Minutes

Texas Bond Review Board

Board Meeting

Thursday, September 17, 2015, 10:00 a.m.

Capitol Extension, Room E2.026

1400 N. Congress Ave.

Austin, TX 78701

The Texas Bond Review Board (BRB) convened in a Board Meeting at 10:00 a.m., Thursday, September 17, 2015 in the Capitol Extension Room E2.026 in Austin, Texas. Present were Ky Ash, Chair and Alternate for Governor Greg Abbott; Joaquin Guadarrama, Alternate for Lieutenant Governor Dan Patrick; and Piper Montemayor, Alternate for Comptroller Glenn Hegar. Also in attendance was Leslie Brock with the Office of the Attorney General, Bond Finance Office staff members and others.

1. **Call to Order**

Ky Ash, as Chair, called the meeting to order at 10:02 a.m. A quorum was present.

1. **Approval of Minutes**

UPON MOTION BY PIPER MONTEMAYOR AND SECOND BY JOAQUIN GUADARRAMA, THE TEXAS BOND REVIEW BOARD APPROVED THE MINUTES FOR THE JULY 14, 2015 Planning Session, THE JULY 23, 2015 board meeting AND THE AUGUST 18, 2015 CALLED BOARD MEETING.

1. **Public Comment**

There was no public comment.

1. **Texas Water Development Board State Water Implementation Revenue Fund for Texas Revenue Bonds Series 2015A & 2015B**

Representatives present were: Bech Bruun, Chairman, TWDB; Lauren Graber, Chief of Staff for Bech Bruun, TWDB; Les Trobman, General Counsel, TWDB; Cindy Demers, Chief Financial Officer, TWDB; David Duran, Financial Analyst, TWDB; Anne Burger-Entrekin, Financial Advisor, First Southwest Company; Paul Jack, Financial Advisor, Estrada Hinojosa & Co.

UPON MOTION BY Piper montemayor AND SECOND BY joaquin guadarrama, THE TEXAS BOND REVIEW BOARD APPROVED Texas Water Development Board State Water Implementation Revenue Fund for Texas Revenue Bonds Series 2015A (Master Trust) and Taxable Series 2015B (Master Trust) in a maximum par and maximum proceeds amount of $996,905,000 and $15,595,000, respectively, including premiums, if any as outlined in the application dated July 28, 2015 and supplements through September 14, 2015 with the requirement to notify the Bond Review Board of any additional transfers from SWIFT to SWIRFT related to the series 2015 bonds.

1. **EXEMPT - Texas Higher Education Coordinating Board College Student Loan Bonds Series 2016**

This application has been submitted on the Exempt track and staff is waiting for a completed application.

1. **Texas State Technical College Fort Bend County and Legacy Equipment Financing**

Representative present was: Lee Deviney, Executive Director, TPFA.

UPON MOTION BY KY ASH AND SECOND BY joaquin guadarrama, THE TEXAS BOND REVIEW BOARD APPROVED THE Texas State Technical College lease purchase through the Texas Public Finance Authority Master Lease Purchase Program in an amount not to exceed $10,000,000 to finance the purchase of furnishings and equipment, primarily industrial-instructional equipment, for various TSTC projects as outlined in the application dated August 28, 2015 and supplements through September 9, 2015.

1. **Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Taxable Series 2015C**

Representatives present were: Lee Deviney, Executive Director, TPFA; Heidi McConnell, Chief Operating Officer, CPRIT.

UPON MOTION BY KY ASH AND SECOND BY joaquin guadarrama THE TEXAS BOND REVIEW BOARD, with A VOTE OF 2 to 1 with Piper Montemayor voting in opposition to the issuance, APPROVED THE Texas Public Finance Authority State of Texas General Obligation and Refunding Bonds, Series 2015C in one or more series in a maximum par and total proceeds amount of $445,000,000 including premiums, if any as outlined in the application dated September 1, 2015 and supplements through September 10, 2015.

1. **Texas Department of Housing and Community Affairs Single Family Mortgage Revenue Refunding Bonds 2015 Series A (Taxable) and Single Family Mortgage Revenue Bonds 2015 Series B and consideration of waiver pursuant to Texas Government Code 2306.142(m)**

Representatives present were: Monica Galuski, Director of Bond Finance, TDHCA; Cathy Gutierrez, Director of Texas Homeownership Division, TDHCA; Heather Hodnett, Manager of Single Family Finance, TDHCA; Barton Withrow, Financial Advisor, George K. Baum; Elizabeth Bowes, Bond Counsel, Bracewell & Giuliani.

UPON MOTION BY KY ASH AND SECOND BY PIPER MONTEMAYOR, THE TEXAS BOND REVIEW BOARD APPROVED THE Texas Department of Housing and Community Affairs Single Family Mortgage Revenue Refunding Bonds 2015 Series A (Taxable) and Single Family Mortgage Revenue Bonds 2015 Series B in an aggregate par amount of $69,740,000 and maximum proceeds amount of $71,832,200 including premiums, if any as outlined in the application dated August 31, 2015 and supplements through September 15, 2015.

In addition, in connection with the issuance of the 2015 Series A and Series B Bonds and in accordance with Section 2306.142(m) of the Texas Government Code, the Bond Review Board waives the requirements of Section 2306.142(l) of the Texas Government Code based on TDHCA’s determination that it is unfeasible or will damage the financial condition of TDHCA to issue bonds with the restrictions contained in Section 2306.142(l) of the Texas Government Code.

1. **Date for Next Board Meeting**

The next scheduled Planning Session is on Tuesday, November 10, 2015 and the next scheduled Board Meeting is on Thursday, November 19, 2015.

1. **Report from the Executive Director**

* The agency continues the database upgrade project.
* Staff has begun reconciliation for both state and local government debt.
* Drafts of the State Annual Debt report and Local Government Annual Report will be sent to the board in late November and mid December, respectively.

1. **Adjourn**

There being no further business, the board meetingwas adjourned at 10:15 a.m.