



## NORTH TEXAS MUNICIPAL WATER DISTRICT

501 E. Brown Street • Wylie, Texas 75098  
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### MINUTES SPECIAL MEETING OF THE BOARD OF DIRECTORS NOVEMBER 29, 2017

The North Texas Municipal Water District (NTMWD) Board of Directors met in a special meeting on Thursday, November 29, 2017, at 10:00 a.m. in the NTMWD Administrative Offices located at 501 E. Brown Street, Wylie, Texas. Notice of the meeting was legally posted in accordance with Government Code, Title 551, Open Meetings.

I. CALL TO ORDER

President Robert Thurmond called the meeting to order at approximately 10:02 a.m.

II. INVOCATION – DIRECTOR JAMES KERR

Director James Kerr offered the invocation.

III. PLEDGE OF ALLEGIANCE

President Robert Thurmond led the Pledge of Allegiance.

IV. PLEDGE OF ALLEGIANCE TO THE TEXAS FLAG

President Robert Thurmond led the Pledge of Allegiance to the Texas Flag.

V. ANNOUNCEMENT OF QUORUM

Secretary Don Gordon announced a quorum was present. Directors Darrell Grooms, Rod Hogan, Dave Island, Bill Lofland, Charles McKissick, John Murphy, and David Paschall were absent.

The following Directors were present for the November 29, 2017, regular-special meeting:

Terry Sam Anderson  
Phil Dyer  
Joe Farmer  
Marvin Fuller  
Bill Glass  
Don Gordon  
David Hollifield  
Joe Joplin  
James Kerr

Jack May  
Wayne May  
Jim Melody  
Larry Parks  
Richard Peasley  
Lynn Shuyler  
John Sweeden  
Robert Thurmond

The following NTMWD legal and financial consultants attended the meeting:

Alan Raynor – McCall Parkhurst & Horton  
Molly Carson – McCall Parkhurst & Horton  
David Medanich – First Southwest Company  
Nick Bulaich – First Southwest Company

VI. PUBLIC COMMENTS

There were no public comments.

VII. AGENDA ITEMS FOR INDIVIDUAL CONSIDERATION

- A. Consider Adoption of Resolution No. 17-48 Authorizing the Issuance, Sale, and Delivery of North Texas Municipal Water District Upper East Fork Wastewater Interceptor System Contract Revenue Refunding Bonds, Series 2017, Providing for the Redemption Prior to Maturity of the Bonds Being Refunded, Authorizing an Escrow Agreement in Connection with the Bonds Being Refunded, and Approving and Authorizing Instruments and Procedures Relating Thereto  
(Please refer to Administrative Memorandum No. 5050)

David Medanich of First Southwest Company and Alan Raynor of McCall Parkhurst & Horton reviewed the proposed advanced refunding of 2009 bonds totaling over \$67,000,000 for the Upper East Fork Wastewater Interceptor System, the Regional Wastewater System, and Panther Creek Regional Wastewater System and indicated refinancing is expected to result in a net savings of nearly \$7,000,000. They discussed the potential changes to the federal tax code included in draft tax reform bills that could prohibit advanced refunding on advanced refunding bonds after December 31, 2017. Mr. Raynor highlighted parameters of the negotiated sale included in the Resolutions as follows:

- The Executive Director and the Deputy Director (Finance and Personnel) are designated as “authorized officer” to act on behalf of NTMWD for a period not to exceed May 15, 2018, in selling and delivering of the Bonds and carrying out other procedures specified in the Resolutions
- The price at which the bonds will be sold shall not be less than 97% of the principal amount of the bonds
- The following not-to-exceed principal amounts of the refunding bond issuances shall not exceed:
  - \$35,500,000 on the Upper East Fork Wastewater Interceptor System refunding bonds issuance
  - \$23,000,000 on the Regional Wastewater refunding bonds issuance
  - \$13,250,000 on the Panther Creek Regional Wastewater System refunding bond issuance
- Refunding accomplished through the issuance of the bonds must produce a present value debt service savings of at least 3.50% of the total principal amount of the refunded bonds

Upon Board member questions, Mr. Medanich responded with the anticipated benefits of a negotiated sale, which related to timing constraints due to the pending legislation. He also responded to a question confirming the number of firms negotiating the sales, which ranged from one to three firms on the three issuances.

Upon a motion by Director Joe Joplin and a second by Director Lynn Shuyler, the Board of Directors voted unanimously to adopt Resolution No. 17-48 authorizing the issuance, sale, and delivery of NTMWD Upper East Fork Wastewater Interceptor System Contract Revenue Refunding Bonds, Series 2017, providing for the redemption prior to maturity of the bonds being refunded, authorizing an escrow agreement in connection with the bonds being refunded, and approving and authorizing instruments and procedures relating thereto.

Resolution No. 17-48 designated the Executive Director and Deputy Director (Finance and Personnel) as “authorized officer” to act on behalf of NTMWD for a period not to extend past May 15, 2018, in the selling and delivery of the bonds (principal amount not to exceed \$35,500,000) and carrying out other procedures specified in Resolution No. 17-48.

- B. Consider Adoption of Resolution No. 17-49 Authorizing the Issuance, Sale, and Delivery of North Texas Municipal Water District Regional Wastewater System Revenue Refunding Bonds, Series 2017, Providing for the Redemption Prior to Maturity of the Bonds Being Refunded, Authorizing an Escrow Agreement in Connection with the Bonds Being Refunded, and Approving and Authorizing Instruments and Procedures Relating Thereto  
(Please refer to Administrative Memorandum No. 5051)

Upon a motion by Director Joe Farmer and a second by Director Larry Parks, the Board of Directors voted unanimously to adopt Resolution No. 17-49 authorizing the issuance, sale, and delivery of North Texas Municipal Water District Wastewater System Revenue Refunding Bonds, Series 2017, providing for the redemption prior to maturity of the bonds being refunded, authorizing an escrow agreement in connection with the bonds being refunded, and approving and authorizing instruments and procedures relating thereto.

Resolution No. 17-49 designated the Executive Director and Deputy Director (Finance and Personnel) as “authorized officer” to act on behalf of NTMWD for a period not to extend past May 15, 2018, in the selling and delivery of the bonds (principal amount not to exceed \$23,000,000) and carrying out other procedures specified in Resolution No. 17-49.

- C. Consider Adoption of Resolution No. 17-50 Authorizing the Issuance, Sale, and Delivery of North Texas Municipal Water District Panther Creek Regional Wastewater System Contract Revenue Refunding Bonds, Series 2017, Providing for the Redemption Prior to the Maturity of the Bonds Being Refunded, Authorizing an Escrow Agreement in Connection with the Bonds Being Refunded, and Approving and Authorizing Instruments and Procedures Relating Thereto  
(Please refer to Administrative Memorandum No. 5052)

Upon a motion by Director Phil Dyer and a second by Director Terry Sam Anderson, the Board of Directors voted unanimously to adopt Resolution No. 17-50 authorizing the issuance, sale, and delivery of NTMWD Panther Creek Regional Wastewater System Contract Revenue Refunding Bonds, Series 2017, providing for the redemption prior to the maturity of the bonds being refunded, authorizing an escrow agreement in connection with the bonds being refunded, and approving and authorizing instruments and procedures related thereto.

Resolution No. 17-50 designated the Executive Director and Deputy Director (Finance and Personnel) as "authorized agent" to act on behalf of NTMWD for a period to not extend past May 15, 2018, in the selling and delivery of the bonds (principal amount not to exceed \$13,250,000) and carrying out the other procedures specified in Resolution No. 17-50.

VIII. ADJOURNMENT

There being no further business, the meeting adjourned at approximately 10:21 a.m. The next regular meeting of the NTMWD Board of Directors will be held Thursday, December 21, 2017, at 4:00 p.m. at the North Texas Municipal Water District offices at 501 E. Brown Street, Wylie, Texas.

APPROVED:

  
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ROBERT THURMOND, President

ATTEST:

  
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DON GORDON, Secretary

(Seal)

