

AGENDA ITEM MEMO

BOARD MEETING DATE: June 9, 2022

TO: Board Members

THROUGH: Jeff Walker, Executive Administrator
Ashley Harden, General Counsel
Rebecca Trevino, Chief Financial Officer

FROM: Georgia Sanchez, Development Fund Manager

SUBJECT: Fall 2022 State Water Implementation Revenue Fund for Texas (SWIRFT)
Bond Sale

ACTION REQUESTED

Consider authorizing the Executive Administrator, Chief Financial Officer, General Counsel, and Development Fund Manager to initiate the SWIRFT bond sale; and approving the selection of financial advisor, bond counsel, disclosure counsel, and senior and co-managing underwriters for the 2022 SWIRFT bond sale.

BACKGROUND

Early planning and preparation are necessary to ensure a successful SWIRFT bond sale. Selecting the financial advisor, bond counsel, and disclosure counsel at this time provides sufficient time for coordination and preparation of legal and disclosure documents, rating agency processes, investor outreach and other activities.

KEY ISSUES

Recommendations are as follows: Hilltop Securities Inc. as financial advisor; McCall, Parkhurst & Horton L.L.P. as bond counsel; Bracewell as disclosure counsel; Citigroup as senior managing underwriter for the transaction, and recommended co-managing underwriters include BOK Financial Securities, Inc., Baird, FHN Financial Capital Markets, Frost Bank, RBC Capital Markets, Raymond James, Siebert Williams Shank & Co., LLC; Stifel, UMB Bank, N.A.; and Wells Fargo Securities.

With Board approval, staff will engage the service providers, undertake the debt issuance approval process as required by the Legislative Budget Board and Bond Review Board, and

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Leading the state's efforts in ensuring a secure water future for Texas and its citizens

Board Members

Brooke T. Paup, Chairwoman | Kathleen Jackson, Board Member

Jeff Walker, Executive Administrator

take other necessary steps to prepare the bonds for issuance and sale. The Executive Administrator will return to the Board with a request to adopt the associated bond resolution(s) and other documentation for any series issued under this item.

RECOMMENDATION

In order to ensure a successful SWIRFT bond sale, the Executive Administrator recommends authorizing the Executive Administrator, Chief Financial Officer, General Counsel, and Development Fund Manager to initiate the SWIRFT bond sale; and approving the selection of financial advisor, bond counsel, disclosure counsel, and senior and co-managing underwriters.