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February 15, 2011

VIA FEDERAL EXPRESS and E-MAIL
Ms. Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street, N.E.,
Washington D.C. 20549-1090

Re: SEC File No. S7-45-10
West Central Texas Municipal Water District

Dear Ms. Murphy:

Our firm represents the West Central Texas Municipal Water District, a political subdivision of the State of Texas which is comprised of the West Central Texas Cities of Abilene, Albany, Anson and Breckenridge. The District is governed by a Board of Directors of 12 members (6 from Abilene and 2 from each of the other cities) who are appointed by the City Councils of the cities which they represent.

The Board of Directors of the West Central Texas Municipal Water District is extremely concerned by SEC Proposed Rules 15Ba1 to 15 Ba7 which would subject the Board of Directors of the District to the registration and reporting requirements and other regulation by the SEC under the Proposed Rules. At a recent meeting of the Board of Directors, they unanimously voiced their objections and opposition to classifying them as "municipal advisors" under the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Proposed Rules.

Delivered to you with the hard copy of this letter, and also sent to you by e-mail, is a letter from the Mr. Russell Berry, President of the Board of Directors of the West Central Texas Municipal Water District, setting forth the District's objections and opposition to regulation of <u>appointed</u> members of the District's Board of Directors as "municipal advisors" under amended Section 15B of the Secured Exchange Act of 1934 and the Proposed Rules. Unless the Proposed Rules are amended or revised so as to treat <u>appointed</u> members of the District's Board in the same manner as <u>elected</u> officials of similar "municipalities", the District and each of its Member Cities is concerned that citizens of the District's Member Cities, unwilling to subject themselves to the

registration and reporting requirements, as well as the heightened fiduciary obligation, which the Proposed Rules would impose, will no longer be willing to be appointed and to serve as Directors of the District, and a substantial number of the District's current Directors may even resign their positions. We sincerely hope and trust that the Securities and Exchange Commission will seriously consider the enclosed/attached letter from the West Central Texas Municipal Water District (and, we understand, a substantial number of other Texas river authorities, water districts and other boards opposing the Proposed Rules for the same or similar reasons). If there is any additional information which the SEC would like from the West Central Texas Municipal Water District in connection with this matter, please let us know.

Thank you for your consideration and attention in this matter.

Yours very truly,

/s/ David Buhrmann

DAVID L. BUHRMANN

DLB:sg
Enclosure

cc: ***VIA E-MAIL***
Mr. Richard Beck

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February 14, 2011

Ms. Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street, N.E.,
Washington D.C. 20549-1090

Re: SEC File No. S7-45-10

Dear Ms. Murphy:

I am the President of the West Central Texas Municipal Water District ("**District**") headquartered in the City of Abilene, Texas. The District was created by the Texas Legislature in 1955 to address severe drought conditions in West Central Texas. The District is comprised of the Cities of Abilene, Albany, Anson and Breckenridge ("**Member Cities**"), and is governed by a Board of Directors of twelve members: six from Abilene and two from each of the other Cities. Each Director is appointed by the City Council of the City he or she represents; each Director serves for a term of two years (subject to reappointment); and the Directors serve staggered terms, so that one-half of the Board is appointed (or reappointed) each year. The Board has four regularly-scheduled quarterly meetings, and special meetings of the Board are held as needed. By law, the Board of Directors must employ a General Manager who is charged with responsibility for day-to-day management and operation of the business and properties of the District. The District's principal asset is Hubbard Creek Reservoir, in Stephens County, Texas, from which the District, through its extensive pumping and pipeline transmission system, provides raw water to its Member Cities, which then is treated and becomes part of each City's public drinking water system. In addition to reimbursement for mileage or other expenses which a Director may incur incident to performance of his or her duties as such, each Director receives the sum of $20 for attendance at each meeting or other required function of the Board. The appointed Directors of the Board are, and always have been, well-respected business men and women, professionals (attorneys, accountants, etc.) and executives of charitable organizations. None of them is (or, while serving on the District's Board, can be) an officer or employee of one of the Member Cities of the District, nor of any County or other political subdivision of the State of Texas with whom the District has any substantial business or other relationship. In addition to attending both the regular and special Board meetings, our Directors are also called upon to attend meetings of the Board Committee or Committees of which they are members.

By Resolution of the Board of Directors adopted at its meeting on January 26, 2011, I am writing to present to the Securities and Exchange Commission ("**SEC**") the District's opposition and objections to SEC Proposed Rules 15Ba1 to 15Ba7 (the "**Rules**"), and to request that the SEC revise its interpretation of the definition of the term "municipal advisor" so as to exclude appointed Board members. Appointed Board members should be categorized no differently than elected Board members and employees of a municipal entity (assuming that, for purposes of the

Rules, the District will be, or is being, considered a "municipal entity"). Requiring citizen volunteers to submit to SEC registration and reporting, and be subjected to a heightened fiduciary obligation, would have the unintended consequence of immediately and substantially depleting the pool of citizen volunteers who contribute their time and expertise as Directors of the District.

The SEC is charged with promulgating rules to administer Section 975 of Title IX of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), which amended Section 15B of the Securities Exchange Act of 1934. The Dodd-Frank Act requires that municipal advisors register with the SEC, effective October 1, 2010. The Dodd-Frank Act defines "municipal advisor" to mean:

> a person (who is not a municipal entity or an employee of a municipal entity) (i) that provides advice to or on behalf of a municipal entity or obligated person with respect to municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues, or (ii) that undertakes a solicitation of a municipal entity.

In Release No. 34-63576 (the "Release"), the SEC provided further clarification of the term "municipal advisor." In response to comments urging the SEC to exclude persons serving as appointed or elected members of a municipal entity, the SEC limited the otherwise broad language of the Dodd-Frank Act to interpret the term "employee of a municipal entity" to include "a person serving as an elected member of the governing body." The SEC further broadened the exclusion to include ex officio members who hold elective office.

The SEC did not conclude, however, that appointed Board members should be excluded from the definition of municipal advisor. The Release stated that the SEC's interpretation was "appropriate because employees and elected members are accountable to the municipal entity for their actions." The SEC also stated that it "is concerned that appointed members, unlike elected officials and elected ex officio members, are not directly accountable for their performance to the citizens of the municipality."

The District respectfully disagrees with the SEC's rationale for treating appointed Board members differently from municipal employees and elected Board members. A more reasonable and effective interpretation would distinguish between solicitation, consultation and advice provided to the District's Board, and policymaking and business decisions made by the Board. Board members, whether appointed or elected, are engaged primarily in policymaking and in approving (or disapproving) decisions and recommendations of their staff. Our Board's primary function is to govern and guide the District in order to meets its constitutional and statutory obligations and objectives. Board members are not advisors or consultants; rather, they are responsible for making final governance and business decisions on behalf of the District. The duties and responsibilities placed upon every District Board member with respect to the Constitution and laws of the State of Texas do not discriminate based on their election or appointment. All Board members take the same oath and, more importantly, are subject to the same liability for fraud and subject to suit for malfeasance.

In contrast, "advisors", such as investment and municipal finance advisors, have minimal legal or ethical obligations or duties to the District, or to the citizens of the District and its Member Cities. Their principal objective is to receive compensation in return for providing a service. Even when compensation is not immediate or expressly sought, it is fair to conclude that municipal advisors seek clients for the primary purpose of making a profit, while also providing services and advice. Their services are critical to municipal entities, both large and small; yet their motivations, and their relationship to a municipal entity, cannot be compared to a citizen volunteer who is an appointed member of the District's Board.

Our appointed Board members, who are essentially citizen volunteers, have strong ties to the communities they serve, and are just as accountable to the citizens they serve as are the employees and elected officials of their Member Cities. Our Directors are firmly rooted in their communities and are typically community leaders. Each is appointed by the City Council of his or her City; and each City's meetings are subject to Texas open meeting laws. Our Directors serve limited terms; and each serves at the pleasure of his or her City Council. Although appointed to serve fixed terms, they remain subject to removal at any time by their City Council, and to a vote for reappointment at the end of each two-year term.

Our citizen volunteers assume great risks when they are appointed Board members. They have a heightened risk of being sued, as they are policy and decision makers for a District which serves all of the citizens of its four Member Cities. While sovereign immunity offers some protection for our Board members, such immunity is limited. Moreover, just being named in a suit imposes a personal burden on appointed Board members. Moreover, as leaders in the community, with their personal reputations at stake, our appointed Board members are at risk of having their reputations impugned for reasons outside their control. Unlike employees of municipal entities, and a large number of elected officials, these costs are not offset by the nominal compensation our Directors receive. In many ways, the citizen volunteers who serve as appointed District Directors assume far more risk than employees of municipal entities or compensated elected officials. Accordingly, in almost every way, the District's appointed Directors are more accountable than employees or elected City Council members.

The SEC's interpretation will impose a heavy, unreasonable burden on the Directors of our District, when the benefits, whether for Member Cities or the general public, are at best unclear. We rely on the expertise, community leadership and civic responsibility of our Directors; and citizen participation on state, regional and local boards and other governing bodies such as ours is essential to operating important public institutions. Volunteer citizens play an important and essential role in District governance, decision-making and policymaking. As leaders in their industries, professions and communities, they provide invaluable information and insight to the District. Finally, because these volunteers are deeply rooted in their own communities, they validate institutions like the District to the citizens they serve, as they reflect the composition of the Cities and citizens whom they represent on the Board.

If appointed Board members are not treated the same as elected members, with both being excluded from the definition of "municipal advisors", the services of large numbers of talented persons will be lost, because both existing and prospective Board members of the District will not want to subject themselves to the additional registration,

regulation and reporting, and the heightened fiduciary duties, the Rules would impose. Even those Board members who would otherwise provide the required information will still refuse to subject themselves to the continuous oversight and regulations of the Rules. The extent to which the Rules will dissuade talented people from serving (and continuing to serve) as Directors cannot be measured. However, for states, counties, districts and other "municipal entities" that rely on volunteers, the risk of losing and depleting the pool of talented citizens far outweighs the benefit of requiring appointed Board members to register with, report to, and be regulated by, the SEC.

Therefore, the District strongly requests that the SEC revise its interpretation of the term "employee of a municipal entity" to include appointed Board members, the effect and result of which would be that Directors of the District would not be deemed "municipal advisors" for purposes of the Rules. Our Board members perform the functions of governmental policymaking and decision-making and should be treated as such. Appointed Board members of the District are, in many ways, more accountable than municipal employees and compensated elected officials. Moreover, municipal entities in general, and our District in particular, will pay a high price under the temporary and proposed Rules, as they most certainly will deplete the pool of talented civic volunteers willing to serve on our Board, and will probably result in the immediate resignation of many (if not most) of our current Board members.

In closing, we understand that there has been a loud "hue and cry" about the expansive reach of the Rules and the devastating impact they will have upon state and local governing bodies, particularly those of small size, like the West Central Texas Municipal Water District. Without willing and talented appointees to our Board, not only the District, but the citizens of our Member Cities and others in our regions who directly benefit from the District activities, will suffer greatly. Therefore, we respectfully request that the Rules be changed to exclude the District's Directors from the definition of "municipal advisors".

Thank you for your courtesy and consideration.

Sincerely,

WEST CENTRAL TEXAS MUNICIPAL WATER DISTRICT

By: Russell Berry

Russell Berry
President