

RESOLUTION NO. 20060911-010

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 aggregate principle amount not to exceed \$89,101,000 for acquisition and construction costs related to electric utility capital improvement projects; and

WHEREAS, the Issuer has concluded that it does not currently desire to issue tax-exempt obligations to finance this payment; 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; **NOW, THEREFORE**,

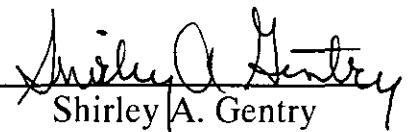
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

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 the proceeds of tax-exempt obligations to be issued at a future date for expenditures in an aggregate principle amount not to exceed \$89,101,000 for acquisition and construction costs related to electric utility capital improvement projects; and

The Issuer reasonably expects that the maximum principal amount of tax-exempt obligations issued to reimburse the Issuer for the above-stated costs will not exceed \$89,101,000.

ADOPTED: September 11, 2006

ATTEST:


Shirley A. Gentry
City Clerk