

1 **ORDINANCE NO.**

2 **AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF**  
3 **AUSTIN, TEXAS PUBLIC IMPROVEMENT BONDS, TAXABLE SERIES 2017;**  
4 **ESTABLISHING PARAMETERS FOR THE SALE OF THE BONDS;**  
5 **APPROVING RELATED DOCUMENTS; ENACTING OTHER PROVISIONS**  
6 **RELATED TO THE BONDS; AND DECLARING AN IMMEDIATE EFFECTIVE**  
7 **DATE**

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

9 **PART 1. FINDINGS.**

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

13 Council finds that it is necessary and in the best interest of the City that it approve by this  
14 Ordinance the issuance and delivery of the bonds authorized by the City in accordance with the  
15 Constitution and laws of the State of Texas, including specifically Chapters 1331 and 1371 of the Texas  
16 Government Code, and the Home Rule Charter of the City, for the purposes herein provided; and

17 Council desires to delegate to the Authorized Representative (defined below) the authority to  
18 effect the sale of the Bonds authorized by this Ordinance, subject to the parameters prescribed by this  
19 Ordinance; and

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

23 **PART 2. DEFINITIONS.**

24 The terms used in this Ordinance have the following meanings:

25 “Authentication Certificate” means the Paying Agent/Registrar’s Authentication Certificate, in  
26 the form identified in the Form of Bond.

27 “Authorized Denomination” means \$5,000 or any integral multiple of \$5,000.

28 “Authorized Representative” means the City Manager or the Chief Financial Officer of the City.

29 “Bonds” means the bonds of the City to be issued under authority of this Ordinance.

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

33 “Chapter 9” means Chapter 9 of the Texas Business & Commerce Code.

1 “Chapter 1204” means Chapter 1204 of the Texas Government Code.

2 “Chapter 1206” means Chapter 1206 of the Texas Government Code.

3 “Chapter 1208” means Chapter 1208 of the Texas Government Code.

4 “Chapter 1371” means Chapter 1371 of the Texas Government Code.

5 “City” means the City of Austin, Texas.

6 “Code” means the Internal Revenue Code of 1986, as amended.

7 “Council” means the City Council of the City.

8 “Defeasance Securities” means any securities permitted by Section 1207.062, Texas Government  
9 Code (or any successor statute), including (i) direct, noncallable obligations of the United States of  
10 America, including obligations that are unconditionally guaranteed by the United States of America, (ii)  
11 noncallable obligations of an agency or instrumentality of the United States of America, including  
12 obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on  
13 the date of approval of the proceedings authorizing the issuance of the refunding bonds, are rated as to  
14 investment quality by a nationally recognized investment rating firm not less than “AAA” or its  
15 equivalent, and (iii) noncallable obligations of a state or an agency or a county, municipality, or other  
16 political subdivision of a state that have been refunded and that, on the date of approval of the  
17 proceedings authorizing the issuance of the refunding bonds, are rated as to investment quality by a  
18 nationally recognized investment rating firm not less than “AAA” or its equivalent.

19 “Defeased Bond” means any Bond and the interest on the Bond that is considered to be paid,  
20 retired and no longer outstanding under the terms of this Ordinance, specifically PART 16 of this  
21 Ordinance.

22 “Designated Payment/Transfer Office” means the office of the Paying Agent/Registrar identified  
23 by the Paying Agent/Registrar as its Designated Payment/Transfer Office for the purpose of discharging  
24 its duties under this Ordinance.

25 “DTC” means The Depository Trust Company, New York, New York.

26 “Event of Default” has the meaning described in PART 17 of this Ordinance.

27 “Expiration Date” means February 16, 2018.

28 “Future Escrow Agreement” means an escrow agreement or other similar instrument with respect  
29 to Defeased Bonds.

30 “Interest and Sinking Fund” means the Interest and Sinking Fund established in PART 9 of this  
31 Ordinance.

32 “MSRB” means the Municipal Securities Rulemaking Board.

1 “Paying Agent/Registrar” means the bank, trust company, financial institution, or agency named  
2 in the Paying Agent/Registrar Agreement.

3 “Paying Agent/Registrar Agreement” means the agreement between the City and the Paying  
4 Agent/Registrar with respect to the Bonds in the form approved by an Authorized Representative, and  
5 any successor agreement.

6 “Pricing Certificate” means a certificate executed by an Authorized Representative on the date of  
7 sale of any series of the Bonds containing the terms of such series authorized to be determined by the  
8 Authorized Representative pursuant to PART 4 of this Ordinance.

9 “Project” means a project for which proceeds of the Bonds are spent consistent with the purposes  
10 described in clause (a) of PART 3 of this Ordinance.

11 “Purchase Agreement” means any purchase agreement between the City and the Underwriters  
12 providing for the sale of the Bonds by the City and the purchase of the Bonds by the Underwriters.

13 “Registered Owner” means the owner of any Bond as recorded in the Registration Books.

14 “Registration Books” means the books or records of registration and transfer of the Bonds  
15 maintained by the Paying Agent/Registrar.

16 “Rule” means SEC Rule 15c2-12.

17 “SEC” means the United States Securities and Exchange Commission.

18 “Underwriters” means the entity or entities designated in the Purchase Agreement.

19 **PART 3. BONDS AUTHORIZED.**

20 The Bonds shall be issued in accordance with the Constitution, laws of the State of Texas, and  
21 the Charter of the City, in one or more series, in the aggregate principal amount not to exceed  
22 \$25,000,000 for the purposes of (a) financing the Projects described in Schedule I and (b) paying the  
23 costs of issuance associated with the sale of the Bonds. The aggregate principal amount and the  
24 designation of Bonds issued pursuant to this Ordinance shall be set forth in the Pricing Certificate  
25 therefor.

26 **PART 4. SALE PARAMETERS.**

27 (a) The Bonds shall be issued in any Authorized Denomination as fully registered bonds,  
28 without interest coupons, payable to the respective initial registered owners of the Bonds, or to the  
29 registered assignee or assignees of the Bonds, maturing not later than 40 years from their issue date,  
30 payable serially or otherwise on the dates, in the years and in the principal amounts, and dated and  
31 numbered, all as set forth in the Pricing Certificate therefor.

32 (b) In accordance with Chapter 1371, Council authorizes each Authorized Representative to  
33 act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures  
34 specified in this Ordinance, including determining and fixing the number of series and the designation or

1 title by which each series of the Bonds shall be known and, with respect to each series of Bonds, the  
2 purposes and aggregate principal amount of the Bonds sold, the dated date and the date of delivery of  
3 the Bonds sold, the price at which the Bonds will be sold, the years in which the Bonds will mature, the  
4 principal amount of Bonds to mature in each of such years, that portion of the Bonds, if any, to be issued  
5 as capital appreciation bonds and the maturity amount of any Bonds issued as capital appreciation  
6 bonds, the rate or rates of interest to be borne by or accrue on each maturity, the interest payment  
7 periods and interest payment dates, the record date, the dates, prices, and terms upon and at which the  
8 Bonds shall be subject to redemption (including provisions for optional and mandatory redemption), and  
9 all other terms, details and matters relating to the Bonds and their issuance, sale and delivery, including,  
10 without limitation, obtaining a municipal bond insurance policy in support of the Bonds, all of which  
11 shall be specified in the Pricing Certificate; provided, that (i) the price to be paid for the Bonds shall not  
12 be less than 95% of the aggregate principal amount of the Bonds sold, plus accrued interest, if any, (ii)  
13 the Bonds shall not bear interest at a rate greater than the maximum rate allowed by Chapter 1204, and  
14 (iii) prior to their delivery, the Bonds shall be rated by a nationally recognized rating agency for  
15 municipal securities in one of the four highest rating categories for long-term debt instruments.

16 An Authorized Representative may approve modifications to this Ordinance to conform to the  
17 terms of the Bonds, as approved by the Authorized Representative, and execute any instruments,  
18 agreements and other documents as the Authorized Representative shall deem necessary or appropriate  
19 in connection with the issuance, sale and delivery of Bonds pursuant to this Ordinance.

20 It is in the best interests of the City for the Bonds to be sold through a negotiated sale, and  
21 Council authorizes each Authorized Representative to enter into and carry out the Purchase Agreement  
22 with the Underwriters pursuant to PART 12 of this Ordinance. Each Authorized Representative may  
23 designate underwriters for future series of the Bonds.

24 The authority of an Authorized Representative to execute any Purchase Agreement shall expire  
25 at 11:59 p.m. on the Expiration Date. Bonds sold pursuant to a Purchase Agreement executed on or  
26 before the Expiration Date may be delivered after such date.

27 In establishing the aggregate principal amount of the Bonds of each series, the Authorized  
28 Representative shall establish an amount which shall be sufficient (together with any premium received  
29 from the sale of the Bonds) to provide for the purposes for which the Bonds are authorized. The Bonds  
30 of each series shall be sold at such price, with and subject to such terms, as set forth in the Pricing  
31 Certificate therefor.

32 (c) Any finding or determination made by an Authorized Representative relating to the  
33 issuance and sale of the Bonds and the execution of the Purchase Agreement shall have the same force  
34 and effect as a finding or determination made by Council.

## 35 **PART 5. REDEMPTION PROVISIONS.**

36 (a) The Bonds may be subject to redemption, at the option of the City, prior to their stated  
37 maturities to the extent and in the manner provided in the Pricing Certificate. The years of maturity of  
38 the Bonds called for redemption at the option of the City prior to stated maturity shall be selected by the  
39 City. The Bonds or any portion redeemed within a maturity shall be selected by lot, or other customary  
40 random selection method, by the Paying Agent/Registrar; provided, that during any period in which

1 ownership of the Bonds is determined only by a book entry at DTC, if fewer than all of the Bonds of the  
2 same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such  
3 maturity and bearing such interest rate shall be selected in accordance with the arrangements between  
4 the City and DTC.

5 (b) The Bonds may be subject to mandatory sinking fund redemption prior to their stated  
6 maturities, to the extent and in the manner provided in the Pricing Certificate.

7 (c) At least 30 days before the date fixed for redemption, the City shall cause a written notice  
8 of the redemption to be deposited in the United States mail, first-class postage prepaid, addressed to  
9 each Registered Owner at the address shown on the Registration Books. By the date fixed for  
10 redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the  
11 required redemption price for the Bonds which are to be redeemed, plus accrued interest to the date  
12 fixed for redemption. If the notice of redemption is given, and if provision for payment is made, all as  
13 provided above, the Bonds, or the portions of the Bonds, which are to be redeemed, automatically shall  
14 be redeemed prior to their scheduled maturities, and shall not bear interest after the date fixed for their  
15 redemption, and shall not be regarded as outstanding except for the right of the Registered Owner to  
16 receive the redemption price plus accrued interest to the date fixed for redemption from the Paying  
17 Agent/Registrar out of the funds provided for payment. The Paying Agent/Registrar shall record in the  
18 Registration Books all redemptions of principal of the Bonds or any portion of the principal. If a portion  
19 of any Bond shall be redeemed, one or more substitute Bonds having the same maturity date, bearing  
20 interest at the same rate, in any Authorized Denomination, at the written request of the Registered  
21 Owner, and in an aggregate principal amount equal to the unredeemed portion of the Bonds, will be  
22 issued to the Registered Owner upon the surrender for cancellation, at the expense of the City, all as  
23 provided in this Ordinance. In addition, the City shall cause the Paying Agent/Registrar to give notice  
24 of any redemption in the manner set forth in PART 5(d). The failure to cause notice to be given,  
25 however, or any defect in the notice, shall not affect the validity or effectiveness of the redemption. If a  
26 notice of redemption is given and sufficient funds are not received for the payment of the required  
27 redemption price for the Bonds which are to be redeemed, the notice shall be of no force and effect, the  
28 City shall not redeem the Bonds, and the Paying Agent/Registrar shall give notice, in the manner in  
29 which the notice of redemption was given, that the Bonds have not been redeemed.

30 (d) Each redemption notice required by this Ordinance or the Pricing Certificate shall contain  
31 a description of the Bonds to be redeemed, including the complete name of the Bonds, the series, the  
32 date of issue, the interest rate, the maturity date, the CUSIP number, the amounts of the Bonds called for  
33 redemption, the date of redemption, the redemption price, the name of the Paying Agent/Registrar and  
34 the address at which the Bond may be redeemed, including a contact person and telephone number.  
35 Such notice may also state that the redemption is conditioned upon receipt of sufficient funds for the  
36 payment of the required redemption price for the Bonds which are to be redeemed by the date fixed for  
37 redemption. All redemption payments made by the Paying Agent/Registrar to the Registered Owners of  
38 the Bonds shall include CUSIP numbers relating to each amount paid to such Registered Owner.

39 **PART 6. INTEREST.**

40 The Bonds shall bear interest at the rates per annum set forth in the Pricing Certificate. The  
41 interest shall be payable to the Registered Owner of any Bond in the manner provided and on the dates

1 stated in the Pricing Certificate. Interest shall be calculated on the basis of a 360-day year consisting of  
2 twelve 30-day months.

3 **PART 7. ADDITIONAL CHARACTERISTICS OF THE BONDS.**

4 (a) The City shall keep, or cause to be kept at the Designated Payment/Transfer Office, the  
5 Registration Books, and the City appoints the Paying Agent/Registrar as its registrar and transfer agent  
6 to keep books or records and make the transfers and registrations under the reasonable regulations as the  
7 City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make transfers  
8 and registrations as provided in this Ordinance. It shall be the duty of the Paying Agent/Registrar to  
9 obtain from the Registered Owner and record in the Registration Books the address of the Registered  
10 Owner to which payments with respect to the Bonds shall be mailed, as provided in this Ordinance. The  
11 City, or its designee, shall have the right to inspect the Registration Books during regular business hours  
12 of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration  
13 Books confidential and, unless otherwise required by law, shall not permit their inspection by any other  
14 entity. Ownership of each Bond may be transferred in the Registration Books only upon presentation  
15 and surrender of the Bond to the Paying Agent/Registrar for transfer of registration and cancellation,  
16 together with proper written instruments of assignment, in form and with guarantee of signatures  
17 satisfactory to the Paying Agent/Registrar, evidencing the assignment of the Bond, or any portion of the  
18 Bond, in any Authorized Denomination, to the assignee or assignees, and the right of the assignee or  
19 assignees to have the Bond or any portion of the Bond registered in the name of the assignee or  
20 assignees. Upon the assignment and transfer of any Bond, a new substitute obligation or obligations  
21 shall be issued in exchange for the Bond in the manner provided in this Ordinance.

22 (b) The entity in whose name any Bond shall be registered in the Registration Books at any  
23 time shall be treated as the absolute owner of the Bond for all purposes of this Ordinance, whether the  
24 Bond shall be overdue, and the City and the Paying Agent/Registrar shall not be affected by any notice  
25 to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any  
26 Bond shall be made only to the Registered Owner. All payments shall be valid and effectual to satisfy  
27 and discharge the liability on the Bond to the extent of the sum or sums so paid.

28 (c) The City appoints the Paying Agent/Registrar to act as the paying agent for paying the  
29 principal of, premium, if any, and interest on, the Bonds, and to act as its agent to exchange or replace  
30 Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all  
31 payments made by the City and the Paying Agent/Registrar with respect to the Bonds, and of all  
32 exchanges and replacements, as provided in this Ordinance.

33 (d) Each Bond may be exchanged for fully registered obligations as set forth in this  
34 Ordinance. Each Bond issued and delivered pursuant to this Ordinance, to the extent of the unredeemed  
35 principal amount, may, upon surrender at the Designated Payment/Transfer Office, together with a  
36 written request duly executed by the Registered Owner or its assignee or assignees, or its or their duly  
37 authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying  
38 Agent/Registrar, at the option of the Registered Owner or its assignee or assignees, as appropriate, be  
39 exchanged for fully registered obligations, without interest coupons, in the form prescribed in the Form  
40 of Bond, in any Authorized Denomination (subject to the requirement stated below that each substitute  
41 Bond shall have a single stated maturity date), as requested in writing by the Registered Owner or its  
42 assignee or assignees, in an aggregate principal amount equal to the unredeemed principal amount of

1 any Bond or Bonds so surrendered, and payable to the appropriate Registered Owner, assignee, or  
2 assignees. If a portion of any Bond is assigned and transferred, each Bond issued in exchange shall have  
3 the same maturity date and bear interest at the same rate as the Bond for which it is being exchanged.  
4 Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The  
5 Paying Agent/Registrar shall exchange or replace Bonds as provided in this Ordinance, and each fully  
6 registered Bond delivered in exchange for or replacement of any Bond or portion of a Bond as permitted  
7 or required by any provision of this Ordinance shall constitute one of the Bonds for all purposes of this  
8 Ordinance, and may again be exchanged or replaced. Any Bond delivered in exchange for or  
9 replacement of another Bond before the first scheduled interest payment date on the Bonds (as stated on  
10 the face of the Bond) shall be dated the same date, but each substitute Bond delivered on or after the first  
11 scheduled interest payment date shall be dated the interest payment date preceding the date on which the  
12 substitute Bond is delivered, unless the substitute Bond is delivered on an interest payment date, in  
13 which case it shall be dated as of the date of delivery; however, if at the time of delivery of any  
14 substitute Bond the interest on the Bond for which it is being exchanged has not been paid, then the  
15 substitute Bond shall be dated the date to which interest has been paid in full. On each substitute Bond  
16 issued in exchange for or replacement of any Bond issued under this Ordinance there shall be printed on  
17 the Bond the Authentication Certificate. An authorized representative of the Paying Agent/Registrar  
18 shall, before the delivery of any substitute Bond, date the substitute Bond in the manner set forth above,  
19 and manually sign and date the Authentication Certificate, and no substitute Bond shall be considered to  
20 be issued or outstanding unless the Authentication Certificate is executed. The Paying Agent/Registrar  
21 promptly shall cancel all Bonds surrendered for exchange or replacement. No additional ordinances,  
22 orders, or resolutions need be passed or adopted by Council or any other body or person to accomplish  
23 the exchange or replacement of any Bond, and the Paying Agent/Registrar shall provide for the printing,  
24 execution, and delivery of the substitute Bonds in the manner prescribed in this Ordinance. Pursuant to  
25 Chapter 1206, the duty of exchange or replacement of any Bond is imposed on the Paying  
26 Agent/Registrar, and, upon the execution of the Authentication Certificate, the exchanged or replaced  
27 obligation shall be valid, incontestable, and enforceable in the same manner and with the same effect as  
28 the Bonds which originally were delivered pursuant to this Ordinance, approved by the Texas Attorney  
29 General, and registered by the Texas Comptroller of Public Accounts. Neither the City nor the Paying  
30 Agent/Registrar shall be required to transfer or exchange any Bond selected for redemption, in whole or  
31 in part, within 45 calendar days of the date fixed for redemption; provided, however; the limitation of  
32 transfer shall not be applicable to an exchange by the Registered Owner of the uncalled principal of a  
33 Bond.

34 (e) All Bonds issued in exchange or replacement of any other Bond or portion of a Bond (i)  
35 shall be issued in fully registered form, without interest coupons, with the principal of and interest on the  
36 Bonds to be payable only to the Registered Owners, (ii) may be redeemed prior to their scheduled  
37 maturities, (iii) may be transferred and assigned, (iv) may be exchanged for other Bonds, (v) shall have  
38 the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds  
39 shall be payable, all as provided, and in the manner required or indicated in this Ordinance and the  
40 Pricing Certificate.

41 (f) The City shall pay the Paying Agent/Registrar's reasonable and customary fees and  
42 charges for making transfers of Bonds, but the Registered Owner of any Bond requesting the transfer  
43 shall pay any taxes or other governmental charges required for the transfer. The Registered Owner of  
44 any Bond requesting any exchange shall pay the Paying Agent/Registrar's reasonable and standard or  
45 customary fees and charges for exchanging any Bond or a portion of a Bond, together with any required

1 taxes or governmental charges, all as a condition precedent to the exercise of the privilege of exchange,  
2 except in the case of the exchange of an assigned and transferred Bond or Bonds or any portion or  
3 portions in any Authorized Denomination, the fees and charges will be paid by the City. In addition, the  
4 City covenants with the Registered Owners of the Bonds that it will (i) pay the reasonable and standard  
5 or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment  
6 of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying  
7 Agent/Registrar for services with respect to the transfer or registration of Bonds, and with respect to the  
8 exchange of Bonds solely to the extent stated above.

9 (g) An Authorized Representative is authorized to execute and deliver the Paying  
10 Agent/Registrar Agreement. The City covenants with the Registered Owners of the Bonds that at all  
11 times while the Bonds are outstanding the City will provide a competent and legally qualified bank, trust  
12 company, or other entity duly qualified and legally authorized to act as and perform the services of  
13 Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be  
14 one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar  
15 upon not less than 60 days' written notice to the Paying Agent/Registrar. In the event that the entity at  
16 any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method)  
17 should resign or otherwise stop acting as such, the City covenants that it will promptly appoint a  
18 competent and legally qualified national or state banking institution organized and doing business under  
19 the laws of the United States of America or of any state, authorized under the laws to exercise trust  
20 powers, subject to supervision or examination by federal or state authority, and whose qualifications  
21 substantially are similar to the previous Paying Agent/Registrar to act as Paying Agent/Registrar under  
22 this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar  
23 promptly shall transfer and deliver the Registration Books (or a copy of these Books), along with all  
24 other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated  
25 and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will  
26 cause a written notice to be sent by the new Paying Agent/Registrar to each Registered Owner of the  
27 Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the  
28 new Paying Agent/Registrar. By accepting the position and performing as such, each Paying  
29 Agent/Registrar shall be considered to have agreed to the provisions of this Ordinance, and a certified  
30 copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

## 31 **PART 8. FORM OF BONDS.**

32 The Bonds shall be signed with the manual or facsimile signatures of the Mayor and the City  
33 Clerk, and the seal of the City shall be affixed or impressed on the Bonds. The form of all Bonds,  
34 including the form of the Comptroller's Registration Certificate to accompany the Bonds on the initial  
35 delivery, the form of the Authentication Certificate, and the Form of Assignment to be printed on each  
36 Bond, shall be, respectively, substantially in the form set forth in Exhibit A, with such appropriate  
37 variations, omissions, or insertions as are permitted or required by this Ordinance and the Pricing  
38 Certificate.

## 39 **PART 9. LEVY OF TAX; INTEREST AND SINKING FUND.**

40 (a) The Interest and Sinking Fund (which may include the designation or title by which a  
41 series of Bonds shall be known, as determined pursuant to PART 4(b) of this Ordinance) is created and  
42 it shall be established and maintained at an official depository of the City. The Interest and Sinking



1 Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used  
2 only for paying the interest on and principal of the Bonds. All ad valorem taxes levied and collected for  
3 and on account of the Bonds shall be deposited, as collected, to the credit of the Interest and Sinking  
4 Fund. During each year while any Bond is outstanding and unpaid, Council shall compute and ascertain  
5 the rate and amount of ad valorem tax, based on the latest approved tax rolls of the City, with full  
6 allowances being made for tax delinquencies and costs of tax collections, which will be sufficient to  
7 raise and produce the money required to pay the interest on the Bonds as the interest comes due, and to  
8 provide a sinking fund to pay the principal (including mandatory sinking fund redemption payments, if  
9 any) of the Bonds as the principal matures, but never less than 2% of the outstanding principal amount  
10 of the Bonds as a sinking fund each year. The rate and amount of ad valorem tax needed to fund this  
11 obligation is ordered to be and is hereby levied against all taxable property in the City for each year  
12 while any Bond is outstanding and unpaid, and the ad valorem tax shall be assessed and collected each  
13 year and deposited to the credit of the Interest and Sinking Fund. The ad valorem taxes necessary to pay  
14 the interest on and principal of the Bonds, as the interest comes due, and the principal matures or comes  
15 due through operation of the mandatory sinking fund redemption, if any, as provided in the Pricing  
16 Certificate, are pledged for this purpose, within the limit set by law. The City appropriates from current  
17 funds on hand, and directs the transfer for deposit into the Interest and Sinking Fund, moneys as may be  
18 necessary to pay debt service on the Bonds scheduled to occur prior to receipt of taxes levied to pay  
19 such debt service. Money in the Interest and Sinking Fund, at the option of the City, may be invested in  
20 the securities or obligations as permitted under applicable law and the City's investment policy. Any  
21 securities or obligations in which money is invested shall be kept and held in trust for the benefit of the  
22 owners of the Bonds and shall be sold and the proceeds of sale shall be timely applied to the making of  
23 all payments required to be made from the Interest and Sinking Fund. Interest and income derived from  
24 the investment of money in the Interest and Sinking Fund shall be credited to the Interest and Sinking  
25 Fund.

26 (b) Should more than one series of Bonds be sold under authority of this Ordinance, a  
27 separate interest and sinking fund will be created and maintained at an official depository of the City to  
28 secure each series of Bonds.

29 (c) Chapter 1208 applies to the issuance of the Bonds and the pledge of ad valorem taxes  
30 made under PART 9(a) of this Ordinance, and the pledge is valid, effective, and perfected. If Texas law  
31 is amended at any time while any Bond is outstanding and unpaid so that the pledge of ad valorem taxes  
32 made by the City under PART 9(a) of this Ordinance is to be subject to the filing requirements of  
33 Chapter 9, then to preserve to the Registered Owners of the Bonds the perfection of the security interest  
34 in the pledge, the City agrees to take measures as it determines are reasonable and necessary under  
35 Texas law to comply with the applicable provisions of Chapter 9 and enable a filing to perfect the  
36 security interest in the pledge.

37 **PART 10. DAMAGED, LOST, STOLEN OR DESTROYED BONDS.**

38 (a) In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the  
39 Paying Agent/Registrar shall cause to be printed, executed, and delivered a new bond of the same  
40 principal amount, maturity, and interest rate as the damaged, mutilated, lost, stolen, or destroyed Bond,  
41 in replacement for the Bond in the manner provided in this Ordinance.

1 (b) Application for replacement of any damaged, mutilated, lost, stolen, or destroyed Bond  
2 shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the  
3 applicant for a replacement obligation shall furnish to the City and to the Paying Agent/Registrar the  
4 security or indemnity as may be required by them to save each of them harmless from any loss or  
5 damage with respect to the Bond. Also, in every case of loss, theft, or destruction of a Bond, the  
6 applicant shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the  
7 loss, theft, or destruction of the Bond. In every case of damage or mutilation of a Bond, the applicant  
8 shall surrender to the Paying Agent/Registrar for cancellation the damaged or mutilated Bond.

9 (c) Notwithstanding clauses (a) and (b), in the event any Bond shall have matured, and there  
10 is no continuing default in the payment of the principal of, premium, if any, or interest on the Bond, the  
11 City may authorize its payment (without surrender except in the case of a damaged or mutilated Bond)  
12 instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in  
13 this PART.

14 (d) Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge  
15 the owner of the Bond with all legal, printing, and other expenses in connection with the replacement.  
16 Every replacement Bond issued pursuant to the provisions of this Ordinance by virtue of the fact that  
17 any Bond is damaged, mutilated, lost, stolen, or destroyed shall constitute a contractual obligation of the  
18 City whether the damaged, mutilated, lost, stolen, or destroyed Bond shall be found, or be enforceable  
19 by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with  
20 any and all other Bonds duly issued under this Ordinance.

21 (e) In accordance with Chapter 1206, this PART constitutes authority for the issuance of any  
22 such replacement Bond without necessity of further action by Council or any other body or person, and  
23 the duty of the replacement of the Bonds is authorized and imposed on the Paying Agent/Registrar,  
24 subject to the conditions imposed by this PART, and the Paying Agent/Registrar shall authenticate and  
25 deliver the Bonds in the form and manner and with the effect, as provided in PART 7(d) of this  
26 Ordinance for Bonds issued in exchange for other Bonds.

27 **PART 11. SUBMISSION OF PROCEEDINGS TO ATTORNEY GENERAL.**

28 The Mayor, or his designee, is authorized to have control of the Bonds and all necessary records  
29 and proceedings pertaining to the Bonds pending their delivery and their investigation, examination and  
30 approval by the Texas Attorney General and their registration by the Texas Comptroller of Public  
31 Accounts. Upon registration of the Bonds, the Comptroller (or a deputy designated in writing to act for  
32 the Comptroller) shall manually sign the Comptroller's Registration Certificate accompanying the  
33 Bonds, and the seal of the Comptroller shall be impressed, or placed in facsimile, on each certificate.  
34 After registration by the Comptroller, delivery of the Bonds shall be made to the Underwriters, under  
35 and subject to the general supervision and direction of the Mayor, against receipt by the City of all  
36 amounts due to the City under the terms of sale.

37 **PART 12. SALE OF BONDS; OFFICIAL STATEMENT.**

38 (a) The Bonds shall be sold to the Underwriters at the price set forth in the Pricing  
39 Certificate, and delivery of the Bonds to the Underwriters shall be made upon payment for the Bonds in  
40 accordance with the terms of the Purchase Agreement. An Authorized Representative is authorized and

1 directed to execute such Pricing Certificate and Purchase Agreement on behalf of the City, and the  
2 Mayor, Mayor Pro Tem, City Manager, Chief Financial Officer, City Clerk and all other officials, agents  
3 and representatives of the City are authorized to execute and deliver such agreements, certificates,  
4 instruments and other documents, and do any and all things necessary or desirable to satisfy the  
5 conditions set out in the documents, to provide for the issuance and delivery of the Bonds.

6 (b) Council ratifies, authorizes and approves, in connection with the sale of the Bonds, the  
7 preparation and distribution of the Preliminary Official Statement and a final Official Statement,  
8 substantially in the form of the Preliminary Official Statement, containing such additional information  
9 and amendments as may be necessary to conform to the terms of the Bonds, this Ordinance, the Pricing  
10 Certificate and the Purchase Agreement, and the Preliminary Official Statement is deemed final as of its  
11 date within the meaning and for the purposes of paragraph (b)(1) of the Rule. An Authorized  
12 Representative is authorized to approve such amendments and supplements to the Official Statement as  
13 either of them shall deem necessary or appropriate. The Mayor and City Clerk are authorized to execute  
14 such Official Statement by manual, facsimile or electronic signature and/or to deliver a certificate  
15 pertaining to such Official Statement as prescribed in the Official Statement or in the Purchase  
16 Agreement, dated as of the date of payment for and delivery of the Bonds.

17 (c) The Mayor, Mayor Pro Tem, City Manager, City Clerk, Chief Financial Officer and all  
18 other officials, agents and representatives of the City are authorized to take such actions as any such  
19 officer, official, agent or representative shall approve in seeking ratings on the Bonds from one or more  
20 nationally recognized statistical ratings organizations, or any confirmation of such firms' ratings, and  
21 such actions are ratified and confirmed.

22 (d) Proceeds from the sale of the Bonds shall be disbursed in the amounts and for the  
23 purposes set forth in the Pricing Certificate. An Authorized Representative may provide for the  
24 establishment of such funds, accounts or subaccounts as are deemed necessary or appropriate for the  
25 safekeeping and administration of proceeds from the sale of the Bonds pending their disbursement for  
26 authorized purposes.

27 **PART 13. TAX EXEMPTION.**

28 The City does not intend to issue the Bonds as obligations described in section 103(a) of the  
29 Code.

30 **PART 14. CONTINUING DISCLOSURE OBLIGATION.**

31 (a) *Annual Reports.*

32 (i) The City shall provide annually to the MSRB, (A) within six months after the end  
33 of each fiscal year of the City, financial information and operating data with respect to the City  
34 of the general type included in the final Official Statement authorized by PART 12 of this  
35 Ordinance, being information of the type described in the Pricing Certificate, including financial  
36 statements of the City if audited financial statements of the City are then available, and (B) if not  
37 provided as part such financial information and operating data, audited financial statements of  
38 the City, when and if available. Any financial statements to be provided shall be (x) prepared in  
39 accordance with the accounting principles described in the Pricing Certificate, or such other  
40 accounting principles as the City may be required to employ from time to time pursuant to state

1 law or regulation, and in substantially the form included in the Official Statement, and  
2 (y) audited, if the City commissions an audit of such financial statements and the audit is  
3 completed within the period during which they must be provided. If the audit of such financial  
4 statements is not complete within 12 months after any such fiscal year end, then the City shall  
5 file unaudited financial statements within such 12-month period and audited financial statements  
6 for the applicable fiscal year, when and if the audit report on such statements becomes available.

7 (ii) If the City changes its fiscal year, it will notify the MSRB of the change (and of  
8 the date of the new fiscal year end) before the next date the City would be required to provide  
9 financial information and operating data pursuant to this PART.

10 The financial information and operating data to be provided pursuant to this PART may  
11 be set forth in full in one or more documents or may be included by specific reference to any  
12 document (including an official statement or other offering document) available to the public on  
13 the MSRB's website or filed with the SEC. Filings shall be made electronically, accompanied by  
14 such identifying information as prescribed by the MSRB.

15 (b) *Disclosure Event Notices.* The City shall notify the MSRB in an electronic format  
16 prescribed by the MSRB, in a timely manner not in excess of 10 Business Days after the occurrence of  
17 the event, of any of the following events with respect to the Bonds:

- 18 (i) Principal and interest payment delinquencies;
- 19 (ii) Non-payment related defaults, if material;
- 20 (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- 21 (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- 22 (v) Substitution of credit or liquidity providers, or their failure to perform;
- 23 (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed  
24 or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-  
25 TEB) or other material notices or determinations with respect to the tax status of  
26 the Bonds, or other material events affecting the tax status of the Bonds;
- 27 (vii) Modifications to rights of holders of the Bonds, if material;
- 28 (viii) Bond calls, if material, and tender offers;
- 29 (ix) Defeasances;
- 30 (x) Release, substitution, or sale of property securing repayment of the Bonds, if  
31 material;
- 32 (xi) Rating changes;
- 33 (xii) Bankruptcy, insolvency, receivership or similar event of the City;
- 34 (xiii) The consummation of a merger, consolidation, or acquisition involving the City  
35 or the sale of all or substantially all of the assets of the City, other than in the  
36 ordinary course of business, the entry into a definitive agreement to undertake  
37 such an action or the termination of a definitive agreement relating to any such  
38 actions, other than pursuant to its terms, if material; and
- 39 (xiv) Appointment of a successor Paying Agent/Registrar or change in the name of the  
40 Paying Agent/Registrar, if material.

41 As used in clause (xii) above, the phrase "bankruptcy, insolvency, receivership or similar event"  
42 means the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the

1 U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or  
2 governmental authority has assumed jurisdiction over substantially all of the assets or business of the  
3 City, or if jurisdiction has been assumed by leaving Council and officials or officers of the City in  
4 possession but subject to the supervision and orders of a court or governmental authority, or the entry of  
5 an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental  
6 authority having supervision or jurisdiction over substantially all of the assets or business of the City.

7 The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely  
8 manner, of any failure by the City to provide financial information or operating data in accordance with  
9 subsection (a) of this PART by the time required by subsection (a).

10 (c) *Limitations, Disclaimers, and Amendments.* The City shall be obligated to observe and  
11 perform the covenants named in this PART for only so long as the City remains an “obligated person”  
12 with respect to the Bonds within the meaning of the Rule, except that the City will give written notice of  
13 any deposit made in accordance with this Ordinance, or applicable law, that causes any Bond no longer  
14 to be outstanding.

15 The provisions of this PART are for the sole benefit of the holders and beneficial owners of the  
16 Bonds, and nothing in this PART, express or implied, shall give any benefit or any legal or equitable  
17 right, remedy, or claim to any other person. The City undertakes to provide only the financial  
18 information, operating data, financial statements, and notices which it has expressly agreed to provide  
19 pursuant to this PART and does not undertake to provide any other information that may be relevant or  
20 material to a complete presentation of the City’s financial results, condition, or prospects or to update  
21 any information provided in accordance with this PART or otherwise, except as expressly provided in  
22 this Ordinance. The City does not make any representation or warranty concerning the information or  
23 its usefulness to a decision to invest in or sell Bonds at any future date.

24 UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR  
25 BENEFICIAL OWNER OF ANY OBLIGATION OR ANY OTHER PERSON, IN CONTRACT OR  
26 TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE  
27 CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT  
28 SPECIFIED IN THIS PART, BUT EVERY RIGHT AND REMEDY OF ANY PERSON, IN  
29 CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY BREACH SHALL BE LIMITED TO AN  
30 ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

31 No default by the City in observing or performing its obligations under this PART shall comprise  
32 a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.  
33 Nothing in this PART is intended or shall act to disclaim, waive, or otherwise limit the duties of the City  
34 under federal and state securities laws.

35 The provisions of this PART may be amended by the City from time to time to adapt to changed  
36 circumstances that arise from a change in legal requirements, a change in law, or a change in the  
37 identity, nature, status, or type of operations of the City, but only if (1) the provisions of this PART, as  
38 amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the  
39 Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule  
40 since the offering as well as the changed circumstances and (2) either (a) the holders of a majority in  
41 aggregate principal amount (or any greater amount required by any other provision of this Ordinance

1 that authorizes an amendment) of the outstanding Bonds consent to the amendment or (b) a person that  
2 is unaffiliated with the City (such as nationally-recognized bond counsel) determines that the  
3 amendment will not materially impair the interest of the holders and beneficial owners of the Bonds. If  
4 the City amends the provisions of this PART, it shall include with the next financial information and  
5 operating data provided in accordance with subsection (a) of this PART an explanation, in narrative  
6 form, of the reason for the amendment and of the impact of any change in the type of financial  
7 information or operating data so provided. The City may also amend or repeal the provisions of this  
8 continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a  
9 court of final jurisdiction enters judgment that the provisions of the Rule are invalid, but only if and to  
10 the extent that the provisions of this sentence would not prevent an underwriter from lawfully  
11 purchasing or selling Bonds in the primary offering of the Bonds.

12 **PART 15. DTC REGISTRATION.**

13 The Bonds initially shall be issued and delivered in the manner that no physical distribution of  
14 the Bonds will be made to the public, and DTC initially will act as depository for the Bonds. DTC has  
15 represented that it is a limited purpose trust company incorporated under the laws of the State of New  
16 York, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New  
17 York Uniform Commercial Code, and a “clearing agency” registered under Section 17A of the  
18 Securities Exchange Act of 1934, as amended, and the City accepts, but in no way verifies, the  
19 representations of DTC. The Bonds initially authorized by this Ordinance intended to be held by DTC  
20 shall be delivered to and registered in the name of Cede & Co., the nominee of DTC. It is expected that  
21 DTC will hold the Bonds on behalf of the Underwriters and their participants. So long as each Bond is  
22 registered in the name of Cede & Co., the Paying Agent/Registrar shall treat and deal with DTC the  
23 same in all respects as if it were the actual and beneficial owner. It is expected that DTC will maintain a  
24 book-entry system, which will identify ownership of the Bonds in Authorized Denominations, with  
25 transfers of ownership being effected on the records of DTC and its participants pursuant to rules and  
26 regulations established by them, and that the Bonds initially deposited with DTC shall be immobilized  
27 and not be further exchanged for substitute Bonds except as set forth in this Ordinance. The City and  
28 the Paying Agent/Registrar are not responsible or liable for any functions of DTC, will not be  
29 responsible for paying any fees or charges with respect to its services, will not be responsible or liable  
30 for maintaining, supervising, or reviewing the records of DTC or its participants, or protecting any  
31 interests or rights of the beneficial owners of the Bonds. It shall be the duty of the DTC Participants, as  
32 defined in the Official Statement, to make all arrangements with DTC to establish this book-entry  
33 system, the beneficial ownership of the Bonds, and the method of paying the fees and charges of DTC.  
34 The City does not represent, nor does it in any way covenant that the initial book-entry system  
35 established with DTC will be maintained in the future. Notwithstanding the initial establishment of the  
36 foregoing book-entry system with DTC, if for any reason any of the originally delivered Bonds is duly  
37 filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in  
38 this Ordinance, substitute Bonds will be duly delivered as provided in this Ordinance, and there will be  
39 no assurance or representation that any book-entry system will be maintained for the Bonds. In  
40 connection with the initial establishment of the foregoing book-entry system with DTC, the City has  
41 executed a “Blanket Letter of Representations” prepared by DTC in order to implement the book-entry  
42 system described above.

1           **PART 16.    DEFEASANCE.**

2           (a)    *Defeased Bonds.* Except as otherwise provided in the Pricing Certificate, any Bond will  
3 be treated as a Defeased Bond, except to the extent provided in subsection (d) of this PART, when  
4 payment of the principal of the Bond, plus interest to the due date (whether the due date be by reason of  
5 maturity, redemption or otherwise) either (i) shall have been made or caused to be made in accordance  
6 with the terms of this Ordinance, or (ii) shall have been provided for on or before the due date by  
7 irrevocably depositing with or making available to the Paying Agent/Registrar or any commercial bank  
8 or trust company authorized to serve as escrow agent for the Bonds in accordance with a Future Escrow  
9 Agreement for the payment of the Bond (1) lawful money of the United States of America sufficient to  
10 make the payment or (2) Defeasance Securities, certified by an independent public accounting firm of  
11 national reputation to mature as to principal and interest in the amounts and at the time as will insure the  
12 availability, without reinvestment, of sufficient money to provide for the payment, and when proper  
13 arrangements have been made by the City with the Paying Agent/Registrar for the payment of its  
14 services until all Defeased Bonds shall have become due and payable. There shall be delivered to the  
15 Paying Agent/Registrar a certificate or report from a firm of certified public accountants evidencing the  
16 sufficiency of the deposit made pursuant to clause (ii) above. The Paying Agent/Registrar shall also  
17 receive an opinion of bond counsel acceptable to the City that reflects this payment does not adversely  
18 affect the exclusion under the Code of interest on the Defeased Bonds from the gross income of the  
19 holders for federal income taxation purposes. At the time as a Bond shall be considered to be a  
20 Defeased Bond, the Bond and the interest on that Bond shall no longer be secured by, payable from, or  
21 entitled to the benefits of the ad valorem taxes levied and pledged as provided in this Ordinance, and the  
22 principal and interest shall be payable solely from the money or Defeasance Securities.

23           (b)    *Investment in Defeasance Securities.* Any funds deposited with the Paying  
24 Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing  
25 in the amounts and times as set forth in this Ordinance, and all income from these Defeasance Securities  
26 received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest,  
27 with respect to which money has been deposited, shall be turned over to the City, or deposited as  
28 directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or  
29 Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting  
30 the investment or reinvestment of the moneys in Defeasance Securities or the substitution of other  
31 Defeasance Securities upon the satisfaction of the requirements described in subsections (a) (i) or (ii) of  
32 this PART. All income from the Defeasance Securities received by the Paying Agent/Registrar which is  
33 not required for the payment of the Defeased Bonds, with respect to which money has been so  
34 deposited, shall be remitted to the City or deposited as directed in writing by the City. The Paying  
35 Agent/Registrar shall not be liable for any loss pertaining to an investment executed in accordance with  
36 written instructions from the City.

37           (c)    *Paying Agent/Registrar Services.* Until all Defeased Bonds shall have become due and  
38 payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for the  
39 Defeased Bonds as if they had not been defeased, and the City shall make proper arrangements to  
40 provide and pay for the services as required by this Ordinance.

41           (d)    *Selection of Bonds for Defeasance.* In the event that the City elects to defease less than  
42 all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be  
43 selected, the amount of Bonds by the random method as it considers fair and appropriate.

1           **PART 17.    DEFAULT AND REMEDIES.**

2           (a)    *Events of Default.* Each of the following occurrences or events is an Event of Default:

3                   (i)    the failure to pay the principal of or interest on any Bond when it becomes due  
4                   and payable; or

5                   (ii)   default in the performance or observance of any other covenant, agreement or  
6                   obligation of the City, the failure to perform which materially, adversely affects the rights of the  
7                   Registered Owners of the Bonds, including their prospect or ability to be repaid in accordance  
8                   with this Ordinance, and the continuation for a period of 60 days after notice of the default is  
9                   given by any Registered Owner to the City.

10          (b)    *Remedies for Default.*

11                   (i)    When any Event of Default occurs, any Registered Owner or the Registered  
12                   Owner's authorized representative, including a trustee or trustees, may proceed against the City,  
13                   or any official, officer or employee of the City in their official capacity, for the purpose of  
14                   protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus  
15                   or other suit, action or special proceeding in equity or at law, in any court of competent  
16                   jurisdiction, for any relief permitted by law, including the specific performance of any covenant  
17                   or agreement contained in this Ordinance, or to enjoin any act or thing that may be unlawful or in  
18                   violation of any right of the Registered Owners or any combination of remedies only as  
19                   authorized by law.

20                   (ii)   All default proceedings shall be instituted and maintained for the equal benefit of  
21                   all Registered Owners of outstanding Bonds.

22          (c)    *Remedies Not Exclusive.*

23                   (i)    No remedy in this Ordinance is exclusive of any other available remedy, but each  
24                   remedy shall be cumulative and shall be in addition to every other remedy given in this  
25                   Ordinance or under the Bonds; however, there is no right to accelerate the debt evidenced by the  
26                   Bonds.

27                   (ii)   The exercise of any remedy in this Ordinance shall not be considered a waiver of  
28                   any other available remedy.

29                   (iii) By accepting the delivery of a Bond authorized under this Ordinance, the  
30                   Registered Owner agrees that the certifications required to effect any covenants or  
31                   representations contained in this Ordinance do not and shall never constitute or give rise to a  
32                   personal or pecuniary liability or charge against the officers or employees of the City or Council.

33                   (iv)   None of the members of Council, nor any other official or officer, agent, or  
34                   employee of the City, shall be charged personally by the Registered Owners with any liability, or  
35                   be held personally liable to the Registered Owners under any term or provision of this  
36                   Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.



1                   **PART 18.     OFFICIALS MAY ACT ON BEHALF OF THE CITY.**

2           (a)     The Mayor, the Mayor Pro Tem, the City Clerk, the City Manager, any Assistant City  
3 Manager, the Chief Financial Officer, or any Deputy Chief Financial Officer, and all other officers,  
4 employees, and agents of the City, and each of them, shall be authorized, empowered, and directed to do  
5 and perform all acts and things and to execute, acknowledge, and deliver in the name and under the seal  
6 and on behalf of the City all instruments as may be necessary or desirable in order to carry out the terms  
7 and provisions of this Ordinance, the Bonds, the Pricing Certificate, the Purchase Agreement, the  
8 offering documents prepared in connection with the sale of the Bonds, or the Paying Agent/Registrar  
9 Agreement. In case any officer whose signature appears on any Bond shall stop being the officer before  
10 the delivery of the Bond, the signature shall nevertheless be valid and sufficient for all purposes as if he  
11 or she had remained in office until the delivery.

12           (b)     The Mayor and Mayor Pro Tem are each authorized to make or approve such revisions,  
13 additions, deletions, and variations to this Ordinance that, in their judgment and in the opinion of Bond  
14 Counsel to the City, may be necessary or convenient to carry out or assist in carrying out the purposes of  
15 this Ordinance, the Pricing Certificate, the Purchase Agreement, the Paying Agent/Registrar Agreement,  
16 the Preliminary Official Statement and the final Official Statement or as may be required for approval of  
17 the Bonds by the Attorney General of Texas.

18           (c)     Any duty, responsibility, privilege, power or authority conferred by this Ordinance upon  
19 an officer shall extend to an individual who occupies such office in an interim, acting or provisional  
20 capacity.

21                   **PART 19.     RULES OF CONSTRUCTION.**

22           For all purposes of this Ordinance, unless the context requires otherwise, all references to  
23 designated PARTS and other subdivisions are to the PARTS and other subdivisions of this Ordinance.  
24 Except where the context otherwise requires, terms defined in this Ordinance to impart the singular  
25 number shall be considered to include the plural number and vice versa. References to any named  
26 person shall mean that party and his or her successors and assigns. Any duty, responsibility, privilege,  
27 power or authority conferred by this Ordinance upon an official or officer shall extend to an individual  
28 who occupies such office in an interim, acting or provisional capacity. References to any constitutional,  
29 statutory or regulatory provision means the provision as it exists on the date this Ordinance is adopted  
30 by the City. Any reference to the payment of principal in this Ordinance shall include the payment of  
31 any mandatory sinking fund redemption payments as described in this Ordinance. Any reference to  
32 "Form of Bond" refers to the form of the Bonds in Exhibit A to this Ordinance. The titles and headings  
33 of the PARTS and subsections of this Ordinance have been inserted for convenience of reference only  
34 and are not a part of this Ordinance and shall not in any way modify or restrict any of its terms or  
35 provisions.

36                   **PART 20.     CONFLICTING ORDINANCES REPEALED.**

37           All ordinances and resolutions or parts in conflict with this Ordinance are repealed.

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**PART 21. IMMEDIATE EFFECT.**

In accordance with the provisions of Section 1201.028, Texas Government Code, this Ordinance is effective immediately upon its adoption by Council.

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DRAFT

1 **PASSED AND APPROVED AND EFFECTIVE AUGUST 17, 2017.**

2  
3 \_\_\_\_\_  
4 Steve Adler,  
5 Mayor,  
City of Austin, Texas

6 ATTEST:

7 \_\_\_\_\_  
8 Jannette S. Goodall,  
9 City Clerk,  
10 City of Austin, Texas

(SEAL)

11 APPROVED:

12 \_\_\_\_\_  
13 Anne L. Morgan,  
14 City Attorney,  
15 City of Austin, Texas

16