespie County and removing its scope and budget from the Mountain Home Substation and Transmission Line Addition project, which the LCRA TSC Board in May 2017 approved as part of the fiscal year 2018 business and capital plans.

The Mountain Home Substation and Transmission Line Addition project will complete the scope of work defined by the Certificate of Convenience and Necessity. The Gillespie County System Upgrade project will address all non-CCN work. Staff recommends splitting the Gillespie County System Upgrade project from the Mountain Home project to allow for better administrative handling of both projects.

The combined projects will provide transmission service to load-serving substations and increase the capacity of the transmission loop between the Peach and Ingram substations. The Gillespie County System Upgrade project scope of work includes upgrading existing transmission lines and associated remote end work and increasing the capacity and voltage of the transmission line between Peach and Headwaters substations.

The Gillespie County System Upgrade project is expected to be completed by June 2024. The project funds will pay for project management, regulatory activities, engineering, materials acquisition, construction, real estate activities and acquisition of

necessary land rights. LCRA TSC representatives will perform environmental and cultural due diligence studies and address all identified concerns.

**Project Recap**

Total CCN and Non-CCN Projects Approved Budget: \$ 148,502,000

Mountain Home Substation and Transmission Line  
Addition Project Lifetime Budget: \$ 76,750,000  
Gillespie County System Upgrade Project Lifetime Budget: \$ 71,752,000  
Additional Lifetime Budget Approval Sought: \$ 0

**Project Direction**

Project Manager: Brad Wallner  
Project Sponsor: Dylan Preas  
Project Number: 1029853

**FOR ACTION (CONSENT)**

### **3. Minutes of Prior Meeting**

**Proposed Motion**

Approve the minutes of the Feb. 22, 2023, meeting.

**Board Consideration**

Section 4.06 of the LCRA Transmission Services Corporation 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 Feb. 22, 2023, meeting

## **EXHIBIT A**

Minutes Digest  
Feb. 22, 2023

- 23-05            Approval of the minutes of the Jan. 18, 2023, meeting.
- 23-06            Approval of the Capital Improvement Project Authorization Request for the following projects and associated lifetime budgets: Central Texas Electric Cooperative Area Substation Upgrade; Dalchau Service Center Building E Facilities Upgrade; Fayette Power Project Switchyard to La Grange Fiber Restoration; Grounding – FY 2023 Substation Upgrade; Lockhart Power Transformer Replacement; and Physical Security – FY 2023 Substation Upgrade.
- 23-07            Adoption of a resolution authorizing the use of the power of eminent domain in Bastrop and Williamson counties to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of easement rights for the LCRA Broadband Program project to provide, on behalf of LCRA and at LCRA's expense, for communications and to facilitate broadband services on the Sim Gideon to Austrop (T171) and Spanish Oak to Round Rock (T642) transmission lines.



MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF  
LCRA TRANSMISSION SERVICES CORPORATION  
Feb. 22, 2023

Pursuant to notice posted in accordance with the Texas Open Meetings Act, the Board of Directors (Board) of LCRA Transmission Services Corporation (LCRA TSC) convened in a regular meeting at 11:22 a.m. Wednesday, Feb. 22, 2023, in the Board Room of the Hancock Building, at the principal office of the Lower Colorado River Authority, 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  
Joseph M. "Joe" Crane  
Laura D. Figueroa  
Carol Freeman  
Thomas L. "Tom" Kelley  
Robert "Bobby" Lewis  
Thomas Michael Martine  
Margaret D. "Meg" Voelter  
Martha Leigh M. Whitten  
Nancy Eckert Yeary

Absent: Raymond A. "Ray" Gill Jr.

Chair Timmerman convened the meeting at 11:22 a.m.

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

Vice President and Chief Operating Officer Kristen Senechal gave the Board an update on LCRA TSC's response and work during Winter Storm Mara. Senechal also shared stories about employees demonstrating LCRA's core values of focusing on safety and taking initiative, as well as LCRA's Colorado Commitment to make every LCRA endeavor outstanding.

The Board next took action on the consent agenda.

23-05 Upon motion by Director Voelter, seconded by Director Figueroa, the Board unanimously approved the minutes of the Jan. 18, 2023, meeting [Consent Item 2] by a vote of 12 to 0. [Directors Allen and Martine were absent for voting on this item.]

23-06 Vice President of Transmission Asset Optimization Kristian M. Koellner presented for consideration a staff recommendation, described in Agenda Item 3 [attached hereto as Exhibit A], that the Board approve the Capital Improvement Project Authorization Request for the following projects and associated lifetime budgets: Central Texas Electric Cooperative Area Substation Upgrade; Dalchau Service Center Building E Facilities Upgrade; Fayette Power Project Switchyard to La Grange Fiber Restoration; Grounding – FY 2023 Substation Upgrade; Lockhart Power Transformer Replacement; and Physical Security – FY 2023 Substation Upgrade. Upon motion by Director Allen, seconded by Director Yearly, the recommendation was unanimously approved by a vote of 14 to 0.

23-07 Vice President of Real Estate Services Mark Sumrall presented for consideration a staff recommendation, described in Agenda Item 4 – Acquisition of Interests in Real Property – Use of Eminent Domain in Bastrop and Williamson Counties [attached hereto as Exhibit B]. Director Martine moved, seconded by Director Blanding, that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of easement rights for the LCRA Broadband Program project to provide, on behalf of LCRA and at LCRA's expense, for communications and to facilitate broadband services on the Sim Gideon to Austrop (T171) and Spanish Oak to Round Rock (T642) transmission lines; and that the first record vote applies to all units of property to be condemned. The Board unanimously approved the motion by a record vote of 14 to 0.

There being no further business to come before the Board, the meeting was adjourned at 11:35 a.m.

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Leigh Sebastian  
Secretary  
LCRA Transmission Services Corporation  
Approved: March 22, 2023

## **FOR ACTION**

# **4. Fiscal Year 2023 LCRA Transmission Services Corporation Capital Plan Amendment**

### **Proposed Motion**

Approve an amendment to the fiscal year 2023 LCRA Transmission Services Corporation capital plan to increase authorization for capital spending in FY 2023 from \$488.7 million to \$750 million.

### **Board Consideration**

LCRA TSC Board Policy T301 – Finance requires annual approval of a capital plan by the LCRA TSC Board of Directors. The policy states that if annual expenditures for operations or capital are expected to exceed Board-authorized levels, additional approval from the Board will be required.

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

The proposed amendment to increase LCRA TSC's capital budget authorization in FY 2023 will have no impact on LCRA TSC's existing rates for the provision of regulated transmission services. All of these costs will be recoverable in a future interim capital addition or a full rate case filing.

### **Summary**

Because LCRA TSC anticipates exceeding the capital spending budget, staff is seeking approval to increase the FY 2023 capital budget. The additional FY 2023 funding will cover costs for materials and construction to keep approved projects on schedule.

The LCRA TSC Board approved the FY 2023 LCRA TSC capital plan in May 2022, establishing a capital spending limit of \$488.7 million for FY 2023. The current fiscal year-end forecast for capital spending exceeds this amount, and staff is requesting an increase in the fiscal year budget to authorize spending of up to \$750 million. This is an increase of \$261.3 million or about 54% of the original budget. The increase in FY 2023 capital spending is primarily the result of increased project costs, project schedule changes and new projects.

This amendment does not increase the lifetime budget for any individual capital project but amends the spending limit established for FY 2023 to reflect changes to LCRA TSC's expectation of spending within the current fiscal year.

### **Presenter(s)**

Kristen Senechal  
Vice President and Chief Operating Officer

## **FOR ACTION**

# **5. Acquisition of Interests in Real Property – Use of Eminent Domain in Comal, DeWitt and Travis Counties**

### **Proposed Motion**

I move that the LCRA Transmission Services Corporation Board of Directors adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of easement rights for the LCRA Broadband Program project to provide, on behalf of LCRA and at LCRA's expense, for communications and to facilitate broadband services on the Comal to Hortontown (T119), Cuero to Luling (T542) and Elroy to Wolf Lane (T582) transmission lines; and that the first record vote applies to all units of property to be condemned.

### **Board Consideration**

LCRA Transmission Services Corporation Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units of property, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

LCRA utilizes LCRA Transmission Services Corporation to provide LCRA with fiberoptic communications and broadband services at LCRA's expense pursuant to LCRA Board Policy 220 – Telecommunications and Section 8503.032 of the Special District Local Laws Code.

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

The acquisition cost was included in the Board-approved budget for the LCRA Broadband Program project.

### **Summary**

LCRA TSC proposes to acquire communication rights, including the facilitation of broadband services, in Comal, DeWitt and Travis counties for the LCRA Broadband Program project. Paul Hornsby and Company will perform independent appraisals of the interests in real property to be acquired to determine just compensation to the landowners.

Staff will make an initial offer to acquire the necessary interests in real property voluntarily from the landowners listed on Exhibit C, as required by Section 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. Staff seeks Board authorization to proceed with condemnation if an agreement cannot be reached with the landowner(s).

Staff has provided to the Board descriptions of the specific properties to be acquired and will attach the descriptions to the resolution.

Staff requests that the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

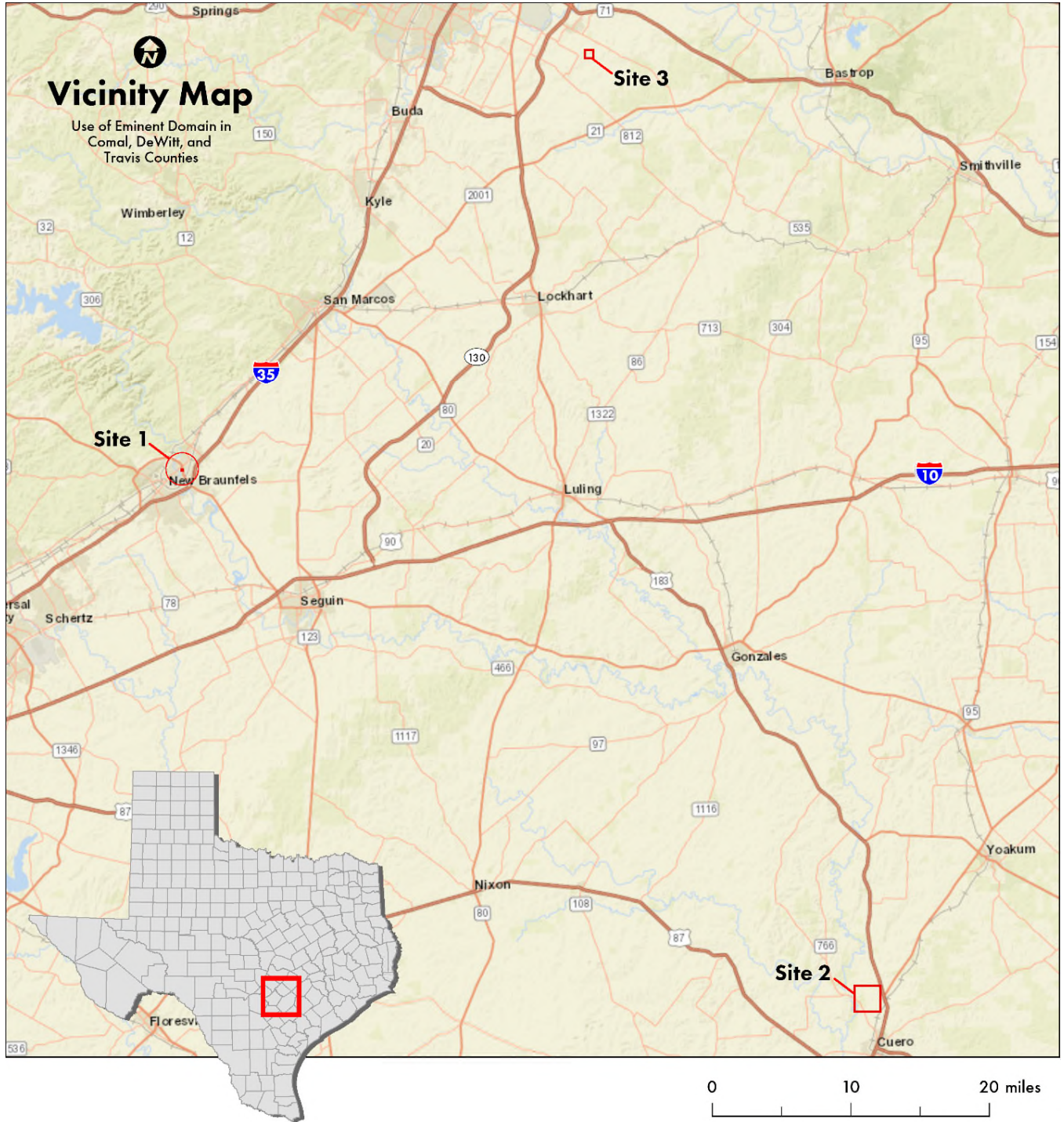
**Presenter(s)**

Mark Sumrall  
Vice President, Real Estate Services

**Exhibit(s)**

A – Vicinity Map  
B – Site Maps  
C – Landowner List  
D – Resolution  
1 – Property Descriptions

**EXHIBIT A**

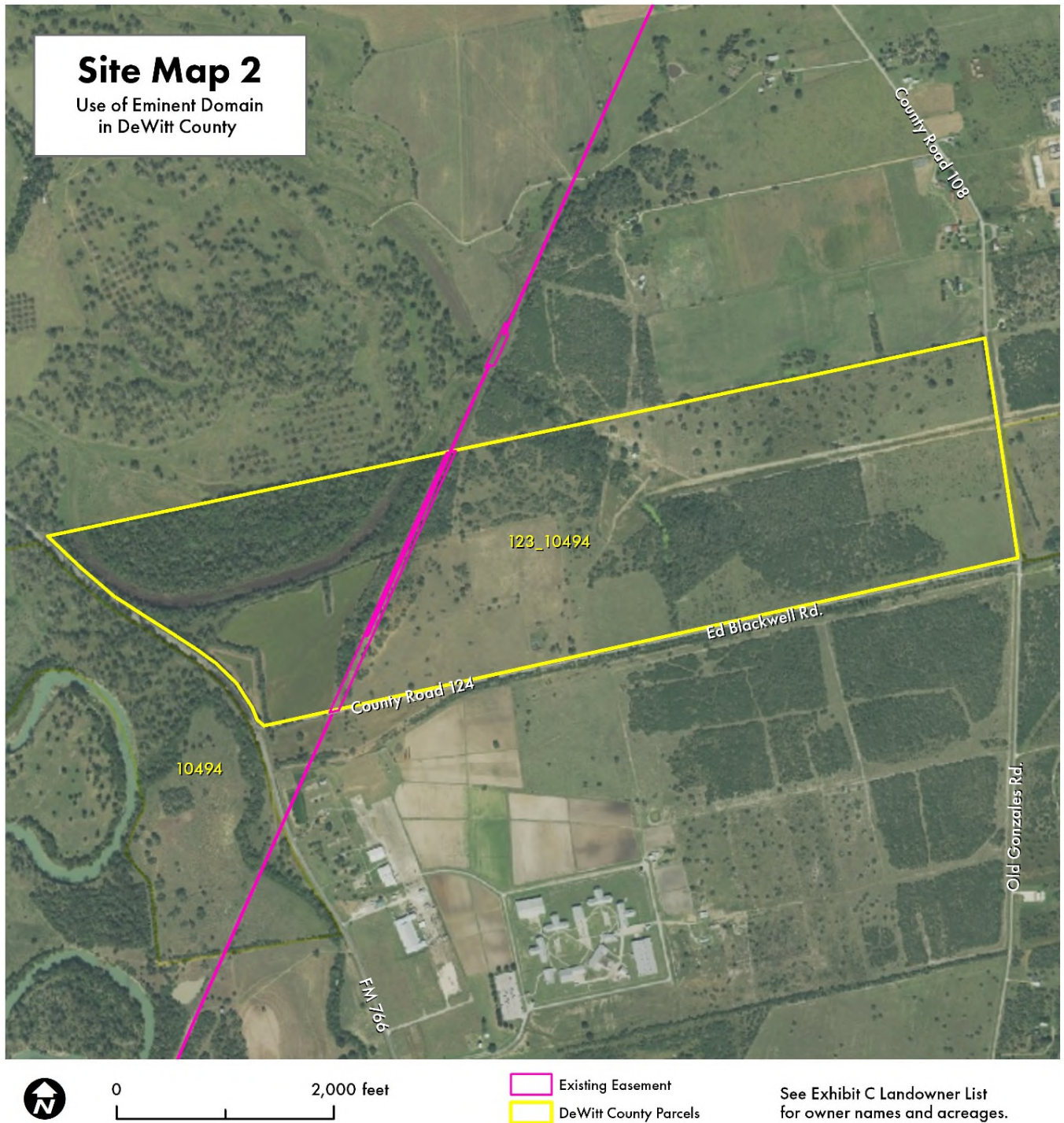




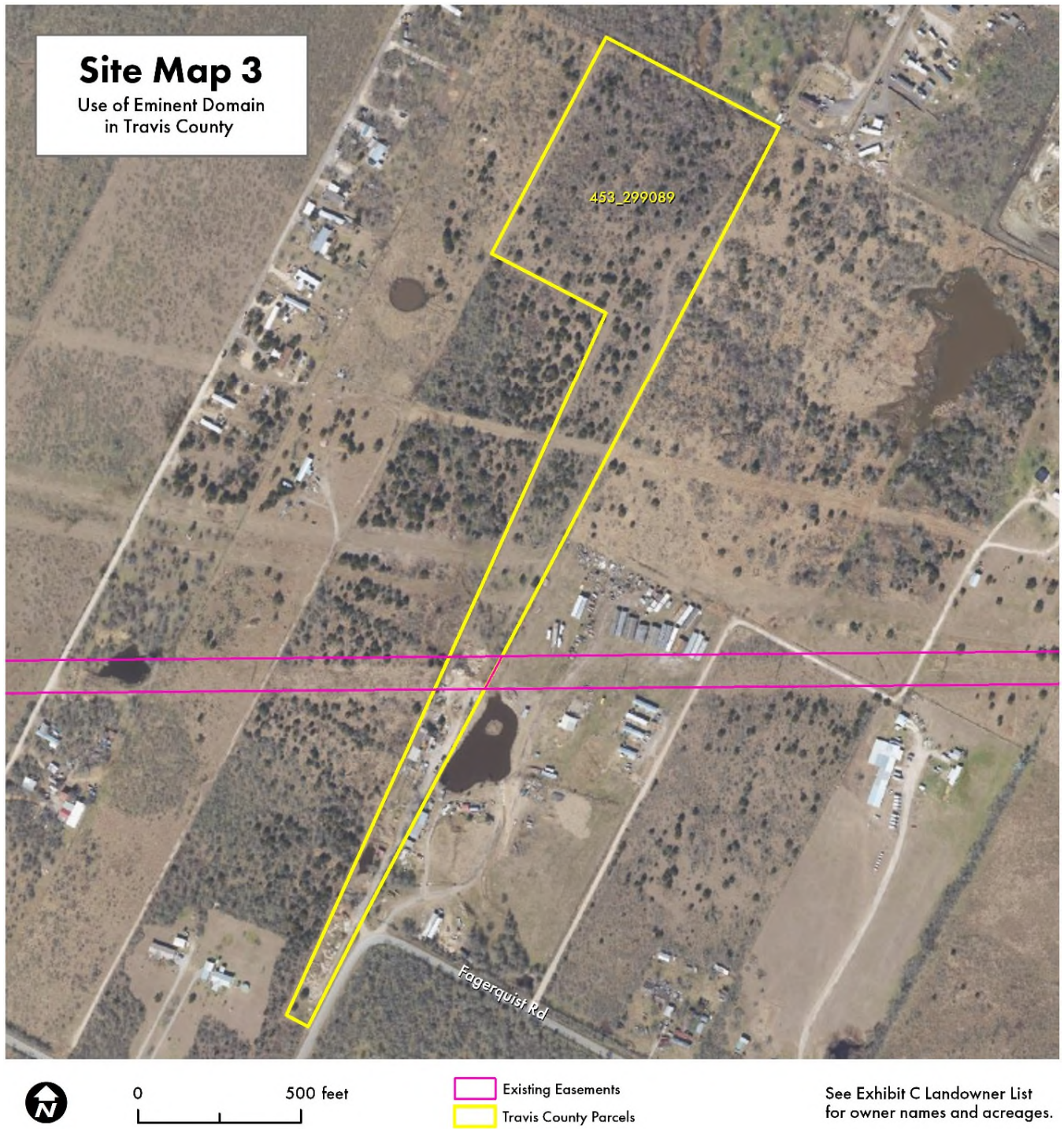
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- Existing Easement
- Comal County Parcels

See Exhibit C Landowner List  
for owner names and acreages.







**EXHIBIT C**

<b>Tract ID</b>	<b>Landowner</b>	<b>Approximate Parent Tract Acreage</b>	<b>Land Rights</b>	<b>Approximate Easement Acreage</b>	<b>County</b>	<b>Approximate Value</b>
091_143707	NT&T Investment	1.90 acres	Third-Party Communication	0.3 acre	Comal	\$5,781.73
123_10494	Finney, William R.	555.82 acres	Third-Party Communication	4.21 acres	DeWitt	\$526.25
453_299089	Bribiesca, Andres Ruiz and José Guadalupe	18.00 acres	Third-Party Communication	0.036 acre	Travis	\$386.86

**EXHIBIT D**

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**PROPOSED MOTION**

**I MOVE THAT THE LCRA TRANSMISSION SERVICES CORPORATION BOARD OF DIRECTORS ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTIES DESCRIBED IN EXHIBIT 1 TO THE RESOLUTION FOR THE ACQUISITION OF EASEMENT AMENDMENTS NECESSARY TO PROVIDE, ON BEHALF OF LCRA AND AT LCRA'S EXPENSE, FOR COMMUNICATIONS AND TO FACILITATE BROADBAND SERVICES ON THE COMAL TO HORTONTOWN (T119), CUERO TO LULING (T542) AND ELROY TO WOLF LANE (T582) TRANSMISSION LINES; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.**

**RESOLUTION  
AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY BY  
CONDEMNATION IN COMAL, DEWITT AND TRAVIS COUNTIES FOR  
TRANSMISSION LINE EASEMENT AMENDMENTS.**

**WHEREAS**, LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public uses of construction, operation and maintenance of electric transmission line(s), communication lines, and appurtenances thereto in Comal, DeWitt and Travis counties; and

**WHEREAS**, an independent, professional appraisal of the subject properties will be submitted to LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

**NOW, THEREFORE, BE IT RESOLVED** that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowner(s) listed in the attached Exhibit C, with the description of the location of and interest in the properties LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity require the acquisition of said interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such uses; that LCRA Transmission Services Corporation does not intend to acquire rights to groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in real property from the landowner(s) voluntarily as required by Section 21.0113 of the Texas Property Code; and that at such time as LCRA Transmission Services Corporation has determined that the landowner(s) and

## **EXHIBIT D**

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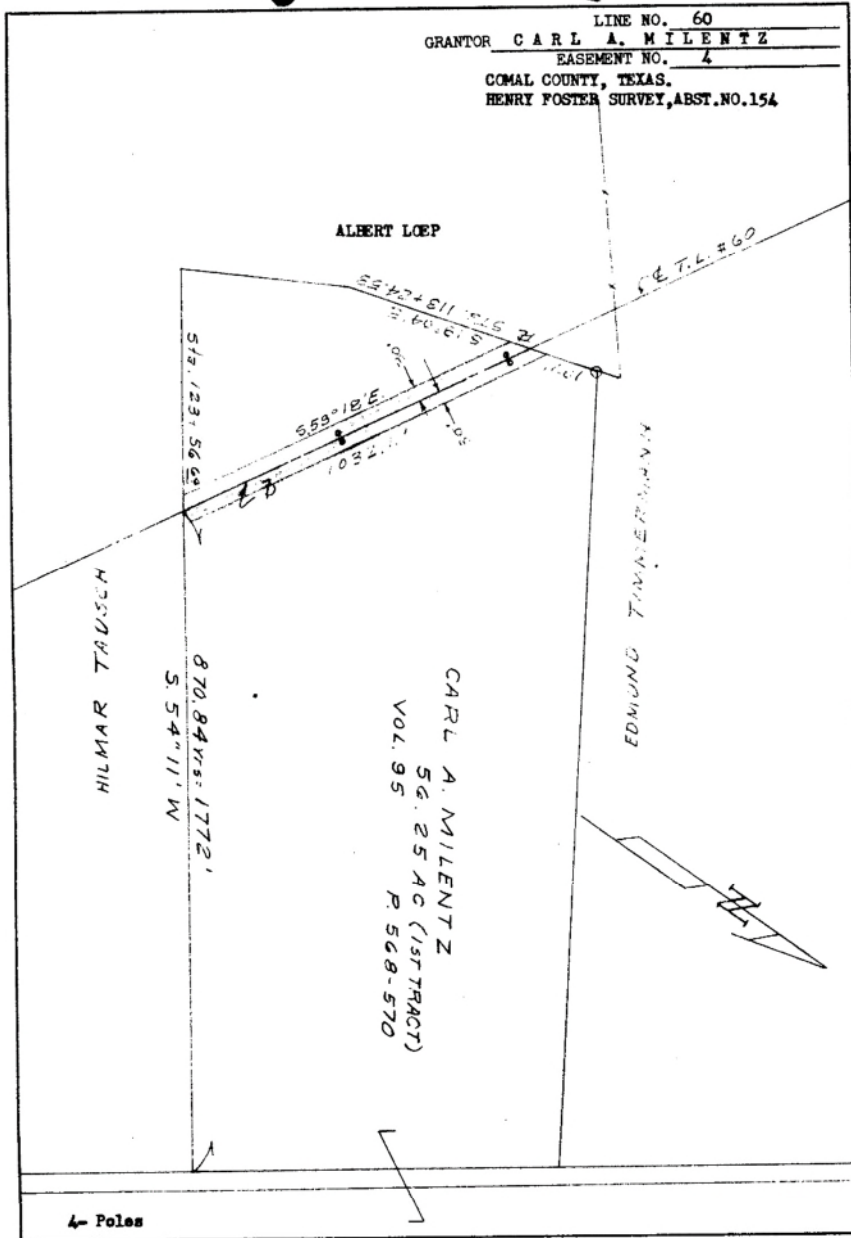
LCRA Transmission Services Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to initiate condemnation proceedings against the owner(s) of the properties, and against all other owners, lien holders, and other holders of an interest in the property, in order to acquire the necessary interests in real property, and that this resolution take effect immediately from and after its passage;

**BE IT FURTHER RESOLVED** that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interest(s) in real property that are proper and convenient for the operation of the electric transmission line(s).

**EXHIBIT 1**  
Page 1 of 4

E00003062-1

(D13)



LINE NO. 60  
GRANTOR CARL A. MILENTZ  
EASEMENT NO. 4  
COMAL COUNTY, TEXAS.  
HENRY FOSTER SURVEY, ABST. NO. 154

ALBERT LOEP

HILMAR TAUSCH

EDMUND TIMMERMAN

CARL A. MILENTZ  
56.25 AC (1ST TRACT)  
VOL. 95  
P. 568-570

4- Poles

LOWER COLORADO RIVER AUTHORITY  
AUSTIN, TEXAS  
TRANSMISSION LINE EASEMENT PLAT

EXHIBIT A

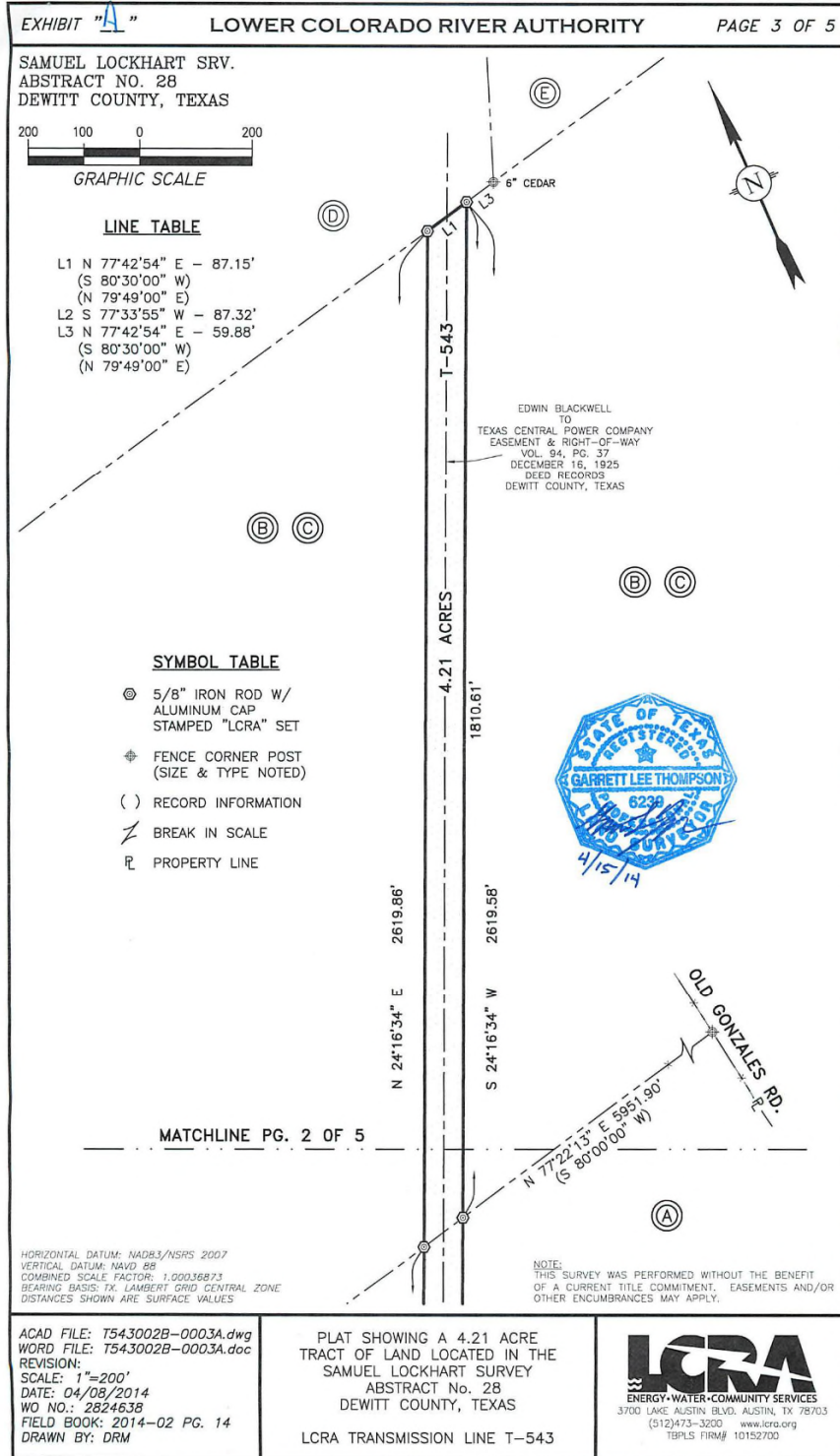
LINE NO. 60 FROM NEW BRAUNFELS TO SEGWIN EASEMENT NO. 4  
SCALE: 1" = 300' DATE April 1958 GRANTOR CARL A. MILENTZ

013 002707

**EXHIBIT 1**

Page 2 (1 of 2) of 4

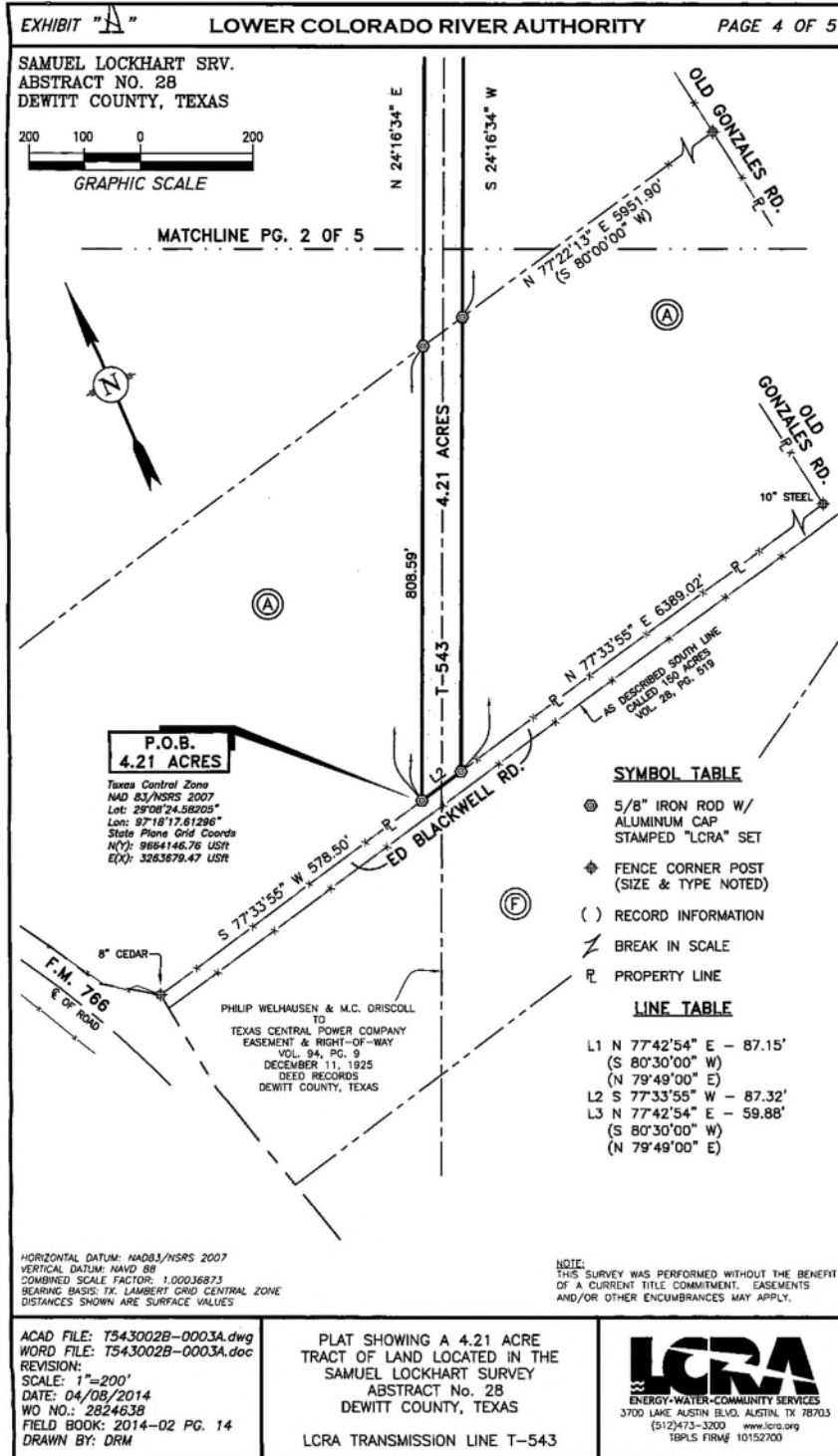
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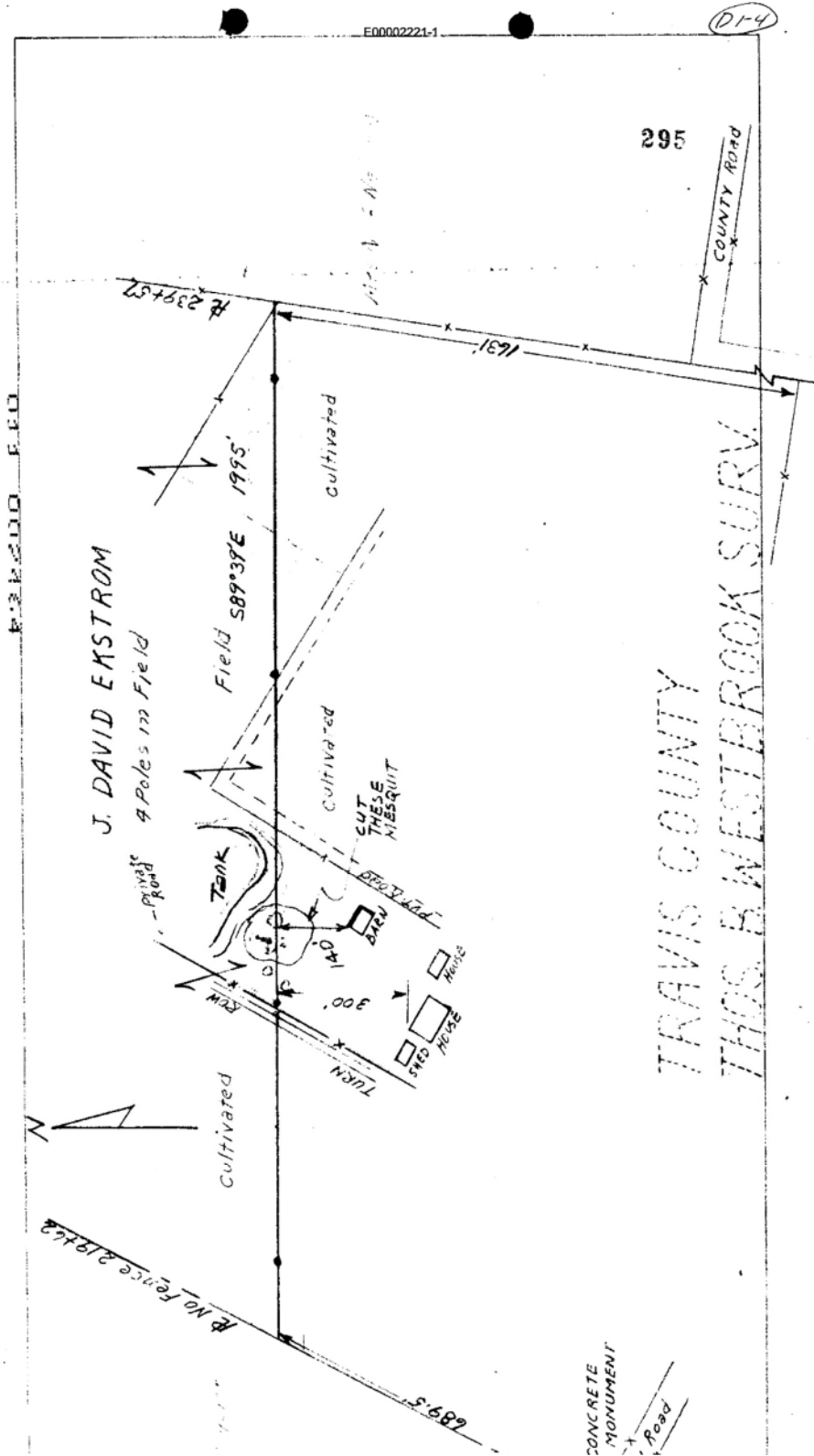
**EXHIBIT 1**

Page 3 (2 of 2) of 4

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**EXHIBIT 1**





## **FOR ACTION**

# **6. Acquisition of Interests in Real Property – Use of Eminent Domain in Gillespie County**

### **Proposed Motion**

I move that the LCRA Transmission Services Corporation Board of Directors adopt the attached resolution; that the Board authorize by record vote the use of the power of eminent domain to acquire rights in the properties described in Exhibit 1 to the resolution for the acquisition of easement amendments for the Peach to Headwaters Transmission Line Addition project to provide for the reliable transmission of electric energy and communications and to facilitate broadband services on the Peach to Headwaters (T288) transmission line; and that the first record vote applies to all units of property to be condemned.

### **Board Consideration**

LCRA Transmission Services Corporation Board Policy T401 – Land Resources and Section 2206.053 of the Texas Government Code require Board authorization prior to the initiation of eminent domain proceedings.

Section 2206.053 of the Texas Government Code provides that if two or more Board members object to adopting a single resolution for all units of property, a separate record vote must be taken for each unit of property. If two or more units of real property are owned by the same person, those units may be treated as one unit of property.

LCRA utilizes LCRA Transmission Services Corporation to provide LCRA with fiber optic communications and broadband services pursuant to LCRA Board Policy 220 – Telecommunications and Section 8503.032 of the Special District Local Laws Code.

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

The acquisition costs were included in the Board-approved budget for the Mountain Home Substation and Transmission Line Addition project.

### **Summary**

LCRA TSC proposes to acquire transmission line easement amendments in Gillespie County for the Mountain Home Substation and Transmission Line Addition project. Allen Williford and Seale LLC performed independent appraisals of the interests in real properties to be acquired to determine just compensation to the landowners.

Staff made initial offers to acquire the necessary interests in real property voluntarily from the landowners listed on Exhibit C, as required by Section 21.0113 of the Texas Property Code. Staff will continue to negotiate for the purchase of the interests in real property. Staff seeks Board authorization to proceed with condemnation if agreements cannot be reached with the landowners.

Staff has provided to the Board descriptions of the specific properties to be acquired and will attach the descriptions to the resolution.

Staff will perform environmental and cultural due diligence studies. Staff requests the Board adopt the resolution in Exhibit D authorizing the initiation of condemnation proceedings on the first record vote for all units of property.

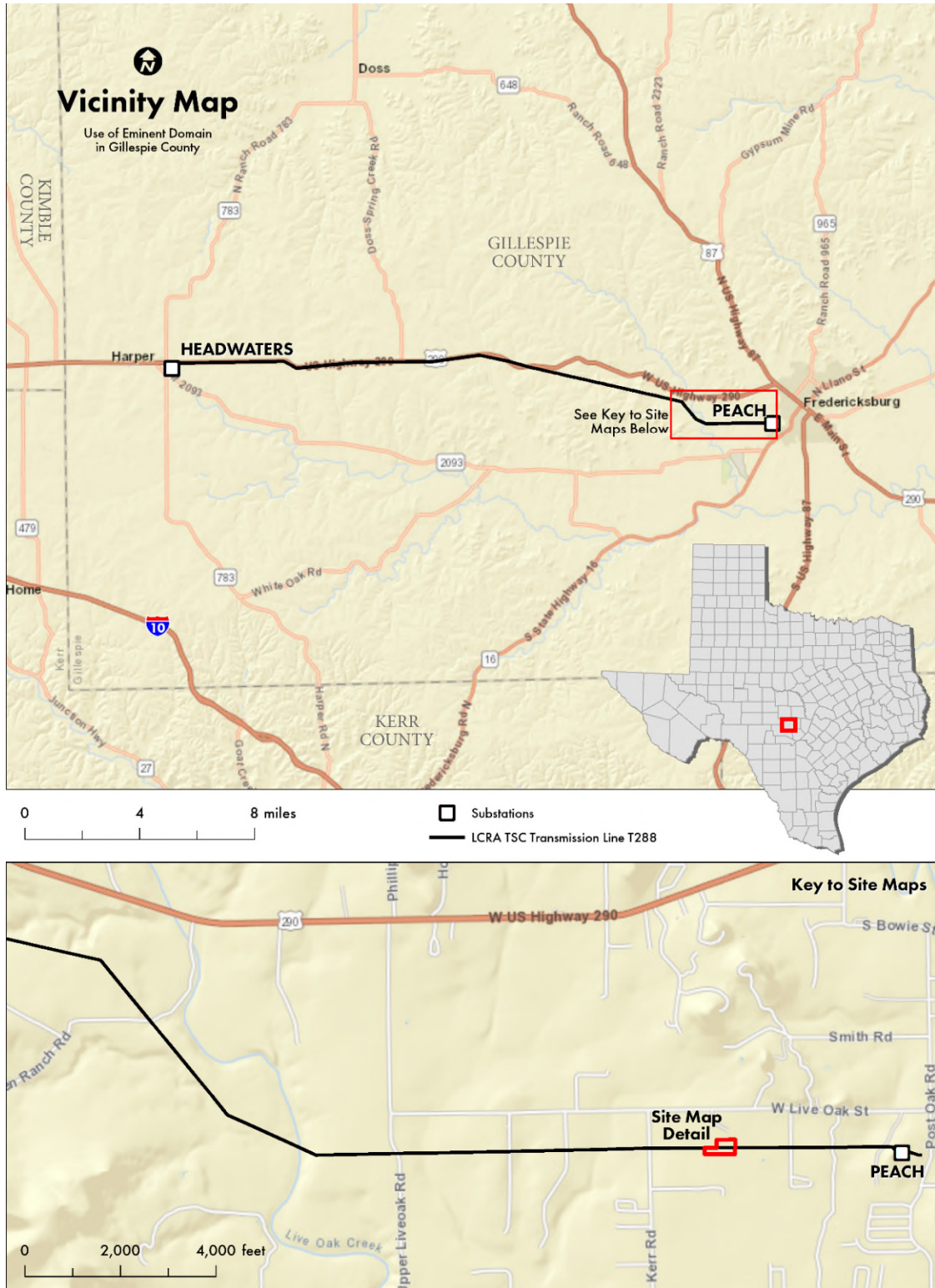
**Presenter(s)**

Mark Sumrall  
Vice President, Real Estate Services

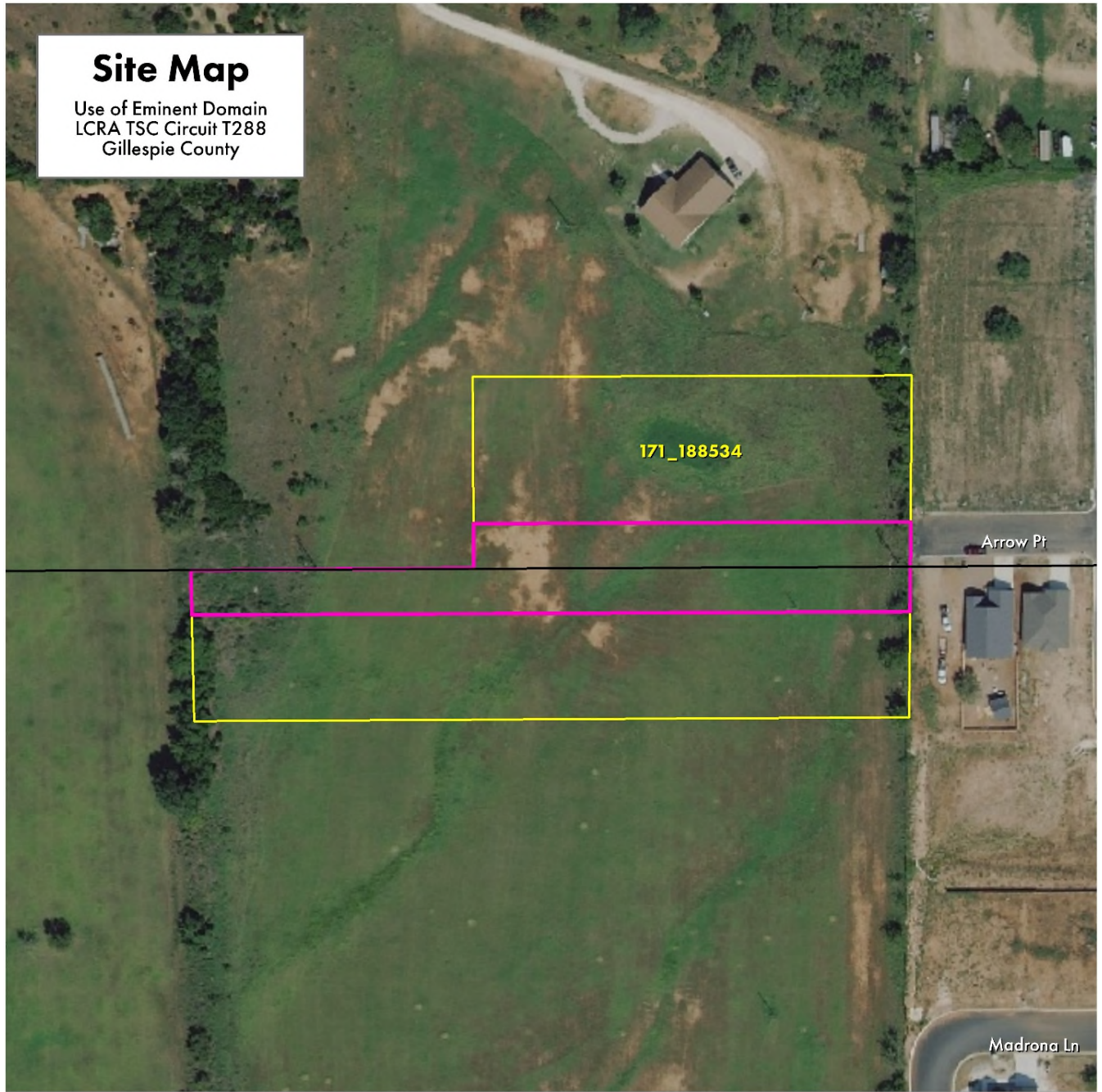
**Exhibit(s)**

- A – Vicinity Map
- B – Site Map
- C – Landowner List
- D – Resolution
- 1 – Property Descriptions

**EXHIBIT A**



**EXHIBIT B**



0 150 feet

— LCRA TSC Transmission Line T288

□ Easement Area

□ Landowner Parcels

See Exhibit C Landowner List for owner names and acreages.

**EXHIBIT C**

<b>Tract ID</b>	<b>Landowners</b>	<b>Approximate Parent Tract Acreage</b>	<b>Land Rights</b>	<b>Approximate Acquisition Acreage</b>	<b>County</b>	<b>Approximate Value</b>
171_188534	127 Madrona Lane Trust – Christopher Curry, Trustee	3.50 acres	Easement Amendment	0.94 acre	Gillespie	\$6,984

**EXHIBIT D**

Page 1 of 2

**PROPOSED MOTION**

**I MOVE THAT THE LCRA TRANSMISSION SERVICES CORPORATION BOARD OF DIRECTORS ADOPT THE ATTACHED RESOLUTION; THAT THE BOARD AUTHORIZE BY RECORD VOTE THE USE OF THE POWER OF EMINENT DOMAIN TO ACQUIRE RIGHTS IN THE PROPERTIES DESCRIBED IN EXHIBIT 1 TO THE RESOLUTION FOR THE ACQUISITION OF EASEMENT AMENDMENTS FOR THE PEACH TO HEADWATERS TRANSMISSION LINE ADDITION PROJECT TO PROVIDE FOR THE RELIABLE TRANSMISSION OF ELECTRIC ENERGY AND COMMUNICATIONS AND TO FACILITATE BROADBAND SERVICES ON THE PEACH TO HEADWATERS (T288) TRANSMISSION LINE; AND THAT THE FIRST RECORD VOTE APPLIES TO ALL UNITS OF PROPERTY TO BE CONDEMNED.**

**RESOLUTION  
AUTHORIZING ACQUISITION OF INTERESTS IN REAL PROPERTY  
BY CONDEMNATION IN GILLESPIE COUNTY FOR  
TRANSMISSION LINE EASEMENT AMENDMENTS.**

**WHEREAS**, LCRA Transmission Services Corporation has determined the need to acquire the interests in real property necessary for the public purposes of construction, operation and maintenance of electric transmission lines, communication lines, and appurtenances thereto in Gillespie County; and

**WHEREAS**, an independent, professional appraisal of the subject properties will be submitted to LCRA Transmission Services Corporation, and an amount will be established to be just compensation for the interests in real property to be acquired;

**NOW, THEREFORE, BE IT RESOLVED** that the president and chief executive officer or his designee is authorized to purchase the interests in real property from the landowner(s) listed in the attached Exhibit C for the Peach to Headwaters Transmission Line Addition project, with the description of the location of and interest in the properties that LCRA Transmission Services Corporation seeks to acquire being more particularly described in maps provided to the Board and attached to this Resolution as Exhibit 1; that the public convenience and necessity require the acquisition of the above-stated interests in real property; that the public necessity requires the condemnation of the interests in real property in order to acquire them for such purposes; that LCRA Transmission Services Corporation does not intend to acquire rights to groundwater or surface water in the land; that LCRA Transmission Services Corporation will make a bona fide offer to acquire the interests in real property from the landowner(s) voluntarily as required by Section 21.0113 of the Texas Property Code; and that at such time as

## **EXHIBIT D**

Page 2 of 2

LCRA Transmission Services Corporation has determined that the landowner(s) and LCRA Transmission Services Corporation will be unable to reach an agreement on the fair market value of the subject interests in real property and that it should appear that further negotiations for settlement with the landowner(s) would be futile, then the president and chief executive officer or his designee is authorized and directed to initiate condemnation proceedings against the owner(s) of the property, and against all other owners, lien holders, and other holders of an interest in the property, in order to acquire the necessary interests in real property; and that this resolution take effect immediately from and after its passage;

**BE IT FURTHER RESOLVED** that the president and chief executive officer or his designee is hereby authorized to do all things necessary and proper to carry out the intent and purpose of this resolution, including determination and negotiation of the interest in real property that are proper and convenient for the operation of the electric transmission line.

**EXHIBIT 1**  
Page 1 of 1

