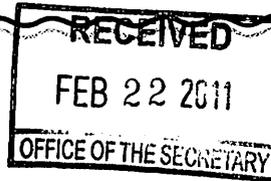




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(972) 219-1228 • Fax: (972) 221-9896



February 9, 2011

Honorable Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7006 2150 000 1921 2792

RE: Rule Comments about "Municipal Advisors"
File Number S7-45-10

(In triplicate)

Dear Ms. Murphy:

Your consideration of comments from Upper Trinity Regional Water District (UTRWD) about the SEC's proposed Rules 15 Ba1 to 15Ba7 concerning registration for "Municipal Advisors" will be appreciated.

- UTRWD is a regional water supply utility, a subdivision of the State of Texas, providing vital water and wastewater services on a wholesale basis to many cities.
- UTRWD is governed by a Board of twenty-six directors, each of whom is appointed by the elected governing body of a member entity. Member entities may appoint one of their employees or may appoint a private citizen. To keep politics out of the enterprise, they may not appoint an elected official.
- Contrary to the inference of the proposed rules, members of the governing body do not provide financial advice; rather, it is their duty to receive financial advice provided by staff and independent advisors, and to act thereon.
- As a governmental enterprise, UTRWD has a duty to operate most efficiently for the benefit of member entities, and to support a sound economy. The proposed rules would not help achieve these goals; rather, they would add unnecessary costs and create inefficiency, hurting the local economy.
- The cost and burden of the proposed rules would add new hurdles (without offsetting benefits) to sound governance, creating a disincentive for the better candidates to accept appointment to the governing body.
- Contrary to the rationale provided as part of the rule making package, whether an appointed citizen or an appointed employee, both are accountable to the appointing authority (the elected governing body of a member entity) for their actions - - in that either is subject to removal from the UTRWD Board at the will of the appointing authority.

- We know of no problem that the proposed rules would solve. "If it's not broke, don't fix it."

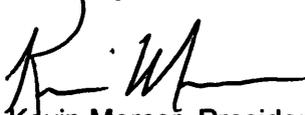
If the SEC is aware of certain specific abuses or problems that need to be cured by such rule making, we earnestly request that the rule be revised and narrowed to focus on the actual problem, not to use a broad brush approach to cover every volunteer citizen that is appointed to the governing body of public agencies throughout the nation. One should not "use a baseball bat to kill a fly."

Further, UTRWD requests a waiver:

- from any requirement for our citizen Board Members to register with the SEC, both now or after any such rules may become final.
- Alternatively, any related rules to be adopted by the SEC should provide a process for granting of waivers upon the request of any affected governing body.

We appreciate this opportunity to comment on the proposed rules, and we respectfully request your thoughtful reconsideration of the proposed rule before imposition of such high cost and unjustified burden on the American people. President Obama has pledged to eliminate unnecessary regulations. If we can provide further information, we will be pleased to assist you in doing the right thing.

Sincerely,



Kevin Mercer, President
UTRWD Board of Directors

KM/TET:bhs