



## TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT 17

3812 Eck Lane • Austin, Texas 78734  
Phone (512) 266-1111 • Fax (512) 266-2790

*A Special Meeting of the Board of Directors of Travis County Water Control and Improvement District No. 17 was held at the District office located at 3812 Eck Lane on Wednesday, December 1, 2010, at 1:30 p.m. This meeting was scheduled and conducted in compliance with the Texas Open Meetings Act.*

### I. CALL TO ORDER

President Steed called the meeting to order at 1:30 p.m.

### II. ESTABLISH A QUORUM

A quorum was established with Directors Steed, Carruthers and Decker present. Director Roberts arrived at 1:37 p.m. and Director Ward was absent. General Manager Deborah Gernes, General Counsel David Klein, Bond Counsel Carol Polumbo, and Financial Advisor Garry Kimball were also present.

### III. MANAGER'S REPORT

Ms. Gernes stated that she hoped to have the odor problem in the Quinlan Park Road/Mulberry Creek area of Steiner Ranch area under control by the end of the month. She said that the chemicals being used on the compost are controlling about 90 percent of the odor generated when a windrow is turned and that she has equipment in place and on order for the other odor generating sites. Director Decker asked if this odor was due to more residents and if more waste flow would be the issue while Director Carruthers stated that an area resident told him he was pleased with WCID 17's attention to this problem and resolution. Ms. Gernes said that there is more flow which can cause more odors but that there was also more commercial development which can also contribute to the problem.

Ms. Gernes reported that WCID 17 had a major leak occur on an older 8" main waterline in front of Vineyard Bay. She said this line was in the right-of-way along RR620, across from Stroup Lane and that Iguana Grill and surrounding residents were without water all day Tuesday, November 30<sup>th</sup>, but were now back in service. She explained that the weakened area around the tap saddle gave way due to aging and the entire tee was replaced with a new valve assembly.

### IV. PUBLIC COMMENT, 1:40 P.M.

President Steed opened Public Comment at 1:40 p.m. Being no public requesting permission to speak to the Board of Directors, Mr. Steed left Public Comment open for anyone that might arrive late.

**Motion:** Director Carruthers to close Public Comment.

**Second:** Director Roberts.

Ayes: 4

Noes: 0

Unanimous.

*President Steed closed Public Comment at 1:54 p.m.*

### V. DISCUSS/CONSIDER/TAKE ACTION ON ITEMS RELATED TO STEINER RANCH DEFINED AREA BOND ISSUE NO. 15:

#### 1. RECEIVE BIDS ON \$3,200,000 TRAVIS COUNTY WCID NO. 17 STEINER RANCH DEFINED AREA UNLIMITED TAX BONDS, SERIES 2010;

Mr. Kimball distributed a Sale Summary for the \$3,200,000 Unlimited Tax Bonds, Series 2010 and stated that six bids, representing eleven firms, had been received. Mr. Kimball reviewed the summary showing that Wells Fargo was the highest bidder at 4.65% and Sterne, Agee & Leach, Inc. was the lowest bidder at 4.37%. He said this 4.37% was still well below the 5.49% approved by the Texas Commission on Environmental Quality (TCEQ). A brief discussion was held regarding how the value of the dollar affects the municipal market impact bond rates after which Mr. Kimball recommended accepting the bid from Sterne, Agee & Leach, Inc. at a rate of 4.37%.

**Motion:** Director Roberts to award the bid on \$3,200,000 Travis County WCID No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds, Series 2010 to Sterne, Agee & Leach, Inc.

**Second:** Director Decker.

Ayes: 4  
Noes: 0  
Unanimous.

2. **APPROVE ORDER AUTHORIZING THE ISSUANCE OF \$3,200,000 (ESTIMATED) TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17 STEINER RANCH DEFINED AREA UNLIMITED TAX BONDS, SERIES 2010; LEVYING AN AD VALOREM TAX IN SUPPORT OF THE BONDS; APPROVING AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT; AWARDED THE SALE OF THE BONDS; AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS, SERIES 2010; AND**

Ms. Polumbo distributed the final Order Authorizing the Issuance of Travis County Water Control and Improvement District No. 17 Steiner Ranch Defined Area Unlimited Tax Bonds; Levying an Ad Valorem Tax in Support of the Bonds; Approving an Official Statement; Authorizing Execution of a Paying Agent/Registrar Agreement; Awarding the Sale of the Bonds; and Authorizing Other Matters Related to the issuance of the Bonds, Series 2010. She explained that she had pre-filed the Order with the Attorney General's office to enable closing of this bond series by December 16, 2010.

**Motion:** Director Roberts to approve the Order as presented for the Steiner Ranch Defined Area Bonds Series 2010.

**Second:** Director Decker.

Ayes: 4  
Noes: 0  
Unanimous.

3. **POSSIBLE ACTION REGARDING CLOSING PROCEDURES FOR THE SERIES 2010 BONDS.**

A discussion was held regarding closing procedures and it was noted that the bond money issued will be placed in an escrow account until a Reimbursement Audit is approved by the Board of Directors.  
No action.

**VI. DISCUSS/CONSIDER/TAKE ACTION ON ITEMS RELATED TO STEINER RANCH DEFINED AREA REFUNDING BONDS:**

1. **APPROVE ORDER AUTHORIZING THE ISSUANCE OF TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 17 STEINER RANCH DEFINED AREA UNLIMITED TAX REFUNDING BONDS; LEVYING AN AD VALOREM TAX IN SUPPORT OF THE BONDS; APPROVING AN OFFICIAL STATEMENT; AUTHORIZING EXECUTION OF A BOND PURCHASE AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT AND AN ESCROW AGREEMENT; ESTABLISHING PROCEDURES FOR SELLING AND DELIVERING THE BONDS AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE BONDS.**

Ms. Polumbo requested approving the Order for Refunding Bonds which also sets the parameters for Ms. Gernes to work with consultants to sell bonds when the market allowed under the set parameters. Parameters are to be (i) \$8,050,000 as a maximum price amount; (ii) a maturity date November 1, 2021; (iii) authorization of six months to proceed under these parameters; and (iv) a minimum 3% savings required with a net interest cost not to exceed 3.25 %.

**Motion:** Director Carruthers to approve the Order as presented for the Steiner Ranch Defined Area Unlimited Tax Refunding Bonds with the recommended parameters in place.

**Second:** Director Roberts.

Ayes: 4  
Noes: 0  
Unanimous.

**VII. ADJOURNMENT**

**Motion:** Director Carruthers to adjourn the meeting.

**Second:** Director Decker.

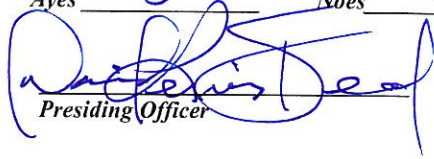
Ayes: 4  
Noes: 0  
Unanimous.

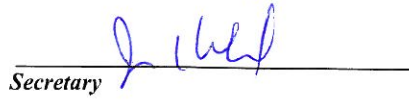
*Director Steed adjourned the meeting at 1:55 p.m.*

Approved this 16<sup>th</sup> day of December 2010, with a motion

by Director Decker and a Second by Director Roberts.

Ayes 5 Noes 0 Abstained 0

  
Presiding Officer

  
Secretary