

RESOLUTION NO.

WHEREAS, the City of Austin (the "Issuer") is a home rule city authorized to issue obligations to finance its activities, the interest on which is excludable from gross income for federal income tax purposes ("tax-exempt obligations") pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Issuer will make, or has made not more than 60 days before this date, expenditures in an amount not to exceed \$137,000,000 related to the acquisition, construction, distribution, production, transmission and support of electric utility capital improvement projects (Electric Projects); and

WHEREAS, the Issuer has concluded that it does not currently desire to issue tax-exempt obligation to finance these expenditures; and

WHEREAS, the Issuer desires to reimburse itself for these expenditures from the proceeds of tax-exempt obligations to be issued subsequent to this date; and

WHEREAS, the Issuer reasonably expects to issue tax-exempt obligations to reimburse itself for these expenditures; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Issuer reasonably expects to reimburse itself for all costs that have been paid during the 60 days preceding this date or that will be paid after this date from sale proceeds of tax-exempt obligations in an amount not to exceed \$137,000,000 related to the expenditures for the Electric Projects; and

The Issuer reasonably expects that the maximum principal amount of tax-exempt obligations issued to reimburse the Issuer for the expenditures for the Electric Projects will not exceed \$137,000,000.

ADOPTED: _____, 2007 **ATTEST:** _____
Shirley A. Gentry
City Clerk