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3-10-05
Ex A

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS

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COUNTY OF TRAVIS

I, the undersigned officer of the Board of Directors of River Place Municipal Utility District hereby certify as follows:

1. The Board of Directors of the River Place Municipal Utility District convened in a regular meeting on February 22, 2005 (the "Meeting"), at the regular meeting place within the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

James F. Casey	President
Kenneth Bartlett	Vice President
Arthur Jistel	Secretary
L.E. (Lee) Wretlind	Treasurer
Joseph A. Berkel	Director

and all of said persons were present, with the exceptions of _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written

RESOLUTION AUTHORIZING THE ISSUANCE OF RIVER PLACE MUNICIPAL UTILITY DISTRICT UNLIMITED TAX AND REVENUE REFUNDING BONDS, SERIES 2005; APPROVING AN ESCROW AGREEMENT, PAYING AGENT/REGISTRAR AGREEMENT, AND OFFICIAL STATEMENT; ESTABLISHING PROCEDURES FOR SELLING AND DELIVERING THE BONDS; AND OTHER MATTERS RELATED THERETO

(the "Resolution") was introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, the motion, carrying with it the adoption of the Resolution, prevailed and carried by the following vote:

Ayes: _____ Abstentions: _____
Nays: _____

2. That a true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this certificate; that the Resolution has been duly recorded in the Board's minutes of the Meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose

of the Meeting, that the Resolution would be introduced and considered for adoption at the Meeting, and each of the officers and members consented, in advance, to the holding of the Meeting for such purpose; that the Meeting was open to the public as required by law; and that public notice of the time, place, and subject of the Meeting was given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

SIGNED AND SEALED on this _____.

Secretary, Board of Directors

(SEAL)

**RESOLUTION
AUTHORIZING THE ISSUANCE OF**

**RIVER PLACE MUNICIPAL UTILITY DISTRICT
UNLIMITED TAX AND REVENUE REFUNDING BONDS,
SERIES 2005**

Adopted: February 22, 2005

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RESOLUTION
AUTHORIZING ISSUANCE OF RIVER PLACE MUNICIPAL UTILITY DISTRICT
UNLIMITED TAX AND REVENUE REFUNDING BONDS, SERIES 2005; APPROVING
AN ESCROW AGREEMENT, PAYING AGENT/REGISTRAR AGREEMENT, AND
OFFICIAL STATEMENT; ESTABLISHING PROCEDURES FOR SELLING AND
DELIVERING THE BONDS; AND OTHER MATTERS RELATED THERETO

THE STATE OF TEXAS

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COUNTY OF TRAVIS

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Recitals

WHEREAS, River Place Municipal Utility District (the "District") was organized, created, and established under Article XVI, Section 59 of the Texas Constitution and such other laws of the State of Texas including Chapters 49 and 54 of the Texas Water Code, as amended;

WHEREAS, Section 49.152, Texas Water Code, provides that a district may issue bonds, notes, or other obligations to borrow money for any corporate purpose or combination of corporate purposes only in compliance with the methods and procedures specifically provided by such Chapter or by general law;

WHEREAS, the Board of Directors of the District hereby finds and determines that the following bonds of the District previously issued, sold, and delivered are outstanding:

Waterworks and Sewer System Tax and Revenue Bonds, Series 1995 (the "Series 1995 Bonds");

Unlimited Tax and Revenue Bonds, Series 1998 (the "Series 1998 Bonds");

Unlimited Combination Tax and Revenue Bonds, Series 2000 (the "Series 2000 Bonds"); and

Unlimited Tax and Revenue Refunding Bonds, Series 2002 (the "Series 2002 Bonds");

WHEREAS, the District now desires to refund all or a portion of the currently outstanding Series 1995 Bonds and the Series 2000 Bonds which are callable (the "Refundable Obligations," and those Refundable Obligations designated by the Pricing Officer in the Pricing Certificate, each as defined below, to be refunded are herein referred to as the "Refunded Obligations") by issuing unlimited tax and revenue refunding bonds pursuant to the authority granted under Chapter 1207 of the Texas Government Code, as amended ("Chapter 1207");

WHEREAS, Chapter 1207 authorizes the District to issue refunding bonds and to deposit the proceeds from the sale thereof, and any other available funds or resources, directly with (1) any place of payment (paying agent) for any of the Refunded Obligations or (2) a trust company or commercial bank other than one serving as paying agent for the Refunded Obligations which does not act as depository for the Issuer and which is named in the proceedings of the District authorizing execution of an escrow agreement, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

WHEREAS, Chapter 1207 authorizes the District to enter into an Escrow Agreement with any such paying agent, trust company, or commercial bank described above with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the District and such paying agent may agree, provided that such deposits may be invested and reinvested only in direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, and which shall mature and bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment or prepayment of the Refunded Obligations; and

WHEREAS, Wells Fargo Bank, National Association, Austin, Texas is a commercial bank other than one serving as paying agent for the Refunded Obligations which does not act as depository for the District and which is named herein as the Escrow Agent in the proceedings authorizing an escrow agreement; and

WHEREAS, the Board of Directors of the District hereby finds and declares a public purpose and deems it advisable to refund the Refunded Obligations to achieve a net present value debt service savings of at least 4.25%, with such savings, among other information and terms, to be included in a pricing certificate (the "Pricing Certificate") to be executed by either L.E. (Lee) Wretlind, Director, or Joseph A. Berkel, Director, acting as the designated pricing officer of the Board of Directors (the "Pricing Officer"), all in accordance with the provisions of Chapter 1207, Texas Government Code, as amended, including Section 1207.007 thereof; and

WHEREAS, upon the issuance of the Bonds herein authorized and payment in full of the Refunded Obligations, the Refunded Obligations shall no longer be outstanding and the pledges, liens, trust, and all other covenants, provisions, terms, and conditions of the order authorizing the issuance of the Refunded Obligations shall be discharged, terminated, and defeased.

IT IS, THEREFORE, RESOLVED BY THE BOARD OF DIRECTORS OF RIVER PLACE MUNICIPAL UTILITY DISTRICT THAT:

ARTICLE I DEFINITIONS, FINDINGS, AND INTERPRETATION

Section 1.1 Definitions. For all purposes of this Resolution, unless the context requires a different meaning or except as otherwise expressly provided, the following terms shall have the meanings assigned to them below:

"Additional Bonds" means bonds, the Bonds, or other evidences of indebtedness which the District reserves the right to issue or enter into, as the case may be, in the future in accordance with the terms and conditions provided in Article XI hereof.

"Bonds" shall mean the River Place Municipal Utility District Unlimited Tax and Revenue Refunding Bonds, Series 2005 authorized to be issued by this Resolution and subject to the terms and conditions set forth in the Pricing Certificate, and certified or authenticated and delivered hereunder, to include collectively the Capital Appreciation Bonds and Current Interest Bonds initially issued and delivered pursuant to this Resolution and subject to the terms and conditions set forth in the Pricing Certificate and all substitute Capital Appreciation Bonds and Current Interest Bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto, and the term "Bond" shall mean any of the Bonds.

"Bond Date" shall mean the date of the Bonds as designated by the Pricing Certificate.

"Bond Buyer 20 Bond Index" means the average interest rate reported by the *Daily Bond Buyer* on 20-year maturities of general obligation bonds of 20 state and municipal issuers with ratings ranging from "Aaa" to "Baa".

"Bondholder" or "Holder" when used with respect to any Bond shall mean the Person in whose name such Bond is registered on the Register.

"Capital Appreciation Bonds" shall mean the Bonds on which no interest is paid prior to maturity, maturing in various amounts and in the aggregate principal amount as set forth in the Pricing Certificate.

"Code" shall mean the Internal Revenue Code of 1986, as amended by any amendments thereto enacted prior to the Delivery Date.

"Compounded Amount" shall mean, with respect to a Capital Appreciation Bond, as of any particular date of calculation, the original principal amount thereof, plus all interest accrued and compounded to the particular date of calculation, as determined in accordance with the Pricing Certificate and Section 3.2 hereof.

"Current Interest Bonds" shall mean the Bonds on which interest is paid semiannually prior to maturity or redemption, maturing in each of the years and in the aggregate principal amount set forth in the Pricing Certificate.

"Debt Service Fund" shall mean the District's Debt Service Fund established in Section 9.1 of this Resolution.

"Definitive Bonds" shall mean the Initial Bonds, as may be transferred and converted into or exchanged for fully registered Bonds, in denominations of \$5,000 or multiples thereof for the Current Interest Bonds and in denominations of \$5,000 or multiples thereof of Maturity Amount for the Capital Appreciation Bonds.

"Delivery Date" shall mean the date on which the Bonds are initially authenticated and delivered to the Underwriter against payment therefor which shall also be the date the Definitive Bonds are delivered in exchange for the Initial Bonds.

"Depository Bank" means any financial institution duly designated by the Board of Directors of the District to serve as a depository for funds controlled by the Board of Directors of the District.

"District" shall mean River Place Municipal Utility District.

"Event of Default" means any event of default as provided in Article XIV hereof.

"Fiscal Year" means the twelve month accounting period used by the District in connection with the operation of the System which may be any twelve consecutive month period established by the District.

"Government Obligations" means direct noncallable obligations of the United States, including (i) obligations that are unconditionally guaranteed by, the United States; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent; or (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 issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm of not less than "AAA" or its equivalent.

"Gross Revenues" means all income, receipts, and revenues of every nature derived or received from the operation and ownership (excluding refundable meter deposits, restricted gifts, and grants in aid of construction) of the System, including earnings and income derived from the investment or deposit of money in any special funds or accounts created and established for the payment and security of the Bonds and the Previously Issued Bonds.

"Initial Bonds" shall mean the Initial Bonds authorized to be issued hereunder which shall be registered by the Comptroller of Public Accounts of the State of Texas, as contemplated by Section 3.5 hereof.

"Interest Payment Date" shall mean with respect to any installment of interest on any Current Interest Bond the date specified in such Bond as the fixed date on which any such installment of interest is due and payable.

"Maintenance and Operating Expenses" means the expenses necessary to provide for the administration, efficient operation, and adequate maintenance of the System together with such other costs and expenses as may now or hereafter be defined by law as proper Maintenance and Operation Expenses of the System.

"Maturity Amount" as used with respect to any Capital Appreciation Bond, shall mean the amount to be paid to the Holder thereof at maturity, which shall include both principal and interest.

"Maturity Date" or "Maturity" when used with respect to any Bond shall mean the date on which the principal of such Bond becomes due and payable as therein provided, whether at the Stated Maturity, by call for redemption, or otherwise.

"Net Revenues" means all income derived from the ownership and operation of the System after deducting the Maintenance and Operation Expenses and providing for the funding of any operating reserves from time to time established by the Board.

"Outstanding" when used with respect to the Bonds shall mean, as of the date of determination, all Bonds theretofore sold, issued, and delivered by the District, except:

- (1) those Bonds canceled or delivered to the transfer agent or registrar for cancellation in connection with the exchange or transfer of such obligations;
- (2) those Bonds paid or deemed to be paid in accordance with the provisions of this Resolution; and
- (3) those Bonds that have been mutilated, destroyed, lost, or stolen and for which replacement Bonds have been registered and delivered in lieu thereof.

"Paying Agent/Registrar Agreement" shall mean the agreement between the District and the Paying Agent/Registrar referred to in Section 5.1 pursuant to which the Paying Agent/Registrar will perform the duties required hereunder.

"Paying Agent/Registrar" shall mean Wells Fargo Bank, National Association, until a successor Paying Agent/Registrar shall have been appointed pursuant to the applicable provisions of this Resolution, and thereafter "Paying Agent/Registrar" shall mean such successor Paying Agent/Registrar.

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"Place of Payment" shall mean the designated office of the Paying Agent/Registrar in Austin, Texas.

"Predecessor Bonds" of any particular Bond shall mean every previous Bond evidencing all or a portion of the same debt as that evidenced by such particular Bond, and, for purposes of this definition, any Bond registered and delivered under Section 3.10 in lieu of a mutilated, lost, destroyed, or stolen Bond shall be deemed to evidence the same debt as the mutilated, lost, destroyed, or stolen Bond.

"Previously Issued Bonds" means the Series 1995 Bonds, the Series 1998 Bonds, the Series 2000 Bonds, and the Series 2002 Bonds.

"Pricing Certificate" shall mean the Pricing Certificate of the District, to be executed and delivered by the Pricing Officer pursuant to Section 3.2 hereof in connection with the Bonds.

"Pricing Officer" shall mean either L.E. (Lee) Wretlind or Joseph Berkel of the District's Board of Directors, acting severally but not jointly as the designated pricing officer of the District to execute the Pricing Certificate.

"Purchase Contract" shall mean the agreement entered into by the District and the Underwriter relating to the sale and purchase of the Bonds.

"Record Date" for the interest payable on any Interest Payment Date shall mean the fifteenth calendar day (whether or not a business day) of the month next preceding such Interest Payment Date.

"Redemption Date" when used with respect to any Current Interest Bond to be redeemed shall mean the date fixed for such redemption pursuant to the terms of this Resolution and the Pricing Certificate.

"Redemption Price" when used with respect to any Current Interest Bond to be redeemed shall mean the price at which such Current Interest Bond is to be redeemed pursuant to the terms of this Resolution and the Pricing Certificate, excluding installments of interest, the Interest Payment Date for which is on or before the Redemption Date.

"Refunded Obligations" shall mean those Refundable Obligations to be refunded as designated by the Pricing Officer in the Pricing Certificate.

"Register" shall have the meaning stated in Section 3.7 hereof.

"Regulations" shall mean the temporary or final income tax regulations applicable to the Bonds issued pursuant to sections 103 and 141 through 150 of the Code. Any reference to a section of the Regulations shall also refer to any successor provision to such section hereafter promulgated by the Internal Revenue Service pursuant to sections 103 and 141 through 150 of the Code and applicable to the Bonds.

"Resolution" shall mean this resolution authorizing the issuance of the Bonds.

"Series 1995 Bonds" means the Unlimited Tax and Revenue Bonds, Series 1995 issued in the original principal amount of \$4,000,000.

"Series 1998 Bonds" means the Unlimited Tax and Revenue Bonds, Series 1998 issued in the original principal amount of \$2,700,000.

"Series 2000 Bonds" means the Combination Unlimited Tax and Revenue Bonds, Series 2000 issued in the original principal amount of \$4,650,000.

"Series 2002 Bonds" means the Unlimited Tax and Revenue Refunding Bonds, Series 2002 issued in the original principal amount of \$2,724,683.80.

"Special Payment Date" shall have the meaning stated in Section 3.3 hereof.

"Special Record Date" shall have the meaning stated in Section 3.3 hereof.

"Stated Maturity" when used with respect to any Bond shall mean the date specified in such Bond as the fixed date on which the principal of such Bond is due and payable.

"System" means the waterworks system, sanitary sewer system, and drainage and storm sewer system of the District, including, but not limited to, all works, improvements, facilities, plants, equipment, appliances, interests in property and contract rights needed therefor, now owned or to be hereafter purchased, constructed, or otherwise acquired whether by deed, contract, or otherwise, together with any additions or extensions thereto or improvements and replacements thereof, except the water, sewer, and/or drainage or storm sewer facilities that the District may purchase or acquire with the proceeds of the sale of special project bonds, so long as such special project bonds are outstanding, notwithstanding that such facilities may be physically connected with the System.

"Underwriter" shall have the meaning stated in Section 7.1 hereof.

Section 1.2 Findings. The declarations, determinations, and findings declared, made, and found in the preamble to this Resolution are hereby adopted, restated, and made a part of the operative provisions hereof.

Section 1.3 Table of Contents, Titles, and Headings. The table of contents, titles, and headings of the Articles and Sections of this Resolution have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Resolution or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4 Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Resolution and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Resolution.

ARTICLE II SECURITY FOR THE BONDS

Section 2.1 Security for the Bonds. The Bonds are secured by and payable from the levy of a continuing, direct, annual ad valorem tax, without legal limitation as to rate or amount, upon all taxable property within the District. The Bonds are also secured by and payable from the Net Revenues of the System, as more fully described in Section 2.3 hereof.

Section 2.2 Debt Service Fund; Tax Levy. The proceeds from all taxes levied, assessed, and collected for and on account of the Bonds shall be deposited, as collected, in the Debt Service Fund. While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually assessed, levied, and collected, in each year, beginning with the current year, a continuing, direct, annual ad valorem tax, without legal limit as to rate, upon all taxable property in the District, sufficient to pay the principal on the Bonds as the same matures, the Redemption Price, if any, and interest as it becomes due, full allowance being made for delinquencies and costs of collection, and said taxes are hereby irrevocably pledged to the payment of the interest on, and principal of the Bonds and to no other purpose.

Section 2.3 Net Revenue Pledge as Additional Security. (a) In order to further secure the Bonds, the District hereby grants a lien on and pledge of the District's Net Revenues. Such Net Revenues, as herein provided, are hereby pledged to the payment of the principal, interest, and Redemption Price of the Bonds. If at any time ad valorem taxes levied and collected for the payment thereof, together with other amounts

in the Debt Service Fund, are insufficient for such purpose, the District shall transfer to the Debt Service Fund such available Net Revenues as shall be necessary to provide (together with other amounts on deposit in the Debt Service Fund) for the payment of principal, interest, and Redemption Price of the Bonds; provided, however, that no transfers of revenues shall be made to the Debt Service Fund by the District until all Maintenance and Operation Expenses, including the cost of maintaining an operating reserve, if any, shall have been paid by the District. The District reserves the right to apply Net Revenues not required for current payments of principal, interest, and Redemption Price of the Bonds for any lawful purpose of the District.

(b) The pledge of the Net Revenues hereunder is on a parity with the pledge of the Net Revenues made to secure the Previously Issued Bonds. The District reserves the right to issue additional bonds and incur obligations secured in whole or in part by a lien on and pledge of Net Revenues on a parity with or subordinate to the lien on and pledge of Net Revenues securing the Bonds and the Previously Issued Bonds, and to apply such Net Revenues to the payment of such additional bonds and obligations on a parity with or subordinate to the Bonds and the Previously Issued Bonds.

(c) Chapter 1208, Texas Government Code, as amended, applies to the issuance of the Bonds and the pledge of the taxes and revenues granted by the District under this Article, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the taxes and revenues granted hereunder is to be subject to the filing requirements of Chapter 9, Texas Business and Commerce Code, as amended, then in order to preserve to the Holders of the Bonds the perfection of the security interest in the pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business and Commerce Code, as amended, and enable a filing to perfect the security interest in the pledge to occur.

(d) The District is located within the City of Austin, Texas (the "City") or the extraterritorial jurisdiction thereof. The City has the right to annex and dissolve the District. At such time, the obligations of the District payable in whole or in part from ad valorem taxes shall become obligations of the City, and the governing body of the City shall determine the source of payment, whether ad valorem taxes of the City, available revenues of the City's water and wastewater system, other lawfully available funds, or any combination thereof, sufficient to effect the payment of the principal of and interest on the obligations so assumed by the City. In order to allow the City to integrate the District's System into the City's water and wastewater system, the City may terminate the pledge of and lien on the Net Revenues of the District's System to the payment of Bonds.

**ARTICLE III
AUTHORIZATION; GENERAL TERMS;
AND PROVISIONS REGARDING THE BONDS**

Section 3.1 Authorization and Purpose; Designation. The District's Bonds to be designated "River Place Municipal Utility District Unlimited Tax and Revenue Refunding Bonds, Series 2005" are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, particularly Section 59 of Article XVI of the Constitution of Texas, Chapters 49 and 54 of the Texas Water Code, and Chapter 1207 of the Texas Government Code, as amended. The Bonds shall be issued in an aggregate principal amount not to exceed \$6,015,000 for the purpose of refunding the Refunded Obligations in order to restructure the District's debt and achieve the minimum debt service saving required by Section 3.2(b) hereof.

Section 3.2 Dates, Numbers, Denomination, Delegation to Pricing Officer. (a) The Current Interest Bonds shall be numbered consecutively from R-1 upward and the Capital Appreciation Bonds shall be numbered consecutively from CR-1 upward. The Current Interest Bonds shall be in denominations of principal equal to \$5,000 or any integral multiple thereof; the Capital Appreciation Bonds shall be in denominations of Maturity Amount equal to \$5,000 or any integral multiple thereof. The Current Interest Bonds shall bear interest at the rates, mature not later than September 1, 2019, serially or otherwise, on the dates, in the years, and in the principal amounts, respectively, and dated all as set forth in the Pricing Certificate to be executed and delivered by the Pricing Officer pursuant to subsection (b) of this Section. The Pricing Certificate is hereby incorporated in and made a part of this Resolution and shall be filed in the minutes of the Board of Directors as a part of this Resolution.

(b) As authorized by Section 1207.007, Texas Government Code, as amended, the Pricing Officer is hereby authorized to act on behalf of the District in selling and delivering the Bonds, determining which of the Refundable Obligations shall be refunded and constitute "Refunded Obligations" under this Resolution and carrying out the other procedures specified in this Resolution, including determining the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the years in which the Bonds will mature, the principal amount to mature in each of such years, the aggregate principal amount of Current Interest Bonds and Capital Appreciation Bonds, the rate of interest to be borne by each maturity, the interest payment periods, the dates, price, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the District, as well as any mandatory sinking fund redemption provisions, and all other matters relating to the issuance, sale, and delivery of the Bonds and the refunding of the Refunded Obligations, all of which shall be specified in the Pricing Certificate; provided that (i) the price to be paid for the Bonds shall not be less than 97% of the aggregate original principal amount thereof plus accrued interest thereon from its date to its delivery, (ii) none of the Bonds shall bear interest at a rate greater than 2% above the highest average interest rate reported by the Bond Buyer 20 Bond Index during the one-month period preceding the date of the Preliminary Official Statement, and (iii) the refunding must produce a net present value debt service savings of at least

4.25%. In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not to exceed the amount authorized in Section 3.1, which shall be sufficient to provide for the purposes for which the Bonds are authorized and to pay the costs of issuing the Bonds. The Bonds shall be sold by negotiated sale to the Underwriter pursuant to a bond purchase contract at such price, with and subject to such terms, as determined by the Pricing Certificate.

(c) The Current Interest Bonds shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the Form of Bonds set forth in this Resolution to their respective dates of maturity or redemption at the rates per annum set forth in the Pricing Certificate.

(d) The Capital Appreciation Bonds shall bear interest from the Delivery Date, calculated on the basis of a 360-day year composed of twelve 30-day months (subject to rounding to the Compounded Amounts thereof), compounded semiannually on the dates set forth in the Pricing Certificate (the "Compounding Dates") commencing on the date set forth in the Pricing Certificate, and payable, together with the principal amount thereof, in the manner provided in the Form of Bonds at the rates set forth in the Pricing Certificate. Attached to the Pricing Certificate shall be an exhibit (the "Compounding Amount Table") that will set forth the rounded original principal amounts at the Delivery Date for the Capital Appreciation Bonds and the Compounded Amounts and Maturity Amounts thereof (per \$5,000 Maturity Amount) as of each Compounding Date, commencing the date set forth in the Pricing Certificate, and continuing until the final maturity of such Capital Appreciation Bonds. The Compounded Amount with respect to any date other than a Compounding Date is the amount set forth on the Compounding Amount Table with respect to the last preceding Compounding Date, plus the portion of the difference between such amount and the amount set forth on the Compounding Amount Table with respect to the next succeeding Compounding Date to the date for which such determination is being calculated bears to the total number of days (based on 30-day months) from such last preceding Compounding Date to the next succeeding Compounding Date.

Section 3.3 Medium, Method, and Place of Payment.

(a) The District will duly and punctually pay the principal of and interest on the Current Interest Bonds and the Maturity Amount of the Capital Appreciation Bonds in accordance with their terms in lawful money of the United States of America and shall deposit with the Paying Agent/Registrar on or before each Interest Payment Date funds sufficient to pay the principal of and interest on the Current Interest Bonds then due and the Maturity Amount of the Capital Appreciation Bonds then due, as provided in this Section.

(b) Interest on the Current Interest Bonds shall be paid to the Holders thereof as shown in the Register at the close of business on the Record Date by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment, first class United States mail, postage prepaid, to the address of such person as it appears in the Register, or by such other customary banking

arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangement.

(c) Principal of the Current Interest Bonds and Maturity Amount of the Capital Appreciation Bonds shall be paid to the Holders thereof on the Stated Maturity upon presentation and surrender of the Bonds at the Place of Payment.

(d) If the specified date for any payment of principal (or Redemption Price) of or interest on the Current Interest Bonds or for payment of Maturity Amount of the Capital Appreciation Bonds shall be a Saturday, Sunday, or legal holiday or equivalent (other than a moratorium) for banking institutions generally in the city in which the Place of Payment is located, such payment may be made on the next succeeding day which is not one of the foregoing days without additional interest and with the same force and effect as if made on the specified date for such payment.

(e) In the event of nonpayment of interest on a Current Interest Bond on an Interest Payment Date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" that shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Holder of a Current Interest Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(f) Unclaimed payments shall be segregated in a special escrow account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Holder of the Bonds to which the unclaimed payments pertain. Subject to Title 6 of the Texas Property Code, payments remaining unclaimed by the Holders entitled thereto for three years after the applicable payment or Redemption Date shall be applied to the next payment or payments on the Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds and bonds similarly secured, shall be paid to the District to be used for any lawful purpose related to the System. Thereafter, neither the District, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Holders of such Bonds for any further payment of such unclaimed money or on account of any such Bonds, subject to Title 6 of the Texas Property Code.

Section 3.4 Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the District by the President and Secretary of the Board, by their manual or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed

manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the District had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the District whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Resolution unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bonds delivered at the Delivery Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which Certificate shall be evidence that the Bond has been duly approved by the Attorney General of the State of Texas, that it is a valid and binding obligation of the District, and that it has been registered by the Comptroller of Public Accounts of the State of Texas.

Section 3.5 Initial Bonds. The Current Interest Bonds herein authorized shall be initially issued as a single fully registered Bond (the "Current Interest Initial Bond") in the total principal amount, with principal installments to become due and payable, and bear interest, as provided in Section 3.2 and the Pricing Certificate, and numbered T-1. The Capital Appreciation Bonds herein authorized shall be initially issued as a single fully registered Bond (the "Capital Appreciation Initial Bond," collectively with the Current Interest Initial Bond, the "Initial Bonds") in the total principal amount, with the Maturity Amount to become due and payable, and to compound interest as provided in Section 3.2 and the Pricing Certificate, and numbered CT-1. On the Delivery Date, upon payment for the Initial Bonds, the Initial Bonds, signed by the President and Secretary of the Board, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Underwriter or its designee. If so requested by the Underwriter, upon payment for the Initial Bonds, the Paying Agent/Registrar may cancel the Initial Bonds and deliver to the Underwriter one registered Definitive Bond for each Stated Maturity of the Bonds in the aggregate principal amount of all Bonds for such maturity, registered in the name of the Underwriter.

Section 3.6 Ownership.

(a) The District, the Paying Agent/Registrar, and any other person may treat the person in whose name any Bond is registered as the absolute Holder of such Bond

for the purpose of making and receiving payment of the principal thereof and Redemption Price, if any, thereon, for the further purpose of making and receiving payment of the interest thereon and for all other purposes (except interest due on a Current Interest Bond will be paid to the person in whose name such Current Interest Bond is registered on the Record Date or Special Record Date, as applicable), whether or not such Bond is overdue, and neither the District nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Holder of a Bond shall be valid and effectual and shall discharge the liability of the District and the Paying Agent/Registrar upon such Bond to the extent of the sum paid.

Section 3.7 Registration, Transfer, and Exchange.

(a) So long as any Bonds remain Outstanding, the District shall cause the Paying Agent/Registrar to keep at the Place of Payment a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Resolution.

(b) The ownership of a Bond may be transferred only upon the presentation and surrender of the Bond at the Place of Payment with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Place of Payment for a Bond or Bonds of the same Stated Maturity and interest rate and in any denomination or denominations of \$5,000 and integral multiples thereof, and in an aggregate principal amount equal to the unpaid principal amount of the Bonds presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) Each exchange Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the District and shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

(e) No service charge shall be made to the Holder for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Holder to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Bond.

(f) Neither the District nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond called for redemption, in whole or in part, where such redemption is scheduled to occur within 45 calendar days after the transfer or

exchange date; provided, however, such limitation shall not be applicable to an exchange by the Holder of the uncalled principal balance of a Bond.

Section 3.8 Cancellation. All Bonds paid or redeemed before maturity in accordance with this Resolution, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Resolution, shall be canceled and proper records shall be made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall then return such canceled Bonds to the District or may in accordance with law destroy such canceled Bonds and periodically furnish the District with certificates of destruction of such Bonds.

Section 3.9 Temporary Bonds.

(a) Following the delivery and registration of the Initial Bonds and pending the preparation of Definitive Bonds, the proper officers of the District may execute and, upon the District's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed, or otherwise produced, in any denomination, substantially of the tenor of the Definitive Bonds in lieu of which they are delivered, without coupons and with such appropriate insertions, omissions, substitutions, and other variations as the officers of the District executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Resolution.

(c) The District, without unreasonable delay, shall prepare, execute, and deliver to the Paying Agent/Registrar the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and shall authenticate and deliver in exchange therefor Bonds of the same maturity and series, in definitive form, in the authorized denomination and in the same aggregate principal amount, as the Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Holder.

Section 3.10 Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The District or the Paying Agent/Registrar may require the Holder of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed, or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas

and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Holder first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction, or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar to save it and the District harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar, and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the District and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the District and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost, or expense incurred by the District or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed, or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the District and shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.11 Book-Entry Only System. The Bonds issued in exchange for the Bonds initially issued to the Underwriter shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC"), and except as provided in subsection (c) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(a) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of Bonds, as shown on the Register, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Bonds, as shown in the Register of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary, the District and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the registered owners, as shown in the Register as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the District to make payments of principal and interest pursuant to this Resolution. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Resolution with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(b) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the District determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the District to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the District shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its

nominee, or in whatever name or names registered owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

(c) Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representation letter of the District to DTC.

(d) Notice of Redemption.

(i) In addition to the notice of redemption otherwise required herein, the Paying Agent/Registrar shall give notice of redemption of the Current Interest Bonds by first class mail, postage prepaid at least 30 days prior to a Redemption Date to each registered securities depository and to any national information service that disseminates redemption notices. In addition, in the event of a redemption caused by an advance refunding of the Current Interest Bonds, the Paying Agent/Registrar shall send a second notice of redemption to the persons specified in the immediately preceding sentence at least 30 days but not more than 90 days prior to the actual Redemption Date. Any notice sent to the registered securities depositories or such national information services shall be sent so that they are received at least two days prior to the general mailing or publication date of such notice. The Paying Agent/Registrar shall also send a notice of prepayment or redemption to the registered owner of any Current Interest Bond who has not sent the Bonds in for redemption 60 days after the Redemption Date.

(ii) Each notice of redemption given by the Paying Agent/Registrar shall contain a description of the Current Interest Bonds to be redeemed including the complete name of the Current Interest Bonds, the series, the date of issue, the interest rate, the maturity date, the CUSIP number, the certificate numbers, the amounts called of each certificate, the publication and mailing date for the notice, the Redemption Date, the Redemption Price, the name of the Paying Agent/Registrar, and the address at which the Current Interest Bonds may be redeemed, including a contact person and telephone number.

(iii) All redemption payments made by the Paying Agent/Registrar to the registered owners shall include a CUSIP number relating to each amount paid to such registered owner.

ARTICLE IV REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1 Limitation on Redemption. The Bonds shall be subject to redemption before their scheduled maturity as provided in the Pricing Certificate.

ARTICLE V PAYING AGENT/REGISTRAR

Section 5.1 Appointment of Paying Agent/Registrar.

(a) The District at all times shall maintain a paying agent and a registrar for the Bonds. The paying agent and registrar shall be one entity, and shall satisfy the qualifications herein described, for the performance of the duties hereunder. The Paying Agent/Registrar shall perform such duties on behalf of the District. Wells Fargo Bank, National Association, Austin, Texas, is hereby appointed Paying Agent/Registrar for such purposes.

(b) The President and the Vice President of the Board or either of them, and the Secretary and any Assistant or Acting Secretary of the Board, or any of them, are hereby authorized and directed to execute an agreement with the Paying Agent/Registrar for the Bonds. By accepting the appointment as Paying Agent/Registrar and executing the Paying Agent/Registrar Agreement, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Resolution and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 5.2 Qualifications of Paying Agent/Registrar. Every Paying Agent/Registrar appointed hereunder shall be a national or state banking institution, shall be an association or corporation organized and doing business under the laws of the United States of America or any state, authorized under such laws to exercise trust powers, shall be subject to supervision or examination by federal or state authority, and shall be authorized by law to serve as, and perform the duties and services of, paying agent and registrar for the Bonds.

Section 5.3 Maintaining Paying Agent/Registrar.

(a) At all times while any Bonds are outstanding, the District will maintain a Paying Agent/Registrar that is qualified under Section 5.2 of this Resolution.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the District will promptly appoint a replacement.

Section 5.4 Termination of Paying Agent/Registrar.

(a) The District reserves the right to appoint a successor Paying Agent/Registrar by (i) filing with the Person then performing such functions a certified copy of a resolution or order giving 45 days notice of the termination of the agreement and appointing a successor; and (ii) causing not less than 45 days notice to be given to each Bondholder, specifying the substitution of another Paying Agent/Registrar, the effective date thereof, and the address of such successor, but no termination shall become effective until such successor shall have accepted the duties of the Paying Agent/Registrar hereunder by written instrument.

(b) If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

ARTICLE VI FORM OF THE BONDS

Section 6.1 Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Register, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article and the Pricing Certificate with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Resolution and the Pricing Certificate, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the District or by the officers executing such Bonds, as evidenced by their execution thereof. Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds. The Compounded Amount Table may be printed on or attached to the Capital Appreciation Bonds, but errors or omissions in the printing thereof or the numbers therein shall have no effect on the validity of such Bonds.

(b) The Definitive Bonds shall be typewritten, printed, lithographed, or engraved and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof. The Initial Bonds submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.2 Form of the Bonds. The form of the Bonds, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas (which shall only appear on the Initial Bond), the form of Certificate of the Paying Agent/Registrar (which shall only appear on the Definitive Bonds), and the form of Assignment appearing on the Bonds shall be substantially as follows:

(a) Form of Bonds.

NUMBER
No. R-
REGISTERED

DENOMINATION
\$
REGISTERED

[FORM OF HEADER AND FIRST THREE PARAGRAPHS
OF CURRENT INTEREST BOND]

UNITED STATES OF AMERICA

STATE OF TEXAS
TRAVIS COUNTY
RIVER PLACE MUNICIPAL UTILITY DISTRICT
UNLIMITED TAX AND REVENUE REFUNDING BONDS
SERIES 2005

BOND DATE: INTEREST RATE: MATURITY DATE: CUSIP NO.:

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS (\$_____)

RIVER PLACE MUNICIPAL UTILITY DISTRICT, in Travis County, Texas (the "District"), being a political subdivision of the State of Texas, hereby promises to pay to the registered owner set forth above, or registered assigns (hereinafter called the "registered owner") the principal amount set forth above on the Maturity Date set forth above unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of the Bond Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on _____ and _____ of each year, commencing _____.

THE PRINCIPAL OF THIS BOND shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the office in Austin, Texas, or such other location designated by the Paying Agent/Registrar (the "Place of Payment"), of the Paying Agent/Registrar executing the registration certificate appearing hereon or, with respect

to a successor paying agent/registrar, at the Place of Payment of such successor. Interest on this Bond is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the fifteenth day of the month next preceding such interest payment date.

IN THE EVENT OF A NONPAYMENT OF INTEREST on a scheduled payment date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the special payment date of the past due interest ("Special Payment Date"), which shall be 15 days after the Special Record Date, shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

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[FORM OF HEADER AND FIRST TWO PARAGRAPHS OF CAPITAL APPRECIATION BOND]

NUMBER
NO. CR- _____
REGISTERED

PAYMENT AT MATURITY
\$ _____
REGISTERED

UNITED STATES OF AMERICA

STATE OF TEXAS
TRAVIS COUNTY
RIVER PLACE MUNICIPAL UTILITY DISTRICT
UNLIMITED TAX AND REVENUE REFUNDING BONDS
SERIES 2005

<u>DELIVERY DATE</u>	<u>INTEREST RATE</u>	<u>BOND DATE</u>	<u>MATURITY DATE</u>	<u>CUSIP NO.</u>
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REGISTERED OWNER:

MATURITY AMOUNT: _____ DOLLARS (\$_____)

RIVER PLACE MUNICIPAL UTILITY DISTRICT, in Travis County, Texas (the "District"), being a political subdivision of the State of Texas, hereby promises to pay to the registered owner set forth above, or registered assigns (hereinafter called the "registered owner") on the Maturity Date specified above, the Maturity Amount set forth above, representing the principal amount hereof and accrued and compounded interest hereon. Interest shall accrue on the principal amount hereof from the Delivery Date at the interest rate per annum specified above, compounded semiannually on _____ and _____ of each year commencing _____. For convenience of reference, a table appears on the back of this Bond showing the "Compounded Amount" of the original principal amount plus initial premium, if any, per \$5,000 Maturity Amount compounded semiannually at the yield shown on such table.

THE PAYMENT AT MATURITY of this Bond is payable in lawful money of the United States of America, without exchange or collection charges. The Maturity Amount of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond on the Maturity Date at the principal corporate trust office of Wells Fargo Bank, National Association, Austin, Texas, which is the "Paying Agent/Registrar" for this Bond, and shall be drawn by the Paying Agent/Registrar on, and payable solely from, funds of the District required by the resolution authorizing the issuance of the Bonds (the "Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided, payable to the registered owner hereof, as it appears on the Registration Books kept by the Paying

Agent/Registrar, as hereinafter described. The District covenants with the registered owner of this Bond that on or before the Maturity Date for this Bond it will make available to the Paying Agent/Registrar, from the "Debt Service Fund" created by the Resolution, the amounts required to provide for the payment, in immediately available funds of the Maturity Amount, when due.

(FORM OF REMAINDER OF EACH BOND)

IF THE DATE FOR THE PAYMENT of the principal or Maturity Amount of or interest on this Bond shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Place of Payment is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall have the same force and effect as if made on the original date payment was due and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

THIS BOND IS ONE OF A SERIES of fully registered Bonds specified in the title hereof issued in the aggregate principal amount of \$_____ (herein referred to as the "Bonds"), issued pursuant to the Constitution and laws of the State of Texas, particularly Chapters 49 and 54 of the Texas Water Code and Chapter 1207 of the Texas Government Code, and a certain resolution of the District (the "Resolution") for the purpose of refunding the Refunded Obligations (as defined in the Resolution).

THE DISTRICT RESERVES THE RIGHT, at its option, to redeem the Current Interest Bonds maturing on and after _____, in whole or in part, prior to their respective Stated Maturities, in integral multiples of \$5,000, on _____, or any date thereafter at par plus accrued interest on the principal amounts called for redemption to the Redemption Date. If a Current Interest Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Current Interest Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Current Interest Bonds for redemption, the Paying Agent/Registrar shall treat each Current Interest Bond as representing that number of Current Interest Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Current Interest Bond by \$5,000. The Paying Agent/Registrar shall select the particular Current Interest Bonds to be redeemed within any given maturity by lot or other random selection method. Upon surrender of any Current Interest Bond for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of this Resolution, shall authenticate and deliver in exchange therefor a Current Interest Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Current Interest Bond or Bonds so surrendered. The Capital Appreciation Bonds of this series are not subject to optional redemption prior to maturity.

NOTICE OF ANY REDEMPTION identifying the Current Interest Bonds to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least 30

days prior to the Redemption Date by sending written notice by United States mail, first class, postage prepaid, to the Holder of each Current Interest Bond to be redeemed in whole or in part at the address shown on the Register. When Current Interest Bonds have been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Current Interest Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Holders to collect interest which would otherwise accrue after the Redemption Date on any Current Interest Bond or portion thereof called for redemption shall terminate on the Redemption Date.

NOTICE OF REDEMPTION or redemptions shall be given by first class United States mail, postage prepaid, not less than 30 days before the Redemption Date, to the registered owner of each of the Current Interest Bonds to be redeemed in whole or in part. Notice having been so given, the Current Interest Bonds or portions thereof designated for redemption shall become due and payable on the Redemption Date specified in such notice; from and after such date, notwithstanding that any of the Current Interest Bonds or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Current Interest Bonds or portions thereof shall cease to accrue.

AS PROVIDED IN THE RESOLUTION and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the Place of Payment with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest and for the same aggregate principal amount will be issued to the designated transferee or transferees.

NEITHER THE DISTRICT NOR THE PAYING AGENT/REGISTRAR shall be required to issue, transfer, or exchange any Current Interest Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Current Interest Bond.

THE DISTRICT, THE PAYING AGENT/REGISTRAR, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest on a Current Interest Bond shall be paid to the person in whose name the Current Interest Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond is overdue, and neither the District nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions, and things required to be done precedent to and in the issuance of the Bonds have been

properly done and performed and have happened in regular and due time, form, and manner, as required by law.

IN WITNESS WHEREOF, the District has caused this Bond to be duly executed under its official seal.

Secretary, Board of Directors
River Place Municipal Utility District

President, Board of Directors
River Place Municipal Utility District

[SEAL]

(b) Form of Comptroller's Registration Certificate. (To be placed on the Initial Bond only.)

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS § REGISTER NO. _____
OF THE STATE OF TEXAS §

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, that it is a valid and binding special obligation of River Place Municipal Utility District, and that this Bond has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, this _____.

Comptroller of Public Accounts of the State of
Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar. (To be placed on the Definitive Bonds only.)

CERTIFICATE OF PAYING AGENT/REGISTRAR

It is hereby certified that this Bond has been delivered pursuant to the Resolution described in the text of this Bond, in exchange for or in replacement of a

Bond, Bonds, or a portion of a Bond approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Wells Fargo Bank, National Association,
Austin, Texas

Date of Authentication:

By: _____
Authorized Signature

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (print or typewrite name, address, and zip code of transferee):

(Social Security or other identifying number: _____) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: _____
Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

The following abbreviations, when used in the inscription on the face of the within Bond or above Assignment, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by the entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT -- _____ Custodian _____
(Cust) (Minor)

Under the Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in the above list.

(e) The District has made application to municipal bond insurance companies to have the payment of the principal of and the interest on the Bonds insured by a municipal bond guaranty insurance policy. Bond counsel for the District, with the approval of the Pricing Officer, has authority to insert into this Resolution any and all provisions required by the municipal bond insurance company insuring the payment of the principal of and the interest on the Bonds, consistent with the provisions of the Pricing Certificate.

(f) The Current Interest Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this Section, except for the following alterations:

(i) in the header of the Bond, the blanks under the terms the "Interest Rate" and the "Maturity Date" shall be completed with the expression "As shown below," and the reference to CUSIP No. shall be deleted;

(ii) the first paragraph of the Bond shall be replaced with the following:

"RIVER PLACE MUNICIPAL UTILITY DISTRICT, in Travis County, Texas (the "District"), being a political subdivision of the State of Texas, hereby promises to pay to the registered owner set forth above, or registered assigns (hereinafter called the "registered owner") the principal amount set forth above in the amounts, on each of the dates, and bearing interest at per annum rates set forth in the following schedule" (with information from the Pricing Certificate to be used to complete the schedule) "unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for. The District also hereby promises to pay interest on such principal amount from the later of the Bond Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the interest rates specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on _____ and _____ of each year, commencing _____."

(iii) in the second paragraph of the Bond, the words "executing the registration certificate appearing hereon" shall be deleted and an additional sentence shall be added to the paragraph as follows: "The initial Paying Agent/Registrar is Wells Fargo Bank, National Association, Austin, Texas."; and

(iv) the Current Interest Initial Bond shall be numbered T-1.

(g) The Capital Appreciation Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this Section, except for the following alterations:

(i) in the header of the Bond, information regarding the blanks under the terms "Interest Rate," and "Maturity Date" shall be completed with the expression "As shown below," and the reference to "CUSIP No." shall be deleted;

- (ii) the first paragraph of the Bond shall be replaced with the following:

"RIVER PLACE MUNICIPAL UTILITY DISTRICT, in Travis County, Texas (the "District"), being a political subdivision of the State of Texas, hereby promises to pay to the registered owner set forth above, or registered assigns (hereinafter called the "registered owner") the Maturity Amount set forth above on each of the dates, and compounding interest as set forth in the following schedule," (with information from the Pricing Certificate be used to complete the schedule) "representing the principal amount hereof and accrued and compounded interest hereon. Interest shall accrue on the principal amount hereof from the Delivery Date at the interest rate per annum specified in the schedule above, compounded semiannually on _____ and _____ of each year commencing _____. For convenience of reference, a table is attached to this Bond showing the "Compounded Amount" of the original principal amount plus initial premium, if any, per \$5,000 Maturity Amount compounded semiannually at the yield shown on such table."

- (iii) the Capital Appreciation Initial Bond shall be numbered CT-1.

Section 6.3 CUSIP Registration. The President of the Board may secure the printing of identification numbers on the Bonds through the CUSIP Service Bureau Division of Standard and Poor's Corporation, New York, New York.

Section 6.4 Legal Opinion. The opinion of Bond Counsel, Winstead Sechrest & Minick P.C., Austin, Texas, may be printed on the back of the Bonds with the certification of the Secretary of the Board which may be executed in facsimile.

ARTICLE VII SALE AND DELIVERY OF BONDS

Section 7.1 Sale of Bonds.

(a) The Bonds shall be sold and delivered to First Southwest Company (the "Underwriter"), pursuant to the Purchase Contract, at a price and under the terms set forth in the Pricing Certificate. Delivery of the Bonds to Underwriter shall occur as soon as possible upon payment being made therefor in accordance with the terms of the sale. Proceeds of the Bonds attributable to accrued interest and/or premium shall be deposited into the Debt Service Fund. Proceeds of the Bonds needed to refund the Refunded Obligations shall be deposited into the Escrow Fund to be created pursuant to the Escrow Agreement. All remaining proceeds of the Bonds shall be used for the payment of costs of issuance.

(b) Upon the registration of the Initial Bonds, the Comptroller of Public Accounts of the State of Texas is authorized and instructed to deliver the Initial Bonds to Winstead Sechrest & Minick P.C., or pursuant to such firm's order, for delivery to the Underwriter, the Paying Agent/Registrar, or to the District's depository.

(c) The obligation of the Underwriter to accept delivery of the Bonds is subject to the Underwriter being furnished with the final, approving opinion of Winstead Sechrest & Minick P.C., Bond Counsel for the District, which opinion shall be dated and delivered the Delivery Date.

Section 7.2 Approval of Official Statement. Prior to the execution of the Purchase Contract, the Pricing Officer, acting for and on behalf of the District, shall cause an official statement to be prepared for distribution by the Underwriter to prospective purchasers of the Bonds, such document to be in the form as such Pricing Officer may deem necessary or appropriate. The District hereby approves the distribution of the Official Statement in the reoffering of the Bonds by the Underwriter in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement dated February [22], 2005, prior to the date hereof is hereby ratified and confirmed.

Section 7.3 Control and Delivery of Bonds.

(a) The President of the Board is hereby authorized to have control of the Initial Bonds and all necessary records and proceedings pertaining thereto pending investigation, examination, and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Bonds shall be made to the Underwriter thereof under and subject to the general supervision and direction of the President of the Board, against receipt by the District of all amounts due to the District under the terms of sale.

ARTICLE VIII REFUNDING OF REFUNDED OBLIGATIONS; USE OF BOND PROCEEDS; ISSUER CONTRIBUTION

Section 8.1 Refunding of Refunded Obligations. The District hereby irrevocably calls the Refunded Obligations for redemption prior to maturity as set forth in the Pricing Certificate, at the price of par plus accrued interest and authorizes and directs that notice of such redemption is to be given in accordance with the resolution authorizing the issuance of the Refunded Obligations.

Section 8.2 Approval of Escrow Agreement. The Escrow Agreement is hereby approved in substantially the form presented to the Board of Directors at the meeting at which this Resolution was adopted, and the Pricing Officer is hereby authorized to complete, amend, modify, and execute the Escrow Agreement, as necessary, and the Secretary or Assistant Secretary is authorized and directed to attest the Escrow Agreement, if required. In addition, the President or the General Manager of the District is authorized to purchase such federal securities, execute such subscriptions for the purchase of United States Treasury Securities, State and Local Government Series,

and to deposit such cash on hand of the District, as may be necessary for the Escrow Fund.

Section 8.3 Use of Bond Proceeds. Proceeds in the amount needed to refund the Refunded Obligations from the sale of Bonds shall be deposited with Wells Fargo Bank, National Association, (the "Escrow Agent"), to be held in the Escrow Fund, to be created pursuant to the Escrow Agreement, for the benefit of the Holders of the Refunded Obligations.

Section 8.4 District Contribution. The Pricing Officer is hereby authorized and directed to apply and there is hereby appropriated such money of the District as is necessary to fund the Escrow Fund to be established by the Escrow Agreement with amounts sufficient to provide for the defeasance of the Refunded Obligations on the Delivery Date. The District hereby agrees to wire such money on the Delivery Date to the Escrow Agent.

ARTICLE IX FUNDS; FLOW OF FUNDS

Section 9.1 Debt Service Fund.

(a) The District hereby establishes a separate and special account or fund on the books and records of the District known as the "Series 2005 Debt Service Fund" (the "Debt Service Fund") for the purpose of providing funds to pay the principal of, Redemption Price, if any, and interest on the Bonds as the same becomes due and payable, and all money deposited to the credit of the Debt Service Fund shall be held in a special banking fund or account maintained at an official depository of the District. The Debt Service Fund shall constitute a trust fund which shall be held in trust by the District for the benefit of the Holders of the Bonds. There may be created within the Debt Service Fund such accounts and subaccounts as the District deems necessary or desirable.

(b) Accrued interest and/or premium on the Current Interest Bonds shall be deposited into the Debt Service Fund upon receipt.

Section 9.2 Operating Fund. (a) The District hereby confirms the prior creation and continuing maintenance of the District's Operating Fund (the "Operating Fund").

(b) The District hereby covenants and agrees that Gross Revenues of the System (excluding earnings and income derived from investments held in the Debt Service Fund) shall be deposited as collected to the credit of the Operating Fund, and such revenues of the System shall be kept separate and apart from all other funds of the District.

(c) All revenues deposited in the Operating Fund shall be pledged and appropriated to the extent required for the following uses and in the order of priority shown:

(i) To the payment of all Maintenance and Operating Expenses as defined herein.

(ii) To the payment of the amounts required to be deposited in the Debt Service Fund for the Bonds and the "Debt Service Fund" for the payment of debt service on the Previously Issued Bonds, respectively, as the same becomes due and payable.

(iii) Any Net Revenues remaining in the Operating Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be appropriated and used by the District for any lawful purpose related to the System.

Section 9.3 Investments; Security of Funds.

(a) Money in any fund established pursuant to this Resolution may, at the option of the District, be invested in obligations and in the manner prescribed by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended, including investments held in book-entry form; provided, that, all such deposits and investments shall be made in such a manner that the money required to be expended from any fund will be available at the proper time or times. All such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds.

(b) Money in all funds created by this Resolution shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, including Chapter 2257, Texas Government Code, as amended.

ARTICLE X CONSOLIDATION OF THE DISTRICT

Section 10.1 Consolidation of District. The laws of the State of Texas permit the District to be consolidated with one or more conservation and reclamation districts. In the event the District is consolidated with another district or districts, the District reserves the right, subject to the terms of any agreements now or hereinafter existing with the City, to:

(a) consolidate the System with a similar system of one or more districts with which the District is consolidating and operate and maintain the systems as one consolidated system (hereinafter for purposes of this Section called the "Consolidated System");

(b) apply the Net Revenues from the operation of a Consolidated System to the payment of principal, Redemption Price, if any, and interest on the Bonds, the Previously Issued Bonds, and any other combination tax and revenue bonds or other obligations secured solely or primarily by such Net Revenues of the District and of the district or districts with which the District is consolidating (the "Consolidating Districts") without preference to any series of bonds or obligations (except bonds or obligations

with a subordinate lien on the Net Revenues, which shall continue to be subordinate); and

(c) pledge the Net Revenues of the Consolidated System to the payment of principal, premium, if any, and interest on bonds or obligations which may be issued by the Consolidating Districts on a parity with the outstanding revenue bonds or obligations of the Consolidating Districts so long as the requirements for Additional Bonds are met.

ARTICLE XI ADDITIONAL AND REFUNDING BONDS

Section 11.1 Additional Bonds. The District expressly reserves the right, subject to the terms of any agreements now or hereinafter existing with the City, to issue, in one or more installments, for the purpose of completing, repairing, improving, extending, enlarging, or replacing the System or any other lawful purpose, the following (collectively, the "Additional Bonds"):

(a) The District reserves the right to issue bonds payable solely from Net Revenues of the System, and such bonds may be payable from and equally secured by a lien on and pledge of said Net Revenues on a parity with the pledge to the Bonds and the Previously Issued Bonds to the extent Net Revenues are used to pay the principal of an interest on such bonds;

(b) The District reserves the right to issue inferior lien bonds and to pledge the Net Revenues to the payment thereof, such pledge to be subordinate in all respects to the lien of the Bonds, the Previously Issued Bonds, and any Additional Bonds which are on a parity with the Bonds and the Previously Issued Bonds; and

(c) The District further reserves the right to issue special project bonds under a contract or contracts with persons, corporations, municipal corporations, or political subdivisions, such special project bonds to be payable from and secured by the proceeds of such contract or contracts. The District further reserves the right to refund such bonds.

(i) Refunding Bonds; Defeasance. (a) Except to the extent provided in subsection (c) of this Section, any Bond, and the interest thereon, shall be deemed to be paid, retired, and no longer outstanding within the meaning of this Resolution (a "Defeased Bond") when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity, redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to a person described by Section 1207.061(a), Texas Government Code, as amended (a "Depository"), with respect to the safekeeping, investment, administration, and disposition of a deposit made under Section 1207.061, Texas Government Code, as amended, for such payment (the "Deposit") (A) lawful money of the United

States of America sufficient to make such payment or (B) Government Obligations, which may be in book-entry form, that mature and bear interest payable at times and in amounts sufficient to provide for the scheduled payment or redemption of any Defeased Bond. To cause an Bond scheduled to be paid or redeemed on a date later than the next scheduled interest payment date on such Bond to become a Defeased Bond, the District must, with respect to the Deposit, enter into an escrow or similar agreement with a Depositary.

(ii) In connection with any defeasance of the Bonds, the District shall cause to be delivered: (i) in the event an escrow or similar agreement has been entered into with a Depositary to effectuate such defeasance, a report of an independent firm of nationally recognized certified public accountants verifying the sufficiency of the escrow established to pay the Defeased Bonds in full on the maturity or redemption date thereof ("Verification"); or (ii) in the event no escrow or similar agreement has been entered into, a certificate from the chief financial officer of the District certifying that the amount deposited with a Depositary is sufficient to pay the Defeased Bonds in full on the maturity or redemption date thereof. In addition to the required Verification or certificate, the District shall also cause to be delivered an opinion of nationally recognized bond counsel to the effect that the Defeased Bonds are no longer outstanding pursuant to the terms hereof and a certificate of discharge of the Paying Agent/Registrar with respect to the Defeased Bonds. The Verification, if any, and each certificate and opinion required hereunder shall be acceptable in form and substance, and addressed, if applicable, to the Paying Agent/Registrar and the District. The Bonds shall remain outstanding hereunder unless and until they are in fact paid and retired or the above criteria are met.

(iii) At such time as an Bond shall be deemed to be a Defeased Bond hereunder, and all herein required criteria have been met, such Bond and the interest thereon shall no longer be outstanding or unpaid and shall no longer be entitled to the benefits of the pledge of the security interest granted under this Resolution, and such principal and interest shall be payable solely from the Deposit of money or Government Obligations. Provided, however, the District has reserved the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption, at an earlier date, those Current Interest Bonds which have been defeased to their maturity date, if the District: (i) in the proceedings providing for the firm banking and financial arrangement, expressly reserves the right to call the Current Interest Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Current Interest Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of reservation be included in any redemption notices that it authorizes.

(iv) (b) Any money so deposited with a Depositary may at the written direction of the District also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from such Government Obligations received by a Depositary which is not required for the

payment of the Defeased Bonds and interest thereon, with respect to which such money has been so deposited, shall be used as directed in writing by the District.

(v) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the District shall make proper arrangements to provide and pay for such services as required by this Resolution.

ARTICLE XII COVENANTS OF THE BOARD REGARDING THE SYSTEM

Section 12.1 Covenants. The Board of Directors, on behalf of the District, expressly stipulates and covenants that, for the benefit of the Underwriter and any and all subsequent registered owners of the Bonds (and enforceable by any one or all of said registered owners), in addition to all other provisions hereof, it will:

(a) Fix and maintain rates and collect charges for the facilities and services rendered by the District which, together with any taxes levied for maintenance purposes, will provide revenues sufficient at all times to pay all reasonable administration expenses of the District and all efficient operation and adequate maintenance expenses of the System. The Board has enacted and will maintain in effect an order fixing rates and charges for services which contains, among other provisions, a requirement for periodic billing of all customers of the District and a prohibition against the furnishing of water or sewer service without charge to any person, firm, organization, or corporation.

(b) Subject to the provisions of Article II of this Resolution, levy an ad valorem tax that will be ample and sufficient to provide funds to pay the interest on the Bonds and to provide the necessary sinking fund.

(c) Not mortgage or otherwise encumber the physical properties of the System, nor sell, lease, or otherwise dispose of any substantial portion of such physical properties, unless said properties of the System are deemed by the Board of Directors of the District to be unnecessary to the operation of the System.

(d) Maintain the System in good condition and operate it in an efficient manner and at a reasonable cost.

(e) Maintain insurance on the System of a kind and in an amount which usually would be carried by municipal corporations and political subdivisions in Texas operating similar facilities.

(f) Keep accurate records and accounts and employ an independent certified public accountant of recognized integrity and ability to direct the installation of the required accounting procedures and to audit its affairs at the close of each fiscal year. The fiscal year of the District is from October 1 to September 30 of the following year, or such other fiscal year as the Board of Directors may hereafter designate. Said audits

shall include a statement in detail of the income and expenditures of the System for each year; a balance sheet as of the end of the year; the auditor's comments regarding the manner in which the District has carried out the requirements of all bond resolutions and orders; his recommendations, if any, for changes or improvements in the operation of the District's plants, facilities, and improvements; a list of insurance policies in force as of the date of the audit including the amount, expiration date, risk covered, and name of the insurer for each such policy; and the number of properties connected to the System as of the end of the fiscal year. The audit report shall be delivered to each member of the Board not later than 120 days after the close of each fiscal year, and shall be retained and filed in the office of the auditor. Copies of said audit shall be filed as required by law and maintained in the office of the District, available for inspection by any interested person or persons during normal office hours.

ARTICLE XIII TAX EXEMPTION

Section 13.1 Provisions Concerning Federal Income Tax Exclusion. The District covenants to take any action to maintain, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in "gross income" for federal income tax purposes. In furtherance thereof, the District specifically covenants as follows:

(i) To refrain from taking any action which would result in the Bonds being treated as "private activity bonds" within the meaning of section 141(a) of the Code;

(ii) To take any action to assure that no more than 10% of the proceeds of the Bonds or the projects financed therewith are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10% of the proceeds or the projects financed therewith are so used, that amounts, whether or not received by the District with respect to such private business use, do not under the terms of this Resolution or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10% of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(iii) To take any action to assure that in the event that the "private business use" described in paragraph (ii) hereof exceeds 5% of the proceeds of the Bonds or the projects financed therewith, then the amount in excess of 5% is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(iv) To take any action to assure that no amount which is greater than the lesser of \$5,000,000 or 5% of the proceeds of the Bonds is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(v) To refrain from taking any action which would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(vi) Except to the extent permitted by section 148 of the Code and the regulations and rulings thereunder, to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds;

(vii) To otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings);

(viii) Except to the extent otherwise provided in section 148(f) of the Code and the regulations and rulings thereunder, to pay to the United States of America at least once during each five year period (beginning on the Delivery Date of the Bonds) an amount that is at least equal to 90% of the "Excess Earnings," within the meaning of section 148(f) of the Code, and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100% of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code; and

(ix) To maintain such records as will enable the District to fulfill its responsibilities under this subsection and section 148 of the Code and to retain such records for at least six years following the final payment of principal and interest on the Bonds.

The covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the District will not be required to comply with any covenant contained herein to the extent that such noncompliance, in the opinion of nationally-recognized bond counsel, will not adversely affect the exclusion from gross income of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the District agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exclusion from gross income of interest on the Bonds under section 103 of the Code.

Proper officers of the District charged with the responsibility of issuing the Bonds are hereby authorized and directed to execute any documents, certificates, or reports required by the Code and to make such elections, on

behalf of the District, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

Notwithstanding any other provision in this Resolution, to the extent necessary to preserve the exclusion from gross income of interest on the Bonds under section 103 of the Code the covenants contained in this subsection shall survive the later of the defeasance or discharge of the Bonds

Section 13.2 Covenants Regarding Sale, Lease, or Disposition of Financed Property. The District covenants that the District will regulate the use of the property financed, directly or indirectly, with the proceeds of the Bonds and will not sell, lease, or otherwise dispose of such property unless (i) the District takes the remedial measures as may be required by the Code and the regulations and rulings thereunder in order to preserve the exclusion from gross income of interest on the Bonds under section 103 of the Code or (ii) the District seeks the advice of nationally-recognized bond counsel with respect to such sale, lease, or other disposition

Section 13.3 Designation as Qualified Tax-Exempt Obligations. The District hereby designates the Bonds as "qualified tax-exempt obligations" as defined in section 265(b)(3) of the Code. In furtherance of such designation, the District represents, covenants, and warrants the following: (a) during the calendar year in which the Bonds are issued, the District (including any subordinate entities) has not designated nor will designate obligations, which when aggregated with the Bonds, will result in more than \$10,000,000 of "qualified tax-exempt obligations" being issued; (b) the District reasonably anticipates that the amount of tax-exempt obligations issued during 2005 by the District (including any subordinate entities) will not exceed \$10,000,000; and (c) the District will take such action which would assure, or to refrain from such action which would adversely affect, the treatment of the Bonds as "qualified tax-exempt obligations."

ARTICLE XIV DEFAULT AND REMEDIES

In addition to all of the rights and remedies provided by the laws of the State of Texas, the District further covenants and agrees that in the event of default in payment of principal or Maturity Amount or interest on any of the Bonds when due, or in the event it fails to make the payments required to be made into the Debt Service Fund or any other fund or defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Resolution, the Holders shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and the officials thereof to observe and perform the covenants, obligations, or conditions prescribed in this Resolution. Any delay or omission to exercise any right or power occurring upon any default shall not impair any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. All such proceedings shall be instituted and maintained for the equal benefit of all Bondholders.

ARTICLE XV DISTRICT OFFICERS' DUTIES

(a) The President and Secretary of the Board of Directors are hereby instructed and directed to do any and all things necessary in reference to the installation, completion, and maintenance of the District's plants, facilities, and improvements and to make money available for the payment of the Bonds in the manner provided by law.

(b) The President of the Board of Directors shall submit the Bonds, the record of the proceedings authorizing the issuance of the Bonds, and any and all other necessary orders, certificates, and records to the Attorney General of the State of Texas for his investigation. After obtaining the approval of the Attorney General, the President of the Board of Directors shall cause the Bonds to be registered by the Comptroller of Public Accounts of the State of Texas.

(c) The President, Vice President, Secretary, Assistant Secretary of the Board of Directors, and the General Manager are authorized to do any and all things proper and necessary to carry out the intent of this Resolution.

ARTICLE XVI CONTINUING DISCLOSURE

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"MSRB" means the Municipal Securities Rulemaking Board.

"NRMSIR" means each person whom the SEC or its staff has determined to be a nationally recognized municipal securities information repository within the meaning of the Rule from time to time.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"SID" means any person designated by the State of Texas or an authorized department, officer, or agency thereof as, and determined by the SEC or its staff to be, a state information depository within the meaning of the Rule from time to time.

(b) Annual Reports. The District shall provide annually to each NRMSIR and any SID, within six months after the end of each fiscal year, financial information and operating data with respect to the District which it customarily prepares and of the general type described in EXHIBIT A hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in EXHIBIT A hereto, or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the District commissions an audit of such statements and the audit is completed within the

period during which they must be provided. If the audit of such financial statements is not complete within such period, then the District shall provide unaudited financial statements by the required time, and will provide audited financial statements for the applicable fiscal year to [Insurer], each NRMSIR, and any SID, when and if the audit report on such statements become available.

If the District changes its fiscal year, it will notify each NRMSIR and any SID of the change (and of the date of the new fiscal year end) prior to the next date by which the District otherwise would be required to provide financial information and operating data pursuant to this paragraph (b).

The financial information and operating data to be provided pursuant to this paragraph (b) may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to each NRMSIR, any SID, or filed with the SEC. The Municipal Advisory Council of Texas has also received Securities and Exchange Commission approval to operate, and has begun to operate, a "central post office" for information filings made by municipal issuers, such as the District. A municipal issuer may submit its information filings with the central post office, which then transmits such information to the NRMSIRs and the appropriate SID for filing. This central post office can be accessed and utilized at www.DisclosureUSA.com ("Disclosure USA"). The District may utilize DisclosureUSA for the filing of information relating to the Bonds.

(c) Material Event Notices. The District shall notify any SID and either each NRMSIR or the MSRB, in a timely manner, of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

- A. Principal and interest payment delinquencies;
- B. Non-payment related defaults;
- C. Unscheduled draws on debt service reserves reflecting financial difficulties;
- D. Unscheduled draws on credit enhancements reflecting financial difficulties;
- E. Substitution of credit or liquidity providers, or their failure to perform;
- F. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- G. Modifications to rights of holders of the Bonds;

- H. Bond calls;
- I. Defeasances;
- J. Release, substitution, or sale of property securing repayment of the Bonds; and
- K. Rating changes.

The District shall notify each NRMSIR or the MSRB, and any SID, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with paragraph (b) of this Section by the time required by such paragraph.

(d) Limitations, Disclaimers, and Amendments. The District shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the District remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the District in any event will give notice of any deposit made in accordance with the provisions of this Resolution that causes Bonds no longer to be Outstanding.

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The District undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the District's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The District does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the District in observing or performing its obligations under this Section shall comprise a breach of or default under the Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim waive, or otherwise limit the duties of the District under federal and state securities laws.

The provisions of this Section may be amended by the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the District (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the Holders and beneficial owners of the Bonds. If the District so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The District may also amend or repeal the provisions of this Resolution relating to continuing disclosure if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

ARTICLE XVII BOND INSURANCE

Section 17.1 Bond Insurance. The District has made application to municipal bond insurance companies to have the payment of the principal of and the interest on the Bonds insured by a municipal bond guaranty insurance policy. The Pricing Certificate shall contain provisions relating to the purchase of municipal bond insurance, if municipal bond insurance is to be purchased in connection with the issuance of the Bonds. Bond counsel for the District, with the approval of the Pricing Officer, has authority to insert into this Resolution any and all provisions required by the municipal bond insurance company insuring the payment of the principal of and the interest on the Bonds.

ARTICLE XVIII MISCELLANEOUS

Section 18.1 District's Successors and Assigns. Whenever in this Resolution the District is named and referred to, it shall be deemed to include its successors and assigns, and all covenants and agreements in this Resolution by or on behalf of the District, except as otherwise provided herein, shall bind and inure to the benefit of its successors and assigns whether or not so expressed.

Section 18.2 Benefits of Resolution Provisions. Nothing in this Resolution or in the Bonds, expressed or implied, shall give or be construed to give any person, firm, or

corporation, other than the District, the Paying Agent/Registrar, and the Bondholders any legal or equitable right or claim under or in respect of this Resolution, or under any covenant, condition, or provision herein contained, all the covenants, conditions, and provisions contained in this Resolution or in the Bonds being for the sole benefit of the District, the Paying Agent/Registrar, and the Bondholders. Notwithstanding anything to the contrary herein, to the extent that this Resolution confers upon or gives or grants Ambac Assurance any right, remedy, or claim under or by reason of this Resolution, Ambac Assurance is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy, or claim conferred, given, or granted hereunder.

Section 18.3 Severability Clause. If any word, phrase, clause, sentence, paragraph, section, or other part of this Resolution, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Resolution and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this Resolution to any other persons or circumstances shall not be affected thereby.

Section 18.4 Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and public notice of the time, place, and purpose of said meeting was properly given, all as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code, as amended.

Section 18.5 No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Resolution, against any official or employee of the District or any person executing any Bonds.

Section 18.6 Amendments.

(a) This Resolution shall constitute a contract with the Bondholders entered into upon the initial purchase of the Bonds, shall be binding on the District and its successors and assigns whether or not so expressed, and shall not be amended or repealed by the District so long as any Bond remains Outstanding except as permitted in this Section.

(b) The District may, without the consent of or notice to any Bondholder, from time to time and at any time, amend this Resolution in any manner that the District determines is not detrimental to the interests of the Bondholders, for the purpose of (i) the curing of any ambiguity, inconsistency, or formal defect or omission herein or therein; (ii) the granting or confirming upon the Holders of the Bonds and the Previously Issued Bonds additional rights, powers, or authority; or (iii) the pledge of additional revenues, property, or collateral as security for the payment of the Bonds and the Previously Issued Bonds. In addition, the District may amend, add to, or rescind any of the provisions of this Resolution; except that, notwithstanding the foregoing, without the consent of the Holders of all of the affected Outstanding Bonds, no such amendment,

addition, or rescission shall (1) change the Stated Maturity of the Bonds or any Interest Payment Date for an installment of interest thereon, reduce the principal amount thereof, the Redemption Price therefor, or the rate of interest thereon, change the place or places at, or the coin or currency in, which any Bond or the interest thereon is payable, or in any other way modify the terms or sources of payment of the principal of or interest on the Bonds, (2) give any preference to any Bond over any other Bond, (3) modify the provisions of the proviso to the definition of the term "Outstanding", or (4) modify any of the provisions of this Section, except to provide that certain other provisions of this Resolution cannot be modified or waived without the consent of the Holder of each Bond affected thereby.

(c) Any consent to any amendment hereof by the Bondholder shall bind every future Holder of the same Bond and the Holder of every Bond issued upon transfer or in lieu thereof or in exchange therefor, in respect of anything done or suffered to be done by the District in reliance thereon, whether or not notation of such action is made upon such Bond.

Section 18.7 Notice to Bondholders. Except as may be otherwise provided in this Resolution, where this Resolution provides for notice to Bondholders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Bondholder, at the address of such Bondholder as it appears in the Register. Neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder of Bonds shall affect the sufficiency of such notice with respect to all other Bondholders. Wherever this Resolution provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Bondholders shall be filed with the District, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

ARTICLE XIX EFFECTIVENESS

Section 19.1 Effectiveness. This Resolution shall take effect and be in force from and after its passage and approval.

(Remainder of this page intentionally left blank)

PASSED AND APPROVED on this February 22, 2005.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

[SIGNATURE PAGE FOR BOND RESOLUTION]

EXHIBIT A

The following information is referred to in Article XVI of this Resolution:

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the District to be provided annually in accordance with such Article XVI are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

Tables 1 through 12 of the Official Statement.

Appendix A to the Official Statement (financial statements for the last completed fiscal year which will be unaudited, unless an audit is performed in which event the audited financial statements will be made available)

Accounting Principles

The accounting principles referred to in such Article XVI are the accounting principles described in the notes to the financial statements referred to in paragraph above.