Minutes

Texas Bond Review Board

Planning Session

Thursday, January 28, 2010, 10:00 a.m.

Capitol Extension, Room E2.026

1400 N. Congress Avenue

Austin, Texas

The Texas Bond Review Board convened a planning session at 10:00 a.m., Thursday, January 28, 2010 in the Capitol Extension, Room E2.026 in Austin, Texas. Present were Ed Robertson, Chair and Alternate for Governor Rick Perry; Don Green, Alternate for Lt. Governor David Dewhurst; Kenneth Besserman, Alternate for Comptroller Susan Combs and Andrew Blifford, Alternate for Speaker Joe Strauss. Also in attendance were Tom Griess with the Office of the Attorney General, Bond Finance Office staff members and others.

**I. Call to Order**

Bob Kline, Executive Director of the Bond Review Board, called the meeting to order at 10:10 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.

**II. Texas Department of Aging and Disability Services Master Lease Agreement (TPFA MLPP)**

Representatives present were: Lee Deviney, Deputy Chief Financial Officer, DADS; Allison Taylor, Budge Team Lead for State Supported Living Centers, DADS; David Umscheid, Deputy Director, Facility Support Services, HHSC; and Susan Raney, Certified Automobile Fleet Manager and Director, Enterprise Fleet Management Office, HHSC.

Bob Kline stated that the DADS was seeking approval to enter into a lease purchase agreement in an amount not to exceed $2,494,412 to finance the purchase of vehicles through the Texas Public Finance Authority’s Master Lease Purchase Program. Matching federal funds are expected to be available to cover approximately 50% of the lease payments. The proceeds will finance an increase in DADS’ active passenger vehicle fleet for its inclusion programs and the replacement of approximately 28 obsolete passenger and client service vehicles.

The Interim Commissioner for DADS approved the purchase of the 98 additional passenger vehicles on December 2, 2009. No approval is necessary to replace the existing 28 vehicles.

**III. Texas Transportation Commission State of Texas Highway Improvement General Obligation Bonds (Multiple Series)**

Representatives present were: Jose Hernandez, Deputy Director, Debt Management, TxDOT and Carol Polumbo, Bond Counsel, McCall Parkhurst & Horton.

Bob Kline briefly summarized the transaction stating that the Texas Transportation Commission (TTC) was seeking approval to issue State Highway Improvement General Obligation Bonds, Series 2010 in a maximum par and not to exceed amount of $3 billion including premiums, if any. TTC may issue the bonds in one or more series. The proceeds from the bonds will be used to finance state highway improvement projects, including capitalization of the State Infrastructure Bank to create a loan program and pay associated costs of issuance.

The BRB has been provided a copy of the January 28, 2010 TTC Minute Order authorizing the Department to issue the $3 billion for highway improvement projects over the next three fiscal years.

Of the total $5 billion authorized by the Constitutional Provision and HB 1, the Commission is requesting BRB approval to issue not self-supporting, general obligation bonds in an amount not to exceed $3 billion over the next three fiscal years. The Department estimates that $400 million will be issued in FY 2010, $1.6 billion in FY 2011 and $1 billion in FY 2012.

Carol Polumbo said that she and Tom Griess agreed on the language in the motion.

**IV. Public Comment**

There were no public comments.

**V. Adjourn**

There being no further business the meeting adjourned at 10:31 a.m.