

TEXAS PUBLIC FINANCE AUTHORITY

BOARD OF DIRECTORS:

Billy M. Atkinson, Jr., Chair
Ramon Manning, Vice Chair
Rodney K. Moore, Secretary
Shanda G. Perkins
Jay A. Riskind
Brendan Scher
Benjamin E. Streusand



EXECUTIVE DIRECTOR

Lee Deviney

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MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE TEXAS PUBLIC FINANCE AUTHORITY

January 26, 2021

The Board of Directors (the "Board") of the Texas Public Finance Authority (the "Authority") convened in open meeting, notice duly posted pursuant to law (a copy of which is attached hereto as Exhibit "A") at 10:00 a.m., Tuesday, January 26, 2021, via video conference call.

Present were: Mr. Billy M. Atkinson, Jr., Chairman; Mr. Ramon Manning, Vice Chair; Mr. Rodney K. Moore, Secretary; Ms. Shanda G. Perkins, Member; Mr. Jay A. Riskind, Member; Mr. Brendan Scher, Member; and Mr. Benjamin E. Streusand, Member.

Representing the Authority's staff were: Lee Deviney, Executive Director; John Hernandez, Deputy Director; Kevin Van Oort, General Counsel; Matthew Berry, Financial Analyst; and Bon Wier, Program Specialist.

In attendance were the following persons, representing the indicated entities: Blake Calvert, Office of the Governor; Jim Bateman, Texas Department of Transportation; Hasan Mack and Bart Fowler, McCall Parkhurst & Horton LLP; Patrick Scott, Barclays Capital Inc.; Jerry Kyle, Orrick, Herrington & Sutcliffe LLP; Paul Braden, Norton Rose Fulbright US LLP; Chris Allen, RBC Capital Markets, LLC; Paul Jack, Estrada Hinojosa & Co., Inc; Karlos Allen, PFM Financial Advisors LLC; Tim Kelley and Danielle Bradford, Piper Sandler & Co.; Keith Richard and Nicole Conley, Siebert Williams Shank & Co., LLC; Tim Peterson, Jefferies LLC; Humberto Aguilera, Escamilla and Poneck, LLP.; Allen Westerman and Nick Westerman, SAMCO Capital Markets, Inc.; Beck Bruun, UBS; and Mark Ellis, Hilltop Securities.

Mr. Atkinson called the meeting to order at 10:04 a.m. and noted the presence of a quorum.

Item 1. Confirm meeting posting compliance with the Open Meetings Act.

Mr. Atkinson confirmed that the meeting was duly posted with the Secretary of State. Due to Governor Abbott's March 13, 2020 proclamation declaring a state of disaster due to the

coronavirus and March 16, 2020 suspension of certain provisions of the Texas Open Meetings Act, this meeting of the Texas Public Finance Authority was being held via video conference call, as authorized under Section 551.127 of the Texas Government Code.

Item 2. Excuse absences of board members, if necessary.

All Board members were present.

Item 3. Review and approval of the minutes of the November 5, 2020 Board meeting and the January 5, 2021 Board work session.

Mr. Atkinson asked the board if they had any corrections for either sets of minutes. None were noted.

Action: Motion by Mr. Manning to approve the minutes of the November 5, 2020 and January 5, 2021 meetings. Second by Ms. Perkins.

The motion passed unanimously.

Item 4. Consideration, discussion, and possible action to adopt a Resolution authorizing the issuance of Texas Public Finance Authority Lease Revenue Bonds, Taxable Series 2021 (Texas Department of Transportation); authorizing and appointing a Pricing Committee of the Board; approving a Preliminary Official Statement; approving a Lease Agreement; the execution of a Purchase Contract and other related documents; and authorizing the taking of other necessary action related thereto.

Mr. Deviney and Mr. Van Oort outlined the security and repayment structure of the Texas Department of Transportation (TxDOT) project, including the lease agreement and easement agreement. TPFPA will purchase property and casualty insurance on the building for the life of the bonds, with premiums to be paid from lease payment appropriations of TxDOT.

Action: Motion by Mr. Moore to adopt the Resolution, in the form presented, authorizing the issuance of TPFPA Lease Revenue Bonds for the Texas Department of Transportation's Austin Campus Consolidation Project; authorizing a Pricing Committee of the Board; approving a Preliminary Official Statement; approving the Lease Agreement; authorizing the taking of other necessary related action; and to appoint a Pricing Committee to consist of Mr. Moore, as Chair, Mr. Riskind, and Mr. Streusand, with all remaining members of the Board to serve as alternates. Second by Mr. Scher.

The motion passed unanimously.

Item 5. Consideration, discussion and possible action to approve a Request for Financing submitted by the Texas Military Preparedness Commission, in an amount not to exceed \$30,000,000 in general obligation debt; selection of a method of sale; appointment of outside consultants, if necessary; and taking other necessary related action.

Mr. Deviney provided background on the Texas Military Preparedness Commission (TMPC) Revolving Loan Program, established within the Office of the Governor, to provide loans to assist Base Realignment and Closure (BRAC) communities. Mr. Deviney and Mr. Wier described the project and financing structure. The TMPC approved the \$30 million request submitted by the Port Authority of San Antonio (PASA). Funds from the bond issuance will be provided to the TMPC to make a loan to PASA. Bond proceeds would be used to construct a hangar at the old Kelly Airforce Base for Boeing with a pass-through funding from the TMPC. PASA will then receive loan payments from Boeing to support the bond debt. The bonds would be self-supporting general obligation bonds, backed by the full faith and credit of the state. Boeing would rent the facility from PASA for a minimum of 9 years and, if the Boeing contract is cancelled, Boeing will continue to make lease payments to PASA for the duration of the contract. PASA will obtain a bridge loan to cover construction costs until such time that the new bonds are issued and the bridge loan in the amount of \$4 million will be repaid once the bonds are issued. The bond holders would look to the State of Texas for payment, should there be an event of default on the part of the underlying borrower.

Action: Motion by Mr. Scher to approve the Request for Financing submitted by the Texas Military Preparedness Commission to finance a loan to the Port Authority of San Antonio in an amount not to exceed \$30,000,000, and that such financing be accomplished through the issuance of general obligation bonds in accordance with Article III, Section 49-n, of the Texas Constitution. Further, that the Board appoint RBC Capital Markets to provide financial advisory services; McCall Parkhurst & Horton as bond counsel; and Escamilla & Poneck as disclosure counsel. Further, to issue such bonds through a negotiated sale and designate an underwriting syndicate consisting of SAMCO Capital Markets as senior manager, and Blaylock Van, LLC and Academy Securities as co-managers. Second by Ms. Perkins.

The motion passed unanimously.

Item 6. Staff Update:

a. Personnel update

Mr. Deviney reported the Systems Analyst position was posted, interviews had concluded, and a recommendation should be forthcoming, with a decision by the end of the week. Mr. Deviney discussed the levels of current COVID-19 office staffing.

b. Legislative update and state budget process

Mr. Deviney discussed TPFA's budget for the 2022-2023 biennium included in the introduced appropriations bills. Mr. Deviney stated that none of the requested exceptional items, new riders or unexpended balance authority in the second year of the biennium had been included in either the House or Senate versions. Mr. Deviney discussed the potential impact of the 5% reduction for the upcoming biennium.

Mr. Deviney discussed a list of proposed legislation that staff is monitoring related to TPFA and/or a TPFA client agency. Mr. Deviney stated, TPFA is also monitoring for any new legislation that would allow the agency to issue bonds for any client agency.

c. Agency Annual Financial Report

Mr. Hernandez provided an overview of the TPFA's FY 2020 Annual Financial Report.

d. Market update

Mr. Berry presented the market update. He shared with the Board there will be a \$3.6 million pay down of Revenue Commercial Paper Series 2019A in mid-February.

Item 9. Future transactions and market conditions.

Mr. Deviney discussed the potential for new bond issuances over the next 6 months. Mr. Deviney shared that in conjunction with the Texas Bond Review Board, TPFA Staff will present a Bonds 101 class, which is mainly for legislators and their staff on the process of issuing bonds in Texas.

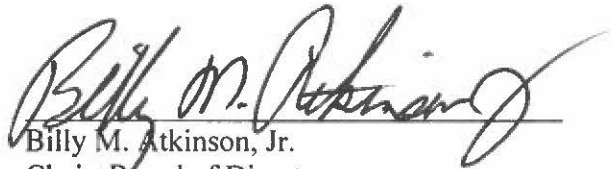
Item 10. Future agenda items and meeting dates.

Mr. Atkinson and Mr. Deviney asked the Board members to be available on the first Thursday of March, April and May 2021 for potential board meetings. Mr. Deviney stated, he did not see a need for the Board members to meet in February.

Item 11. Adjourn.

Mr. Atkinson adjourned the meeting at 11:24 a.m.

The foregoing minutes were approved and adopted by the Board of Directors on this 4th day of March 2021.


Billy M. Atkinson, Jr.
Chair, Board of Directors

ATTACHMENT: Posting Notice



Donna Weinberger-Rourke

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Open Meeting Submission

TRD: 2021000331
Date Posted: 01/18/2021
Status: Accepted
Agency Id: 0113
Date of Submission: 01/18/2021
Agency Name: Texas Public Finance Authority
Board: Texas Public Finance Authority
Committee: Texas Public Finance Authority
Date of Meeting: 01/26/2021
Time of Meeting: 10:00 AM (##:## AM Local Time)
Street Location: Via Video Conference Public access information available on the TPFA website at: <http://www.tpfa.texas.gov>
City: Austin
State: TX
Liaison Name: Donna Weinberger-Rourke
Liaison Id: 8
Additional Information Obtained From: Donna Weinberger at 512-463-5544
Agenda: Texas Public Finance Authority
 Board Meeting
 Tuesday, January 26, 2021 - 10:00 A.M.

 Via Video Conference
 Public access information available on the TPFA website at: <http://www.tpfa.texas.gov>

Due to Governor Greg Abbott's March 13, 2020 proclamation of a state of disaster affecting all counties in Texas due to the coronavirus and the Governor's March 16, 2020 suspension of certain provisions of the Texas Open Meetings Act, this meeting of the Texas Public Finance Authority will be held via video conference call, as authorized under

Section 551.127 of the Texas Government Code.

AGENDA

The Board may discuss and take action regarding any of the following matters:

1. Confirm meeting posting compliance with the Open Meetings Act.
2. Excuse absences of Board members, if necessary.
3. Review and approval of the minutes of the November 5, 2020 Board meeting and the January 5, 2021 Board work session.
4. Consideration, discussion, and possible action to adopt a Resolution authorizing the issuance of Texas Public Finance Authority Lease Revenue Bonds, Taxable Series 2021 (Texas Department of Transportation); authorizing and appointing a Pricing Committee of the Board; approving a Preliminary Official Statement; approving a Lease Agreement; the execution of a Purchase Contract and other related documents; and authorizing the taking of other necessary action related thereto.
5. Consideration, discussion and possible action to approve a Request for Financing submitted by the Texas Military Preparedness Commission, in an amount not to exceed \$30,000,000 in general obligation debt; selection of a method of sale; appointment of outside consultants, if necessary; and taking other necessary related action.
6. Staff Update:
 - a. Personnel update
 - b. Legislative update and state budget process
 - c. Agency Annual Financial Report
 - d. Market update
7. Future transactions and market conditions.
8. Future agenda items and meeting dates.
9. Adjourn.

THE BOARD MAY GO INTO CLOSED SESSION REGARDING ANY ITEM ON THE AGENDA IF PERMITTED UNDER THE OPEN MEETINGS ACT, GOVERNMENT CODE CHAPTER 551.

An electronic copy of the agenda is available at <http://www.tpfa.texas.gov/agenda.aspx>. A recording of the meeting will be available after the meeting. To obtain the recording, please contact Donna Weinberger, at 512/463-5544.

Information regarding use of the Zoom webinar application can be found on the TPFA website: at <http://www.tpfa.texas.gov>. Further technical information regarding the Zoom webinar application can be found at the Zoom Help Center: <https://support.zoom.us/hc/en-us/articles/115004954946-Joining-and-participating-in-a-webinar-attendee->.

Information regarding accessing the meeting via a toll-free dial-in number is also available on the TPFA website at: <http://www.tpfa.texas.gov>.

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