Minutes

Texas Bond Review Board

Planning Session

Thursday, March 17, 2016, 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 planning session at 10:00 a.m., Thursday, March 17, 2016 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 were Leslie Brock with the Office of the Attorney General, Bond Finance Office staff members and others.

1. **Call to Order**

Bob Kline, as Chair, called the meeting to order at 10:01 a.m. He announced that this was a planning meeting of Board staff to receive and discuss information relative to the applications before the Board. No votes would be taken. A quorum was present.

1. **Texas Private Activity Bond Surface Transportation Corporation Senior Lien Revenue Bonds, (Blueridge Transportation Group, LLC SH 288 Toll Lanes Project), Series 2016 (Tax-Exempt)**

Representatives present were: Ben Asher, Interim CFO, TxDOT; Rebecca Bronson, Office of General Counsel Lead Attorney, TxDOT; Sara Ulbrich, Program Manager, Project Finance & Debt Management Office, TxDOT; Heather Rosas, Financial Analyst, TxDOT; Paul Jack, Financial Advisor, Estrada Hinojosa & Co.; Carol Polumbo, Bond Counsel, McCall Parkhurst and Horton; François Wasselin, Senior Vice President, Project Development, ACS Infrastructure Development, Inc.; Amy Lloyd, Senior Vice President, Finance, ACS Infrastructure Development, Inc.; Eran Golan, Head of US Operations, Shikun & Binui Concessions USA, Inc.; Yael Avner, Director, U.S. Operations, Shikun & Binui Concessions USA, Inc.; Filip Guz, Investment Director, Infrastructure, InfraRed Capital Partners.

PABSTC submitted a Notice of Intent to issue its Senior Lien Revenue Bonds (Blueridge Transportation Group, LLC SH 288 Toll Lanes Project), Series 2016 (Tax-Exempt) in a maximum par amount of $350,000,000 and maximum proceeds amount of $370,000,000 including premiums, if any.

The PABs will be issued to finance qualified highway expenditures in accordance with Section 11143 of Title XI of SAFETEA-LU. TxDOT received an allocation from the USDOT under SAFETEA-LU for up to $600 million in PABs.

On February 26, 2015, TTC approved a minute order stating that PABSTC was requested to perform the functions as necessary to promote and develop the Project under the Company’s plan of finance including the PABSTC loan of the PAB proceeds.

State law, including Subchapters A-C of Chapter 431 of the Texas Transportation Code authorizes PABSTC to issue the conduit debt.

On February 8, 2016 the Legislative Budget Board approved TxDOT’s request to spend appropriations to enter into a CDA for the Project.

On February 29, 2016 the Attorney General’s Office issued a letter stating that the Project’s Facility Agreement is legally sufficient as required by Transportation Code Section 371.051.

The SH 288 Toll Lanes Project was awarded pursuant to a CDA entered into with TxDOT dated March 4, 2016.

PABSTC approved a resolution authorizing the issuance of the bonds on March 8, 2016.

The bonds will be issued by PABSTC as a conduit issuer without recourse to PABSTC, TTC, TxDOT, or the state of Texas and shall be payable by the TTC solely from payments received from the Project Developer under a Comprehensive Development Agreement with TxDOT dated March 4, 2016.

Benjamin Asher and Sara Ulbrich discussed the transaction and answered questions from the Board.

1. **Public Comment**

There was no public comment.

1. **Adjourn**

There being no further business, the planning sessionwas adjourned at 10:14 a.m.