Texas Water Development Board

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TO: Board Members

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

FROM: Georgia Sanchez, Development Fund Manager

DATE: June 8, 2020

SUBJECT: Authorization to begin work on the proposed Fall 2020 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 Texas Water Development Board State Water Implementation Revenue Fund for Texas (SWIRFT) bond sale; and approving the selection of financial advisor, bond counsel, disclosure counsel, and senior and co-managing underwriters.

KEY ISSUES

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 process, investor outreach and other activities.

Recommendations are as follows: Hilltop Securities Inc. as financial advisor; McCall, Parkhurst & Horton L.L.P. as bond counsel; Bracewell LLP as disclosure counsel; Morgan Stanley as senior managing underwriter for the transaction, and recommended co-managing underwriters include BofA Securities, Inc.; BOK Financial Securities, Inc.; Jefferies LLC; Mesirow Financial, Inc.; RBC Capital Markets, LLC; Ramirez & Co., Inc.; Raymond James & Associates, Inc.; 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 take other necessary steps to prepare the bonds for issuance and sale. The Executive Administrator will return to the Board adopt the bond resolutions and other documentation for any series issued under this item.

Our Mission

To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas

Board Members

Peter M. Lake, Chairman | Kathleen Jackson, Board Member | Brooke T. Paup, Board Member

Jeff Walker, Executive Administrator

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 Texas Water Development Board State Water Implementation Revenue Fund for Texas (SWIRFT) bond sale; and approving the selection of financial advisor, bond counsel, disclosure counsel, and senior and co-managing underwriters.