

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
FINANCE COMMITTEE MEETING
August 16, 2012

Chairman Monte Cluck called to order the meeting of the Finance Committee of the Texas Water Development Board at 8:30 a.m. in Room 170 of the Stephen F. Austin Building, Austin, Texas. In addition to Chairman Cluck, the following Committee Members were also present:

Edward G. Vaughan
F.A. "Rick" Rylander

Board Members Lewis H. McMahan, Joe M. Crutcher, and Billy Bradford, Jr. also attended the meeting.

Members of Texas Water Development Board staff attending included: Chris Adams, Jorge Arroyo, Stacy Barna, Jim Bateman, Ben Benzaquen, Joyce Bourenane, Carolyn Brittin, Kelly Burton, Melanie Callahan, David Carter, Marvin Chaney, Scott Foltz, Wendy Foster, Larry French, Monica Galuski, Lisa Glenn, Rene Gonzales, Mark Hall, Dan Hardin, Ruben Hernandez, Amanda Jenami, Chris Jurgens, Sandy Kaiser, Merry Klonower, Randy Lara, Dain Larsen, Darryl Lindgens, Mireya Loewe, Ryan Long, Robert Mace, Issa McDaniel, David Meeseey, Dave Mitamura, Piper Montemayor, Lauren Mulverhill, John Muras, Brenda O'Neill, Javier Pena, Ken Petersen, Jonathan Pi, Samantha Pollard, Debbie Ramirez, Cindy Ridgeway, Steve Rodriguez, Clay Schultz, Michael Segner, Ruben Solis, Rebecca Trevino, Comer Tuck, Jeff Walker, Gilbert Ward, Mark Wentzel, David Yeager, and Jessica Zuba.

The following individuals were present:

Matt Boles, RBC Capital Markets
Jim Buie, Raymond James
Andrew Chastain-Howley
Kim Edwards, Fidelity Capital Markets
Mark Ellis, Jefferies & Co.
Anne Burger-Entrekin, First Southwest
Ethan Burger-Entrekin
Dale Lehman, Piper Jaffray
Timothy Peterson, J.P. Morgan
Ben J. Rosenberg, Coastal Securities, Inc.
Victor Sauers, TKO Energy Capital
Patrick Scott, Barclays

1. CONSIDER APPROVAL OF THE MINUTES OF THE JUNE 21, 2012 MEETING.

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

2. BRIEFING AND DISCUSSION ON THE BOND SALE RESULTS FOR THE \$15,725,000 STATE OF TEXAS, GENERAL OBLIGATION WATER FINANCIAL ASSISTANCE REFUNDING

BONDS, TAXABLE SERIES 2012D (ECONOMICALLY DISTRESSED AREAS PROGRAM) AND THE \$22,215,000 STATE OF TEXAS, GENERAL OBLIGATION WATER FINANCIAL ASSISTANCE REFUNDING BONDS, TAXABLE SERIES 2012E (STATE PARTICIPATION PROGRAM). Benjamin Benzaquen, Finance, introduced Matt Boles, Managing Director of RBC Capital Markets, who presented this item.

No action was taken on this item.

3. CONSIDER RECOMMENDING FOR APPROVAL, A RESOLUTION DELEGATING TO THE EXECUTIVE ADMINISTRATOR AUTHORITY TO UTILIZE PREPAYMENTS TO PAY AND DEFEASE CLEAN WATER STATE REVOLVING FUND BOND DEBT SERVICE. (BOARD CONSENT ITEM NO. 12) Piper Montemayor, Director, Debt & Portfolio Management, presented this item.

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

4. CONSIDER RECOMMENDING FOR APPROVAL, A RESOLUTION DELEGATING TO THE EXECUTIVE ADMINISTRATOR AUTHORITY TO UTILIZE PREPAYMENTS TO PAY AND DEFEASE GENERAL OBLIGATION BOND DEBT SERVICE. (BOARD CONSENT ITEM NO. 13) Piper Montemayor, Director, Debt & Portfolio Management, presented this item.

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

5. CONSIDER RECOMMENDING FOR APPROVAL, A RESOLUTION AUTHORIZING THE USE OF EXCESS INTEREST REPAYMENTS TO ACCELERATE THE REPAYMENT OF STATE REVOLVING FUND MATCH DEBT. (BOARD CONSENT ITEM NO. 14) Piper Montemayor, Director, Debt & Portfolio Management, also addressed the Committee.

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

6. THE COMMITTEE MAY DISCUSS ITEMS FROM THE BOARD MEETING OF AUGUST 16, 2012.

No other items were discussed.

The meeting adjourned at 8:46 a.m.

APPROVED and ordered of record this the 20th day of September, 2012.

TEXAS WATER DEVELOPMENT BOARD
FINANCE COMMITTEE

Monte Cluck, Chairman

ATTEST:

Melanie Callahan
Executive Administrator