Minutes of the
TEXAS WATER RESOURCES FINANCE AUTHORITY
May 17, 2005

Chairman D. V. Guerra, Jr. called to order the meeting of the Texas Water Resources Finance Authority at approximately 11:00 a.m. in Room 1-104 of the William B. Travis Building, Austin, Texas. The following Board members were present, constituting a quorum:

D. V. Guerra, Jr., Chairman
Jack Hunt, Member
E.G. Rod Pittman, Member
James Herring, Member

Vice Chairman Bill Meadows and Thomas Weir Labatt III, Secretary/Treasurer, were not present.

Persons attending were among those present at the Texas Water Development Board meeting of the same date.

The Authority then considered items on the formal agenda in the following order.

1. CONSIDER APPROVAL OF THE MINUTES OF THE APRIL 2005 MEETING.

Mr. Pittman moved to approve the minutes as submitted; Mr. Herring seconded the motion; it passed unanimously 4-0.

2. CONSIDER AUTHORIZING STAFF TO PROCEED WITH REQUEST FOR QUALIFICATIONS AND SELECTION PROCESS FOR BOND COUNSEL FOR FISCAL YEAR 2006.

General Counsel Suzanne Schwartz summarized the process for selecting bond counsel services. She stated that the Board had been briefed on the dual representation and potential conflict of interest of bond counsel and financial advisors who also represent clients before Board. Ms. Schwartz said that the Request for Qualifications requires that a disclosure of conflict of interest be included and specifically ask if firms representing clients in financial assistance anticipate any potential conflict. Staff will continue to monitor this issue and keep the Board apprised of any issues.

Mr. Hunt moved to approve the staff recommendation; Mr. Pittman seconded the motion; it passed unanimously 4-0.

The meeting adjourned at 11:02 a.m.
APPROVED and ordered of record this the 19th day of July, 2005.

TEXAS WATER RESOURCES FINANCE AUTHORITY

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D.V. Guerra, Jr., Chairman

ATTEST:

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Thomas Weir Labatt III, Secretary/Treasurer