

MINUTES OF THE  
TEXAS WATER DEVELOPMENT BOARD  
FINANCE COMMITTEE MEETING  
March 17, 2011

Chairman Jack Hunt called to order the meeting of the Finance Committee of the Texas Water Development Board at 9:35 a.m. in Room 170 of the Stephen F. Austin Building, Austin, Texas. The following members were present:

Thomas Weir Labatt III  
Edward G. Vaughan

Board members Joe M. Crutcher, and Lewis H. McMahan also attended the meeting. Board member James Herring was not in attendance.

Members of Texas Water Development Board staff attending included: Chris Adams, Stacy Barna, Jim Bateman, Joyce Bourenane, Carolyn Brittin, Melanie Callahan, Kathy Calnan, David Carter, Shari Daffern, Mark Evans, Wendy Foster, Lisa Glenn, Mark Hall, Dan Hardin, Francia Harutunian, Samantha Heng, Bill Hutchison, Merry Klonower, Amanda Lavin, Cori Leva, Darryl Lindgens, Mireya Loewe, Robert Mace, Michelle McFaddin, Temple McKinnon, Piper Montemayor, Matt Nelson, Darrell Nichols, Ken Petersen, Lisa Petoskey, Ana Quinones, Debbie Ramirez, Joe Reynolds, Steve Rodriguez, Clay Schultz, Michael Segner, Shawn Snyder, John Steib, Comer Tuck, Jeff Walker, Gilbert Ward, David Yager, and Jessica Zuba.

The following individuals were present:

Barry Adair, Raymond James  
Dale Bennington, Eastland County WSD  
Karl Biggers, M.R. Beal & Co.  
Danielle Bradford, Piper Jaffray  
Kim Edwards, Fidelity  
Mark Ellis, Jefferies & Company  
Anne Burger Entrekin, First Southwest  
Larry Fuson, Eastland County WSD  
Jose Gaytan, Bank of Texas  
Anne-Marie Hansen, Bank of Texas  
Keith Kindle, Enprotec, Hibbs & Todd  
Sarah Kinkle, Sunset Commission  
Jerry Kyle, Jr., Andrews Kurth  
Dale Lehman, Piper Jaffray  
Mark Nicholson, Southwest Securities  
Lorraine Palacios, Ramirez & Co.  
Timothy Peterson, J.P. Morgan  
Robin Redford, Ramirez & Co.  
Keith Richard, Morgan Stanley  
Tim Williams, J.P. Morgan  
Ryan Wannemacher, J.P. Morgan

1. CONSIDER APPROVAL OF THE MINUTES OF THE JANUARY 2011 MEETING.

Mr. Labatt moved to approve the minutes as submitted; the motion was seconded by Mr. Vaughan; it passed unanimously.

2. BRIEFING, DISCUSSION AND CONSIDER RECOMMENDING FOR APPROVAL BY RESOLUTION, A REQUEST FROM THE **KEMPNER WATER SUPPLY CORPORATION (LAMPASAS COUNTY)** TO AMEND THE LOAN AGREEMENT CALL DATE PROVISIONS RELATED TO RESOLUTION NOS. 06-64 AND 08-100; AND COMMITMENT ID NUMBERS L060040, L060040A, L060041 AND L090005. (BOARD CONSENT ITEM NO. 5) Piper Montemayor, Director of Debt and Portfolio Management, presented this item.

Mr. Labatt moved to recommend approval of the staff recommendation as proposed; the motion was seconded by Mr. Vaughan; it passed unanimously.

3. BRIEFING, DISCUSSION AND CONSIDER RECOMMENDING APPROVAL BY MINUTE ORDER OF PRIORITIZATION OF APPLICATIONS SUBMITTED FOR FINANCIAL ASSISTANCE FROM THE WATER INFRASTRUCTURE FUND AND THE STATE PARTICIPATION ACCOUNT OF THE WATER DEVELOPMENT FUND II. Darrell Nichols, Project Oversight, Project Finance, presented this item.

Mr. Vaughan moved to recommend approval of the staff recommendation as proposed; the motion was seconded by Mr. Labatt; it passed unanimously.

4. CONSIDER RECOMMENDING FOR APPROVAL BY RESOLUTION, A REQUEST FROM THE **CITY OF GROVETON (TRINITY COUNTY)** FOR A GRANT IN THE AMOUNT OF \$145,000 FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM FOR THE ACQUISITION AND DESIGN COSTS FOR A WATER SYSTEM IMPROVEMENT PROJECT. (BOARD CONSENT ITEM NO. 9) Mireya Loewe, Project Oversight in Project Finance, presented this item.

Mr. Labatt moved to recommend approval of the staff recommendation as proposed; the motion was seconded by Mr. Vaughan; it passed unanimously.

5. BRIEFING AND DISCUSSION ON ACTIVITIES OF PROJECT FINANCE AND CONSTRUCTION ASSISTANCE RELATING TO THE ECONOMICALLY DISTRESSED AREAS PROGRAM, INCLUDING: THE NUMBER OF CONNECTIONS TO DATE; AND THE EDAP STATUS REPORT. Mireya Loewe, Project Oversight in Project Finance, presented this item. Amanda Lavin, Deputy Executive Administrator of Project Finance, and Melanie Callahan, Chief Financial Officer and Interim Executive Administrator, also addressed the Board.

No action was taken on this item.

6. THE COMMITTEE MAY DISCUSS ITEMS FROM THE BOARD MEETING OF MARCH 17, 2011.

The Committee discussed Board Consent Agenda Item No. 14 concerning applications from FEMA's Severe Repetitive Loss grant program. Kathy Hopkins, Program Specialist in Federal and State Programs, addressed the Board.

The Committee discussed Board Consent Agenda Item No. 18 concerning Agricultural Water Conservation Grants. Comer Tuck, Director of Conservation, addressed the Board.

The meeting adjourned at 10:00 a.m.

APPROVED and ordered of record this, the 4th day of May, 2011.

TEXAS WATER DEVELOPMENT BOARD  
FINANCE COMMITTEE

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Thomas Weir Labatt, III, Chairman

ATTEST:

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Melanie Callahan  
Interim Executive Administrator