



March 30, 2023

VIA ELECTRONIC SUBMITTAL

Members of the Board of Directors
Lower Colorado River Authority
3700 Lake Austin Blvd.
Austin, Texas 78703

Re: Comments of the Central Texas Water Coalition on LCRA's Proposed Changes to its Highland Lakes Marina Ordinance and Fees

Dear Board Members:

Please accept these comments from the Central Texas Water Coalition (CTWC) on the proposed changes to LCRA's Highland Lakes Marina Ordinance and Fee Schedule. According to the notice posted on LCRA's website, all marinas on Lakes Buchanan, Inks, LBJ, Marble Falls, and Travis are required to have a permit under the Ordinance. The notice also indicates that comments may be filed until Friday, March 31, 2023, and that the Board will consider the proposed changes at its Board meeting in May 2023.

The proposed changes to the Marina Ordinance are significant in several ways. First, we note that several of the amended provisions impose strict requirements in a short time frame. We understand that these requirements, such as those prohibiting Community Marinas and setting deadlines on replacement of flotation materials, may present a hardship to some stakeholders. Please consider whether stakeholders have received sufficient advance notice and opportunity to engage with the LCRA regarding the implications of these amendments, and their timing, on the businesses that are impacted by these changes.

One of the paragraphs on the LCRA website advising of these proposed changes raises serious questions about the sincerity of LCRA's outreach, transparency, and willingness to consider comments from its customers and regulated community as part of this regulatory process. The paragraph contains information about a public meeting to accept comments on the proposed changes, sets time limits on oral comments, and advises commenters not to submit both oral and written comments. Most troubling is the statement that "**LCRA will not make a presentation at the meeting.**" In other words, it appears that comments could be received, but no explanations, interactions, or dialogue with the LCRA staff would be allowed. This seems like a very harsh way to treat this group of stakeholders, and it seems inconsistent with the LCRA outreach that typically occurs when LCRA plans to make changes impacting its other customers.

The deadlines imposed in the proposed Ordinance also present a special challenge to the Marinas. With little advance notice, these entities are being required to escalate the time frame for transitioning to encapsulated flotation materials. These are significant costs that were not in every Marina's budgets. Please work with the existing Marinas to allow them a reasonable time for compliance with all the new requirements.

The near doubling of the Annual Permit Fees for Marinas is also a drastic change for these businesses, especially during an extended drought as the lake levels continue to drop and Marinas must expend large sums of money to re-position their docks and facilities as they chase the water as it disappears from Lakes Travis and Buchanan. Prior to approving the proposed new Fee Schedule, LCRA should be required to provide a detailed justification for such a large increase in fees. In addition, to avoid the impending "rate shock" that these Fees will cause, LCRA should establish a "Marina Fund" to mitigate that rate shock, as LCRA did with the establishment of its \$13 million Agriculture Reserve Fund to mitigate the rate shock when it proposed modest rate increases for its Agricultural Interruptible water customers. At a minimum, LCRA should phase in this rate increase over a period, such as the eight years that were used to increase the River Management costs allocated to some of LCRA's Agricultural Interruptible customers.

In conclusion, CTWC respectfully requests the Board's consideration of several issues presented by the proposed changes to the Marina Ordinance:

- 1) Whether, when, and to what extent the proposed changes were described and discussed with the regulated entities prior to the notice of the amendments and fee increases posted on the LCRA website;
- 2) How the public outreach and outreach to the existing marinas compares to the advance notice and dialogue conducted with LCRA's other customers subject to rule changes and rate increases;
- 3) Whether the proposed requirements regarding flotation provide a reasonable time for compliance; and
- 4) How the LCRA can mitigate the shock of the increase in the Annual Permit Fees for the Marinas.

Thank you for your attention and consideration of these comments. Please let me know if we can be of assistance in any way. As always, we are interested in meeting with you to discuss the water-related issues facing Central Texas.

Sincerely,



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cc: Shannon Hamilton, Executive Director, CTWC
Cindy Smiley, Smiley Law Firm

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Central Texas Water Coalition is a 501(c)(4) non-profit, non-tax deductible organization.