

TEXAS PUBLIC FINANCE AUTHORITY

BOARD OF DIRECTORS:

Billy M. Atkinson, Jr., Chair
Ramon Manning, Vice Chair
Jay A. Riskind, Secretary
Larry G. Holt
Shanda G. Perkins
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

July 7, 2022

The Board of Directors (the "Board") of the Texas Public Finance Authority (TPFA) 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., Thursday, July 7, 2022, in Room E2.028 of the State Capitol Building in Austin.

Present were: Mr. Billy M. Atkinson, Jr., Chairman; Mr. Jay A. Riskind, Secretary; and Mr. Larry G. Holt, Member. Attending via video conference were Mr. Ramon Manning, Vice Chair, and Mr. Benjamin E. Streusand, Member.

Representing the TPFA's staff were: Lee Deviney, Executive Director; John Hernandez, Deputy Director; Kevin Van Oort, General Counsel; Pamela Scivicque, Director of Business Administration; Devyn F. Wills, Assistant General Counsel; John Barton, Senior Financial Analyst; Matthew Berry, Financial Analyst; and Kelly Tappendorf, Financial Analyst.

In attendance were the following persons, representing the indicated entities: Patrick Scott, Barclays Capital Inc.; Paul Jack, Estrada Hinojosa & Co., Inc.; Robin Redford, Ramirez and Co.; Chris Allen, RBC Capital Markets, LLC; Patricia Rodriguez, Loop Capital Markets LLC; Mark Ellis, Hilltop Securities; Blaine Brunson, Morgan Stanley & Co., LLC; Paul Braden, Norton Rose Fulbright US LLP; Jerry Kyle, Orrick, Herrington & Sutcliffe LLP; Keith Richards, Seibert Williams Shank & Co., LLC; Evan Johnson, Coffin Renner; Heidi McConnel and Wayne Roberts, Cancer Prevention & Research Institute of Texas; and Monty Humble.

Mr. Atkinson called the meeting to order at 10:06 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.

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

Action: Motion by Mr. Holt to excuse the absence of Ms. Perkins. Second by Mr. Riskind.

The motion passed unanimously.

Item 3. Review and approval of the minutes of the May 12, 2022 Board Meeting.

Mr. Atkinson asked if there were any corrections to the minutes. None were noted.

Action: Motion by Mr. Riskind to approve the minutes of the May 12, 2022 Board Meeting. Second by Mr. Holt.

The motion passed unanimously.

Item 4. Consideration, discussion, and possible action to adopt a Resolution directing the Texas Natural Gas Securitization Finance Corporation to issue certain customer rate relief bonds authorized by a Financing Order of the Railroad Commission of Texas; establishing certain specified parameters for such bonds; authorizing an administrative services agreement with the Corporation; and authorizing any necessary documents or certificates in connection with such bond issuance and this resolution; and resolving related matters.

Mr. Deviney presented the preliminary bond documents related to the natural gas securitization bonds and provided an overview of two proposed action items for the Board. Mr. Van Oort described the specifics of the TPFA board resolution and presented the form of an administrative services agreement between the TPFA board and the Texas Natural Gas Securitization Finance Corporation (the "Corporation") for consideration and action. Under this agreement, TPFA would provide staff support and other services to the Corporation, with a limited delegation of authority to TPFA staff to take certain action on behalf of the Corporation. Mr. Monty Humble and Mr. Van Oort discussed proposed amendatory language relating to indemnification.

Action: Motion by Mr. Manning that the Board approve the form of the proposed Administrative and Support Services Agreement, as amended. Second by Mr. Riskind.

The motion passed unanimously.

Mr. Deviney presented a resolution that would authorize and direct the Corporation to issue the natural gas securitization bonds pursuant to House Bill 1520, enacted by the 87th Legislature.

Mr. Braden, Mr. Van Oort, and the Board discussed various matters related to the preliminary bond documents.

Action: Motion by Mr. Riskind to adopt a resolution, in the form presented, directing the Texas Natural Gas Securitization Finance Corporation to issue bonds as authorized by HB 1520 and in conformance with the Financing Order issued by the Railroad Commission of Texas on February 8, 2022; and establishing financing parameters for such bonds. Second by Mr. Manning.

The motion passed unanimously.

Item 5. Consideration, discussion and possible action to approve a request for financing submitted the Cancer Prevention and Research Institute of Texas.

Mr. Deviney provided a background briefing on TPFA's statutory role in supporting the efforts of the Cancer Prevention and Research Institute of Texas ("CPRIT"), including the constitutional

authorization to issue general obligation bonds, in amounts not to exceed \$300 million per fiscal year. Bond proceeds are appropriated to fund CPRIT's operations and project grant award program. TPFA has established a commercial paper program to issue short-term debt on behalf of CPRIT, including liquidity provided by the Comptroller. CPRIT is expected to make its first draw request against its fiscal year 2023 appropriation authority in September 2022.

Mr. Wayne Roberts and Ms. Heidi McConnell, both with CPRIT, presented CPRIT's request for financing for fiscal year 2023, in the amount of \$300 million. Mr. Roberts described how the funds would be used by CPRIT and provided additional background on the program.

Action: Motion by Mr. Manning to approve the Request for Financing submitted by the Cancer Prevention Institute of Texas for fiscal year 2023, in an amount not to exceed \$300 million, and that such financing be accomplished using the existing commercial paper program created for such purpose. Second by Mr. Riskind.

The motion passed unanimously.

Item 6. Ratification of existing commercial paper programs.

Mr. Barton provided background on the Bond Review Board's annual approval of commercial paper programs and financing projects, which requires an issuer to annually ratify previously adopted resolutions related to its ongoing variable debt programs. For TPFA, this includes two revenue commercial paper programs and the CPRIT general obligation commercial program, as well as the continued use of the Series 2019A/B commercial paper program to finance the HHSC Deferred Maintenance Projects authorized by the 86th and 87th Legislative Sessions.

Action: Motion by Mr. Holt to affirmatively ratify the resolutions previously adopted by the Board, which authorized and created the following commercial paper programs:

1. TPFA Commercial Paper Revenue notes, Series 2019A and Taxable Series 2019B;
2. TPFA Revenue Commercial Paper Notes (Texas Facilities Commission Projects), Series 2016A (Taxable) and Series 2016B (Tax-Exempt) (as Amended and Restated on January 9, 2020), and;
3. TPFA State of Texas General Obligation Commercial Paper Notes (CPRIT) Series A (Taxable) and Series B (Tax-Exempt).

Further that the Board authorize the continued use of these commercial paper programs for the purposes originally authorized for the fiscal year beginning September 1, 2022; and affirmatively ratify the continued use of the TPFA Commercial Paper Revenue Notes, Series 2019A and Taxable Series 2019B, to finance the deferred maintenance projects authorized by the 86th and 87th Legislative Sessions and as described in the requests for financing submitted by the Health and Human Services Commission on October 30, 2019 and November 2, 2021, respectively. Second by Mr. Manning.

The motion passed unanimously.

Item 7. Charter School Finance Corporation: Appointments.

Discussion of this item was deferred to a subsequent Board meeting.

Item 8. Staff Update:

a. Update on Texas Southern University

No discussion or action taken on this item.

b. Update on Texas Agricultural Finance Authority

No discussion or action taken on this item.

c. Legislative Appropriations Request

Mr. Deviney directed the Board's attention to a policy letter issued by the Office of the Governor and the Legislative Budget Board on July 1, 2022, not available at the time of the board packet mailout. This letter establishes the base level for each agency's Legislative Appropriations Request ("LAR") at 100% of FY 2022 General Revenue expended and FY 2023 General Revenue budgeted. TPFAs LAR is due August 26, 2022. Staff will begin working on preparing LAR elements for board consideration in August.

d. Personnel Update

Mr. Deviney introduced Mr. Devyn F. Wills, TPFAs Assistant General Counsel, who joined the TPFAs staff July 1, 2022.

Mr. Deviney advised the Board that Mr. John Barton, Senior Financial Analyst, submitted his resignation effective July 14, 2022.

e. Market Update

Mr. Barton presented the market update, reporting that interest rates continue to trend upward as reflected in a recent commercial paper issuance.

Item 9. Future transactions and market conditions.

Mr. Deviney indicated there were no additional future transactions to discuss at this time.

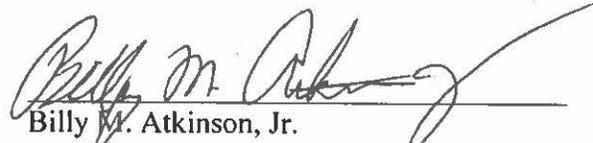
Item 10. Future agenda items and meeting dates.

Mr. Deviney reviewed the calendar of future transactions and discussed the potential need for a meeting in August.

Item 11. Adjourn.

Mr. Atkinson adjourned the meeting at 11:12 a.m.

The foregoing minutes were approved and adopted by the Board of Directors on this 5th day of August 2022.


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

ATTACHMENT: Posting Notice



Leandra Contreras

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Open Meeting Submission

TRD: 2022003880

Date Posted: 06/29/2022

Status: Accepted

Agency Id: 0113

Date of Submission: 06/29/2022

Agency Name: Texas Public Finance Authority

Board: Texas Public Finance Authority

Date of Meeting: 07/07/2022

Time of Meeting: 10:00 AM (###:## AM Local Time)

Street Location: 1400 N. Congress Avenue Capitol Extension Hearing Room E2.028

City: Austin

State: TX

Liaison Name: Leandra Contreras

Liaison Id: 7

Additional Information Obtained From: Leandra Contreras, 512-463-5544

Agenda: Texas Public Finance Authority
Board Meeting
Thursday, July 7, 2022 - 10:00 A.M.

Capitol Extension Hearing Room E2.028
State Capitol
1400 N. Congress Avenue
Austin, Texas

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 May 12, 2022 Board Meeting.
4. Consideration, discussion, and possible action to adopt a Resolution directing the Texas Natural Gas Securitization Finance Corporation to issue certain customer rate relief bonds authorized by a Financing Order of the Railroad Commission of Texas; establishing certain specified parameters for such bonds; authorizing an administrative services agreement with the Corporation; and authorizing any necessary documents or certificates in connection with such bond issuance and this resolution; and resolving related matters.
5. Consideration, discussion and possible action to approve a request for financing submitted the Cancer Prevention and Research Institute of Texas.
6. Ratification of existing commercial paper programs.
7. Charter School Finance Corporation: Appointments
8. Staff Update:
 - a. Update on Texas Southern University
 - b. Update on Texas Agricultural Finance Authority
 - c. Legislative Appropriations Request
 - d. Personnel Update
 - e. Market Update
9. Future transactions and market conditions.
10. Future agenda items and meeting dates.
11. Adjourn

THE BOARD MAY GO INTO CLOSED SESSION AS PERMITTED UNDER THE OPEN MEETINGS ACT, GOVERNMENT CODE CHAPTER 551.

Persons with disabilities who have special communication or other needs, who are planning to attend the meeting, should contact Leandra Contreras at 512/463-5544. Requests should be made as far in advance as possible. Contact Leandra Contreras if you need any additional information, Texas Public Finance Authority, 300 W. 15th Street, Suite 411, Austin, TX 78701.

New Submission

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