



DATA SHEET
Agenda Item No. 19.

Meeting Date: April 6, 2017

Agenda Item:

Consider Resolution concerning the appointment of a Financing Team to prepare for the proposed issuance of Upper Trinity Regional Treated Water System Revenue Refunding Bonds; to refund a portion of the Commercial Paper debt for the Regional Treated Water System; authorize presentations to credit rating agencies, preparation of bond documents and a preliminary official statement.

Placement:	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Individual Consideration	<input type="checkbox"/> Executive Session
Vote:	<input checked="" type="checkbox"/> Non-Weighted <input type="checkbox"/> Regular Weighted Capital		
Recommending Department: Business			

Background:

To manage the District's finances in the most prudent manor, it is timely to refund a portion of the outstanding Commercial Paper Notes of the Regional Treated Water System. As approved in the FY 2017 budget, the next issuance of long-term debt is planned for June of 2017. Therefore, staff recommends moving forward with the process for issuance of long-term debt to replace the short-term Commercial Paper.

Prior to moving forward with any sale, the Financing Team would come back to the Board of Directors for approval of the resolution to sell the bonds.

Recommendation:

Recommend approval of the Resolution to appoint the Financing Team to prepare for the issuance of revenue bonds to convert a portion of the Regional Treated Water System Commercial Paper Notes to fixed rate bonds.

Enclosures:

1. Resolution to appoint the Financing Team
2. Financing Timetable

Submitted By: 
William A. Greenleaf, Director of Business Services

Date: March 31, 2017



RESOLUTION

RESOLUTION # 2017 - ____

RESOLUTION CONCERNING THE APPOINTMENT OF A FINANCING TEAM TO PREPARE FOR THE PROPOSED ISSUANCE OF UPPER TRINITY REGIONAL TREATED WATER SYSTEM REVENUE REFUNDING BONDS; TO REFUND A PORTION OF THE COMMERCIAL PAPER NOTES FOR THE REGIONAL TREATED WATER SYSTEM; AUTHORIZE PRESENTATIONS TO CREDIT RATING AGENCIES; AUTHORIZE PREPARATION OF BOND DOCUMENTS AND A PRELIMINARY OFFICIAL STATEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Upper Trinity Regional Water District (the "District") was duly created and is lawfully operating as a conservation and reclamation district created pursuant to Chapter 1053, Acts of the 71st Legislature of Texas, Regular Session, 1989, as amended, (the "Act") pursuant to Article XVI, Section 59 of the Constitution of the State of Texas and operates as a governmental agency of the State of Texas and a body politic and corporate; and

WHEREAS, pursuant to the Act, the District is authorized to plan, purchase, construct, acquire, own, operate, maintain, repair, and improve, inside and outside of its boundaries, any works, improvements, facilities, plants, equipment and appliances, that are necessary, helpful or incidental for supplying water for municipal, domestic and industrial uses, and is authorized to issue its revenue bonds for such purposes; and

WHEREAS, the District, has entered into Regional Treated Water Supply Contracts and has therein agreed to acquire and develop its regional treated water system (the "System"); and

WHEREAS, in order to implement the System, the Board of Directors (the "Board") of the District previously issued its water system revenue bonds, (hereinafter defined as the "Outstanding Parity Bonds"); and

WHEREAS, the District has reserved the right and option to issue, under certain conditions, additional bonds ("Additional Bonds") on a parity with the Outstanding Parity Bonds, payable from the "Pledged Revenues": (as hereinafter defined) and on a parity as to lien and right with any Outstanding Parity Bonds; and

WHEREAS, the conditions precedent to the issuance of Additional Bonds have occurred and are existing; and

WHEREAS, the District has the authority to refund Commercial Paper notes on a parity with the Outstanding Parity Bonds; and

WHEREAS, the Board hereby finds and determines that the Bonds shall be secured by a lien on and pledge of the Pledged Revenues, equally and ratably on a parity with the Outstanding Parity Bonds and with any Additional Bonds; and

WHEREAS, the meeting at which this Resolution is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Section 551.041, Texas Government Code, as amended, and

WHEREAS, the Board of Directors of the District desires to approve the appointment of certain professionals (the "Financing Team") to prepare for the issuance and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT THAT:


SECTION 1. Approval of Financing Team. The Board hereby approves the appointment of the following firms and entities, together with appropriate staff of the District, as the Financing Team to accomplish the issuance and sale of the Bonds: (i) First Southwest Company as Financial Advisor (the "Financial Advisor") and (ii) Bracewell L.L.P. and Boyle & Lowry L.L.P., as Co-Bond Counsel ("Bond Counsel").

SECTION 2. Authorization to Prepare Bond Documents and a Preliminary Official Statement. The Finance Team is hereby authorized to prepare bond documents and a preliminary official statement in connection with the issuance of the proposed Bonds, and to include such information therein relating to the District and the refunding as is satisfactory to general counsel of the District.

SECTION 3. Authorization to Perform Necessary Acts. The Executive Director and the Secretary of the Board and the officers, employees and agents of the District shall be, and each is, expressly authorized, empowered and directed from time to time and at any time to perform all acts and things necessary and desirable to carry out and effectuate the purposes of this Resolution.

SECTION 4. Providing an Effective Date. This Resolution shall be in full force and effect immediately from and after its passage, and it is accordingly so resolved.

DULY PASSED AND APPROVED BY THE BOARD OF DIRECTORS OF THE UPPER TRINITY REGIONAL WATER DISTRICT THIS 6TH DAY OF APRIL 2017.

Recommended: 
Thomas E. Taylor, Executive Director

Executed: _____
Lance Vanzant, President

Attest: _____
Ramiro Lopez, Secretary





**REGIONAL TREATED WATER SUPPLY SYSTEM
REVENUE REFUNDING BONDS, SERIES 2017**

Apr-17							May-17							Jun-17							Jul-17						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1		1	2	3	4	5	6					1	2	3					1	2	3
2	3	4	5	6	7	8	7	8	9	10	11	12	13	4	5	6	7	8	9	10	4	5	6	7	8	9	10
9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17	11	12	13	14	15	16	17
16	17	18	19	20	21	22	21	22	23	24	25	26	27	18	19	20	21	22	23	24	18	19	20	21	22	23	24
23	24	25	26	27	28	29	28	29	30	31				25	26	27	28	29	30		25	26	27	28	29	30	
30																											

Complete By	Day	Event
6-Apr-17	Thursday	Board Authorizes District Staff and Consultants to proceed with Refunding
20-Apr-17	Thursday	Prepare initial draft of Preliminary Official Statement and send to District and Bond Counsel
27-Apr-17	Thursday	Receive information to complete Official Statement from District and Bond Counsel
1-May-17	Monday	Distribution Preliminary Official Statement to Rating Agencies
8-May-17	Week of	Rating Agency Conference Calls
18-May-17	Thursday	Receive final comments to complete Official Statement
19-May-17	Friday	Receive credit ratings
22-May-17	Monday	Distribute Preliminary Official Statement electronically
1-Jun-17	Thursday	Competitive Bids; Board Considers Resolution Authorizing Bonds
8-Jun-17	Thursday	Print Final Official Statement
6-Jul-17	Thursday	Bond closing and delivery of funds
7-Jul-17	Friday	Commercial Paper paid off