

**ORDINANCE NO. 050623-15**

**AN ORDINANCE approving and authorizing the execution of a Third Amendment to Letter of Credit and Reimbursement Agreement relating to the "City of Austin, Texas, Combined Utility Systems Taxable Commercial Paper Notes"; and resolving other matters incident and related thereto; suspending the rule requiring ordinances be read on three separate days; and declaring an emergency.**

**WHEREAS, on June 29, 2000, Ordinance No.000629-90 was duly adopted amending and restating Ordinance No. 980513-B to increase the aggregate principal amount of "City of Austin, Texas, Combined Utility Systems Taxable Commercial Paper Notes" (the "Notes") authorized to be outstanding from time to time from \$50,000,000 to \$160,000,000 and provide for a new letter of credit (the "Letter of Credit") to be issued by Landesbank Hessen-Thüringen Girozentrale with respect to the Notes in accordance with the terms and provisions of a Letter of Credit and Reimbursement Agreement, dated as of July 1, 2000 (the "Agreement"); and**

**WHEREAS, the City has requested the Bank extend the Expiry Date of the Letter of Credit and amend the Agreement to change the method of determining the compensation due the Bank; and**

**WHEREAS, the Bank has agreed to extend the Expiry Date of the Letter of Credit and modify the terms for its compensation as requested by the City, and submitted to the City for its approval and execution a Third Amendment to the Letter of Credit and Reimbursement Agreement, dated and effective as of July 14, 2005, attached hereto as Exhibit A and incorporated by reference as a part hereof for all purposes, and**

**WHEREAS, the City Council hereby finds and determines such Third Amendment should be approved and the City Manager authorized and directed to execute the same for and on behalf of the City; now, therefore,**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN, TEXAS:**

**SECTION 1: The Third Amendment to Letter of Credit and Reimbursement Agreement, dated and effective as of July 14, 2005, by and between the City and Landesbank Hessen-Thüringen Girozentrale, acting by and through its New York Branch, attached hereto as Exhibit A and incorporated herein by reference as a part hereof for all purposes, is hereby approved and authorized to be delivered by the City and the City Manager and City Clerk are hereby authorized and directed to execute such Third Amendment for and on behalf of the City and as the act and deed of this Council.**

**SECTION 2: Save and except as amended by the First Amendment to Letter of Credit and Reimbursement Agreement, dated and effective as of August 14, 2001, the Second Amendment to Letter of Credit and Reimbursement Agreement, dated and effective as of October 8, 2004, and the Third Amendment to Letter of Credit and Reimbursement Agreement, dated and effective as of July 14, 2005, no other changes or modification are approved to be made to the Letter of Credit and Reimbursement Agreement, dated as of July 1, 2000, and such Agreement as modified by the First Amendment, Second Amendment and Third Amendment is hereby declared to be the Agreement by and between the City and the Bank from and after the date of its execution by the parties.**

**SECTION 3:** It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by V.T.C.A., Government Code, Chapter 551, as amended.

**SECTION 4:** The public importance of this measure and the fact that the amendments herein contemplated must be approved prior to the expiration date of the Letter of Credit to prevent an adverse financial impact on the City with respect to the outstanding Notes constitute an emergency for the immediate preservation of the public peace, health and safety of the citizens of the City and creates an emergency requiring the suspension of the rule providing for ordinances to be read on three separate days; and such rule relating to the passage of ordinances and the Charter provision relating to the effective date of ordinances are hereby suspended and this Ordinance is hereby passed as an emergency measure and shall be effective immediately upon its passage and adoption as provided by the Charter of the City.

*[remainder of page left blank intentionally]*

PASSED AND ADOPTED, this June 23, 2005.

CITY OF AUSTIN, TEXAS

ATTEST:

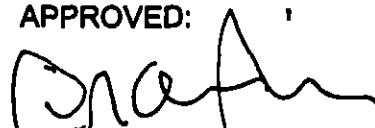
  
SHIRLEY A. BROWN  
City Clerk

(City Seal)



  
WILL WYNN  
Mayor

APPROVED:

  
DAVID ALLAN SMITH  
City Attorney

**EXHIBIT A**

**THIRD AMENDMENT TO  
LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT**