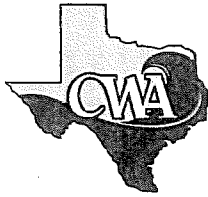


By publicly posting the following written disclosure, COASTAL WATER AUTHORITY intends that market participants receive and use it for purposes of the independent registered municipal advisor exemption to the SEC Municipal Advisor Rule.



COASTAL WATER AUTHORITY

1801 Main Street, Suite 800
Houston, Texas 77002

Phone: 713-658-9020
Fax: 713-658-9429

March 17, 2015

TO WHOM IT MAY CONCERN:

SUBJECT: INDEPENDENT REGISTERED MUNICIPAL ADVISOR (IRMA)

Coastal Water Authority (the "Issuer") is represented by First Southwest Company (our "municipal advisor") to provide advice on recommendations and other advice from financial services firms concerning the issuance of municipal securities, the investment of bond proceeds and escrow investments, and consideration of municipal derivatives transactions. The Issuer will rely on our municipal advisor by seeking and considering its advice, analysis, and perspective before acting on any such recommendation or other advice, although the Issuer may not necessarily follow our municipal advisor's advice and may also rely on representations, if any, made by financial services firms in proposals or otherwise.

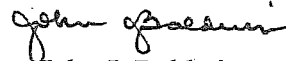
By posting this letter on our website the Issuer intends that market participants may use and rely on this letter for purposes of qualifying for the so-called IRMA exemption afforded by SEC Rule 15Ba1-1(d)(3)(vi) until the Issuer removes the letter from, or replaces it with an updated or correcting letter posted at, the same page on our website.

Financial services firms that wish to learn the identity of individuals at our municipal advisor who will participate in advising the Issuer (so that they may determine whether our municipal advisor is independent) should contact:

Warren P. Cash, III
First Southwest Company
700 Milam, Suite 500
Houston, Texas 77002
trey.cash@firstsw.com
713-654-8651

A copy of written representation to us regarding the exemption may also be sent to our municipal advisor at the same address.

Sincerely,



John J. Baldwin
Chief Financial Officer