

CERTIFICATE

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

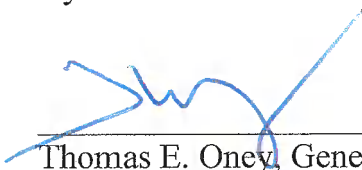
I, Thomas E. Oney, hereby certify that I am the General Counsel and Assistant Secretary of the Board of Directors of the Lower Colorado River Authority (LCRA), a conservation and reclamation district, duly organized and existing under and by virtue of the public laws of the State of Texas.

I further certify that the Board of Directors of LCRA, on November 19, 2014, in a meeting posted properly in accordance with the Texas Open Meetings Act and with a quorum present and voting, authorized the general manager or his designee to seek emergency relief from the Texas Commission on Environmental Quality related to interruptible stored water for agricultural uses and stored water related to instream flows for the blue sucker fish, as evidenced in LCRA Board Minute No. 14-120, duly recorded in the Board's minutes of the meeting.

I further certify that the attached is a true and correct copy of an excerpt (Minute No. 14-120) from the Board's minutes of the meeting held on November 19, 2014.

TO CERTIFY WHICH, witness my hand and official seal this the 17th day of December 2014.





Thomas E. Oney, General Counsel
and Assistant Secretary of the
LCRA Board of Directors

EXCERPT FROM THE MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF LCRA
HELD ON NOVEMBER 19, 2014

* * * * *

14-120 John Hofmann, executive vice president of Water, presented for consideration a staff recommendation, described in revised Agenda Item 10 [attached hereto as Exhibit H], that the Board authorize the general manager or his designee to seek emergency relief from the Texas Commission on Environmental Quality related to interruptible stored water for agricultural uses and stored water related to instream flows for the blue sucker fish. Staff distributed the revised agenda item to Board members prior to the meeting.

Shana Horton, attorney for the Central Texas Water Coalition (CTWC), and Kirby Brown, co-chair of the Lower Colorado River Basin Coalition, addressed the Board regarding Agenda Item 10. Horton noted her comments will supplement the CTWC's written comments submitted prior to today's meeting.

After discussion, with staff responding to questions from Board members, Director Spears moved that the Board approve the staff recommendation as described in revised Agenda Item 10. The motion was seconded by Director Martine and approved by a vote of 11 to 2, with directors Balas and Berger voting no.

* * * * *

FOR ACTION

10. Drought Emergency Relief for 2015

Proposed Motion

Authorize the general manager or his designee to seek emergency relief from the Texas Commission on Environmental Quality (TCEQ) related to interruptible stored water for agricultural uses and stored water related to instream flows for the blue sucker fish.

Board Consideration

LCRA Board Policy 102 - Authority and Responsibilities requires Board approval for all decisions in which Board policy or direction has not been clearly established.

Budget Status and Fiscal Impact

Approval of these actions will negatively impact the FY 2015 budget. The FY 2015 Business Plan assumed water availability for all interruptible customers in the 2015 crop season. The continued suspension of Gulf Coast and Lakeside agricultural division customers into 2015 will have a \$2.7 million net margin decrease for FY 2015.

Summary

As the severe drought in the lower Colorado River basin persists, water supplies have not recovered, and combined storage in lakes Buchanan and Travis has generally remained below 800,000 acre-feet in 2014. With the combined storage in lakes Buchanan and Travis at 680,863 acre-feet as of Nov. 1, 2014, the earliest possibility of storage dropping below 600,000 acre-feet and triggering a Drought Worse Than Drought of Record (DWDR) declaration is now February 2015.

The 2010 Water Management Plan (WMP) calls for LCRA to make an initial determination of the available supply of interruptible stored water for agricultural customers in the lower basin in November. Absent emergency relief, and if a DWDR declaration is not declared prior to irrigation season, LCRA would be obligated to provide about 170,000 acre-feet of interruptible stored water for diversion for agricultural purposes in 2015.

Also under the 2010 WMP, LCRA is required to provide stored water to maintain a minimum instream flow of 500 cubic feet per second (cfs) in the lower river for a period of six weeks in the spring of 2015 for the state-threatened blue sucker fish. Depending on river conditions and required releases for downstream customer demands, LCRA could be required to release as much as 25,000 to 30,000 acre-feet to maintain 500 cfs. In 2014, LCRA obtained relief from TCEQ to reduce this minimum flow to 300 cfs, which was generally consistent with more recent science regarding instream flow needs during the spring. Based on spring 2014 conditions, LCRA estimated that without the emergency relief, up to about 21,000 acre-feet might be released from Lakes Buchanan and Travis to meet the requirement. LCRA released only about 4,000 acre-feet from storage for the requirement as a result of the emergency relief and inflows from rain events below Lake Travis during the six-week period. This resulted in significant water savings. A reduction of this requirement to 300 cfs is expected to maintain at least 86 percent of the maximum available spawning habitat for the blue sucker.

LCRA recently filed a revised application to amend the 2010 WMP, consistent with Board action taken in September. However, this revised application may not be in effect before the 2015 irrigation season. Therefore, as in the past three years, staff recommends LCRA seek emergency relief from the 2010 WMP as it relates to interruptible stored water for agricultural

use and instream flows for the blue sucker as specified in the proposed resolution included with this agenda item.

Presenter(s)

John Hofmann
Executive Vice President of Water

Karen Bondy
Senior Vice President of Water Resources

Exhibit(s)

A - Board Resolution

EXHIBIT A

REVISED

(Revisions highlighted below in yellow.)

**Resolution of the Board of Directors of the Lower Colorado River Authority
Regarding Drought Management Actions
in Response to Current Drought Conditions**

Whereas, the Colorado River basin is experiencing a serious drought that, at times, has been more intense than the worst recorded drought this region has experienced, the Drought of Record that occurred from 1947 to 1957; and

Whereas, the last four years (2011, 2012, 2013 and 2014) have produced record-low inflows to the Highland Lakes; and

Whereas, inflows to the Highland Lakes for the first 10 months of 2014 were the second lowest for the January to October period on record, dating back to 1942; and

Whereas, LCRA has sought and obtained emergency drought relief from the Texas Commission on Environmental Quality (TCEQ) to suspend releases of interruptible stored water for agricultural purposes in 2012, 2013 and 2014, thus reducing demands on lakes Buchanan and Travis; and

Whereas, in 2014, LCRA obtained emergency drought relief from TCEQ to reduce its obligation to provide stored water to maintain certain minimum instream flows for the state-threatened blue sucker fish; and

Whereas, combined storage in lakes Buchanan and Travis on Nov. 1, 2014, was 680,863 acre-feet, or about 34 percent full; and

Whereas, the TCEQ has repeatedly found, over the last three years, that conditions presented by the current drought pose an imminent threat to human health and safety; and

Whereas, the contributing watershed to the Highland Lakes has consistently remained in the governor's emergency disaster proclamation related to drought conditions since 2011; and

Whereas, the prolonged drought has caused significant adverse impacts throughout LCRA's service area and the state; and

Whereas, current analysis indicates the possibility of combined storage dropping to 600,000 acre-feet and triggering the LCRA Board to declare a Drought Worse Than Drought of Record as early as February 2015; and

Whereas, absent emergency relief from the 2010 Water Management Plan, LCRA would be obligated to release significant amounts of interruptible stored water in 2015, even if combined storage on Jan. 1, 2015, is just slightly above 600,000 acre-feet; and

Whereas, absent emergency relief from the 2010 Water Management Plan, LCRA could be obligated to release significant amounts of stored water to maintain 500 cubic feet per second (cfs) instream flows in the lower river during a six-week period for the blue sucker fish; and

Whereas, LCRA's Board of Directors wants to take all necessary and prudent steps to manage the region's water supply to meet the essential needs of the communities and industries through this severe drought; and

Whereas, LCRA's Board of Directors recognizes its firm water customers have been implementing significant limits on water use and are taking action to reduce nonessential water use, which should continue under the severe current drought conditions; and

Whereas, LCRA's Board of Directors believes the severe drought conditions warrant continued limitations on releases of stored water, consistent with the limits implemented pursuant to prior TCEQ emergency orders;

NOW, THEREFORE, BE IT RESOLVED that the LCRA Board of Directors hereby takes the following actions:

1. The general manager or his designee is authorized to prepare and file all necessary applications to seek emergency relief from TCEQ under Texas Water Code §§ 11.139, 11.148 and any other applicable law, as specified below, and to take any other action necessary to implement such emergency relief. Such emergency relief should seek to allow LCRA to deviate from the 2010 Water Management Plan as follows:
 - a. As it pertains to the determination of interruptible supply for 2015, suspend LCRA's obligation to release any interruptible stored water for LCRA's Gulf Coast and Lakeside agricultural divisions and Pierce Ranch if **the TCEQ determines that** the water supply conditions in the lower Colorado River basin have not changed substantially from existing conditions by March 1, 2015, except to the extent required by LCRA's contracts with the Garwood Irrigation Company and Pierce Ranch.
 - b. Reduce LCRA's obligation to maintain a minimum instream flow for the blue sucker fish from 500 cfs to 300 cfs for a six-week period to end no later than May 31, 2015.
2. The drought response measures for firm customers, as adopted by the Board on Nov. 19, 2013, remain in effect.

EXHIBIT H