

ORDINANCE NO. 20110825-091

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF AUSTIN, TEXAS, PUBLIC IMPROVEMENT BONDS, SERIES 2011A; AND APPROVING RELATED DOCUMENTS

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

PART 1. FINDINGS.

General obligation bonds of the City were duly and favorably voted, as required by the Constitution and laws of Texas, at elections held in the City on the dates as described in Schedule I to this Ordinance; and

Council finds that it is necessary and in the best interest of the City that it approve by this Ordinance the issuance and delivery of the bonds authorized by the City in accordance with the Constitution and laws of the State of Texas, including specifically Chapter 1331, Texas Government Code, and the Home Rule Charter of the City, for the purposes set forth above; and

The meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of the meeting was given as required by Chapter 551, Texas Government Code.

PART 2. DEFINITIONS. The terms used in this Ordinance have the following meanings:

"Authentication Certificate" means the Paying Agent/Registrar's Authentication Certificate, in the form identified in the FORM OF BOND.

"Authorized Denomination" means \$5,000 or any integral multiple of \$5,000.

"Business Day" means a day other than a Saturday, a Sunday, a legal holiday, or a day on which banking institutions are authorized by law or executive order to close in the City or the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located.

"Code" means the Internal Revenue Code of 1986.

"Defeasance Securities" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of their purchase, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the City adopts or approves the proceedings authorizing the financial arrangements, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

SCHEDULE II

MATURITY SCHEDULE:

MATURITY DATE: SEPTEMBER 1

<u>YEARS</u>	<u>AMOUNTS (\$)</u>	<u>YEARS</u>	<u>AMOUNTS (\$)</u>
2012	8,400,000	2022	2,880,000
2013	****	2023	2,060,000
2014	100,000	2024	4,320,000
2015	100,000	2025	9,930,000
2016	1,250,000	2026	7,800,000
2017	100,000	2027	****
2018	100,000	2028	10,400,000
2019	2,000,000	2029	14,700,000
2020	100,000	2030	****
2021	3,850,000	2031	10,000,000

INTEREST RATES:

maturities 2012, 2.250%

maturities 2014, 2.000%
maturities 2015, 2.000%
maturities 2016, 2.000%
maturities 2017, 2.000%
maturities 2018, 2.000%
maturities 2019, 2.000%
maturities 2020, 3.000%
maturities 2021, 4.000%

maturities 2022, 3.000%
maturities 2023, 3.125%
maturities 2024, 4.000%
maturities 2025, 4.000%
maturities 2026, 4.000%

maturities 2028, 4.000%
maturities 2029, 4.000%

maturities 2031, 4.000%

PURCHASERS:

Morgan Keegan & Company, Inc., and syndicate members.

PURCHASE PRICE:

The purchase price for the Obligations shall be par and accrued interest on the Obligations to the date of delivery.

MANDATORY SINKING FUND REDEMPTION:

The Obligations maturing September 1, 2031 are Term Bonds; the Obligations shall be subject to mandatory sinking fund redemption on September 1, 2030, in the principal amount of \$200,000 and on September 1, 2031 (final maturity), in the principal amount of \$9,800,000.