

RESOLUTION NO. 20091022-037

WHEREAS, Northwest Austin Municipal Utility District No. 1 (District) is a conservation and reclamation district, a body corporate and politic and governmental agency of the State of Texas, created on or about August 11, 1988, by an order of the Texas Water Commission (now the Texas Commission on Environmental Quality) and the District operates under Chapter 54 and 49, Texas Water Code (Act); and

WHEREAS, On May 14, 1987, the City of Austin (City) granted its consent to the creation of the District and thereafter the City, the District, Texas American Bank - Fort Worth, N.A., Nash Phillips/Copus, Inc. and Plateau Utilities, Inc. entered into a certain "Agreement Concerning Creation and Operation of Northwest Austin Municipal Utility District No. 1" which, as amended (Consent Agreement), sets forth the revised terms and conditions for creation and operation of the District; and

WHEREAS, the creation of the District was confirmed by an election held within the District on May 8, 1988; and

WHEREAS, the Consent Agreement sets forth terms relating to the issuance of bonds by the District; and

WHEREAS, subject to the terms of the Consent Agreement, the District is authorized by the Act to purchase, construct, acquire, own, operate, maintain, repair, improve, or extend, inside or outside its boundaries, any and all works, improvements, facilities, plants, equipment, and appliances necessary to accomplish the purposes of its creation; and

WHEREAS, under the Consent Agreement and its proposed “Order Authorizing the Issuance of Northwest Austin Municipal Utility District No. 1 Unlimited Tax Refunding Bonds, Series 2009” (Series 2009 Bond Order), the District proposes to issue bonds designated as its “Northwest Austin Municipal Utility District No. 1 Unlimited Tax Refunding Bonds, Series 2009” (Series 2009 Bonds) consisting of no more than \$2,780,000 to refund certain outstanding bonds of the District (Refunded Bonds); and

WHEREAS, the District has submitted to the City for review and approval a substantial draft of the Series 2009 Bond Order and Preliminary Official Statement and has requested that the City Council consent to the issuance of bonds by the District for the purpose of refunding the Refunded Bonds, as described in the Series 2009 Bond Order; and

WHEREAS, the District has represented to the City that the Refunded Bonds will be refunded only if the District realizes a net present value savings of at least 4.25%; **NOW, THEREFORE**,

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

The City Council approves (i) the District's issuance of the Series 2009 Bonds, in a principal amount not to exceed \$2,780,000, and (ii) the draft of the Series 2009 Bond Order and the Preliminary Official Statement for the Series 2009 Bonds in substantially the form attached as Exhibits A and B and incorporated by reference, subject to final review and approval of the final offering documents by the director of the City's Department of Financial and Administrative Services;

BE IT FURTHER RESOLVED:

The City Council's approval is effective only to the extent that (1) the principal amount of the Series 2009 Bonds does not exceed \$2,780,000; (2) the Series 2009 Bonds produce a minimum net present value savings of at least 4.25%; (3) the final maturity of the Series 2009 Bonds does not extend beyond March 1, 2018; and (4) the City confirms that the requirements set

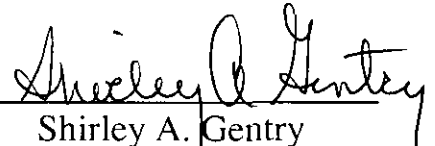
forth in clauses (1) through (3) above have been satisfied.

BE IT FURTHER RESOLVED:

The City Manager may take such steps as are necessary to carry out the intent of this resolution and shall obtain from the District all final resolutions, agreements, and other instruments necessary to confirm that the conditions for the issuance of the Series 2009 Bonds by the District set forth above have been satisfied.

ADOPTED: October 22, 2009

ATTEST:


Shirley A. Gentry
City Clerk