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38 accordance with the terms of the Authorizing Ordinance to be issued by Sumitomo
39 Mitsui Banking Corporation, acting through its New York Branch (SMBC), for each of
40 the Subseries 2005-1 Bonds, the Subseries 2005-2 Bonds, the Subseries 2005-3 Bonds
41 and the Subseries 2005-4 Bonds (each, an SMBC LOC, and collectively, the SMBC
42 LOCs).

43
44 (E) Council finds that the SMBC Reimbursement Agreement constitutes a
45 Credit Agreement, and that each SMBC LOC constitutes a Direct-Pay Credit Facility and
46 a Liquidity Facility, for purposes of the Authorizing Ordinance.

47 (F) In connection with the delivery of the SMBC LOCs, council finds it
48 necessary to authorize the execution and delivery of a (1) Letter of Credit and
49 Reimbursement Agreement, dated June 1, 2014 (SMBC Reimbursement Agreement),
50 between the City and SMBC and (2) Bank Fee Agreement, dated June 1, 2014 (Fee
51 Agreement) between the City and SMBC.

52 (G) In connection with the delivery of the SMBC LOCs, council finds it
53 necessary to authorize the execution and delivery of a Second Amended and Restated
54 Insurance Policy Cancellation Agreement, dated June 1, 2014 (Second Amended and
55 Restated Cancellation Agreement), by and among the City, Wells Fargo Bank, N.A., as
56 paying agent/registrar (Paying Agent/Registrar) and as tender agent (Tender Agent),
57 SMBC, and Assured Guaranty, relating to the Bond Insurance Policy and the Debt
58 Service Reserve Fund Surety Policy.

59 (H) In connection with the delivery of the SMBC LOCs, council finds it
60 necessary to authorize the execution and delivery of a Second Amended and Restated
61 Agreement Regarding Insured Swap Transaction, dated June 1, 2014 (Second Amended
62 Swap Agreement), between the City and Assured Guaranty, relating to the Series 2005
63 Swap Agreement.

64 (I) In connection with the delivery of the SMBC LOCs, council finds it
65 necessary to authorize the execution and delivery of a Third Amended and Restated
66 Tender Agency Agreement, dated June 1, 2014, between the City and the Tender Agent
67 (Third Amended Tender Agency Agreement).

68 (J) The Authorizing Ordinance requires the mandatory tender of the Subseries
69 2005-1 Bonds, the Subseries 2005-2 Bonds, the Subseries 2005-3 Bonds and the
70 Subseries 2005-4 Bonds upon replacement of the JPM LOC-1, the JPM LOC-2, the State
71 Street LOC, and the Royal Bank LOC, respectively.

72
73 (K) In connection with the mandatory tender of the Bonds, council finds it
74 necessary to approve and authorize the use of a Secondary Market Information Circular
75 for the remarketing of the Bonds.

(L) The City is authorized to (1) cause the delivery of the SMBC LOCs and (2) execute and deliver the SMBC Reimbursement Agreement and the Fee Agreement, all pursuant to Chapter 1371, Texas Government Code.

PART 2. AUTHORIZATION.

(A) Council authorizes, ratifies, and approves the replacement of the JPM LOC-1, the JPM LOC-2, the State Street LOC and the Royal Bank LOC with the SMBC LOCs. The mayor, any designee of the mayor, the city manager, any designee of the city manager, the chief financial officer of the City, the city clerk, the Aviation Director and the city treasurer (each, an Authorized Officer, and collectively, Authorized Officers) are authorized and directed to take all actions necessary or desirable to effect the delivery of the SMBC LOCs, all in accordance with the provisions of the Authorizing Ordinance and this ordinance at the times and in the manner as they decide are appropriate.

(B) Council authorizes the negotiation, execution, and delivery of (1) the SMBC Reimbursement Agreement in substantially the form attached as Exhibit A and (2) the Fee Agreement in substantially the form attached as Exhibit B. Each Authorized Officer is authorized to execute and deliver the SMBC Reimbursement Agreement and the Fee Agreement, with any changes as may be approved by an Authorized Officer. The execution of the SMBC Reimbursement Agreement and the Fee Agreement will be conclusive evidence the City approved each of these agreements.

(C) Council authorizes the negotiation, execution, and delivery of the Second Amended and Restated Cancellation Agreement in substantially the form attached as Exhibit C. Each Authorized Officer is authorized to execute and deliver the Second Amended and Restated Cancellation Agreement with any changes as may be approved by an Authorized Officer. The execution of the Second Amended and Restated Cancellation Agreement will be conclusive evidence the City approved this agreement.

(D) Council authorizes the negotiation, execution, and delivery of the Second Amended Swap Agreement in substantially the form attached as Exhibit D. Each Authorized Officer is authorized to execute and deliver the Second Amended Swap Agreement with any changes as may be approved by an Authorized Officer. The execution of the Second Amended Swap Agreement will be conclusive evidence the City approved this agreement.

(E) Council authorizes the negotiation, execution, and delivery of the Third Amended Tender Agency Agreement in substantially the form attached as Exhibit E. Each Authorized Officer is authorized to execute and deliver the Third Amended Tender Agency Agreement, with such changes as may be approved by an Authorized Officer. The execution of the Third Amended Tender Agency Agreement will be conclusive evidence the City approved this agreement.

113 (F) Council authorizes, ratifies and approves the preparation, distribution, and
114 use of the Secondary Market Information Circular in substantially the form attached as
115 Exhibit F. To the extent required, the Secondary Market Information Circular is “final” as
116 of its date for purposes of compliance with Rule 15c2-12 of the Securities and Exchange
117 Commission.

118 (G) The Paying Agent/Registrar and the Tender Agent are authorized and
119 directed to take all actions and give all notices as may be necessary or desirable to affect
120 the delivery of the SMBC LOCs and all other actions authorized by this ordinance.

121 **PART 3. FURTHER PROCEDURES.** Each Authorized Officer is authorized
122 and directed to do any and all things necessary or convenient to carry out the terms of this
123 ordinance. Any finding or determination by an Authorized Officer relating to the exercise
124 of the terms of this ordinance shall have the same force and effect as if the finding or
125 determination had been made by council.

126 **PART 4. SEVERABILITY.** The provisions of this ordinance are severable. If
127 any provision of this ordinance or its applications to any person or circumstances is held
128 invalid, the invalidity does not affect other provisions or applications of this ordinance.

129 **PART 5. OPEN MEETING.** The City posted sufficient written notice of the
130 date, hour, place, and subject of the council meeting at which this ordinance was adopted
131 at a place convenient and readily accessible at all times to the general public at the Austin
132 City Hall for the time required by the Open Meetings Law, Chapter 551, Texas
133 Government Code. This meeting has been open to the public as required by law at all
134 times during which this ordinance and its subject matter were discussed, considered, and
135 formally acted upon. Council ratifies, approves, and confirms this written notice, its
136 contents and its posting.

137 **PART 6. REPEALER.** All orders, resolutions, and ordinances (other than the
138 Authorizing Ordinance), or their parts that are inconsistent with this ordinance are
139 repealed only to the extent needed to eliminate the inconsistency.

140 **PART 7. EFFECTIVE IMMEDIATELY.** This ordinance takes effect
141 immediately on its passage pursuant to Section 1201.028, Texas Government Code.

PASSED AND APPROVED

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_____, 2014

Lee Leffingwell
Mayor

APPROVED: _____

Karen M. Kennard
City Attorney

ATTEST: _____

Jannette S. Goodall
City Clerk

DRAFT