

ORDINANCE NO.

**AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF AUSTIN
PUBLIC PROPERTY FINANCE CONTRACTUAL OBLIGATIONS, SERIES 2013; AND
APPROVING RELATED DOCUMENTS**

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

PART 1. FINDINGS.

The Act authorizes the Council to execute, perform and make payments under contracts with any person for the use, acquisition, purchase or financing of personal property as described in the Act; and

The Act permits the Council to execute contracts in any form it deems appropriate in connection with the use, acquisition, purchase or financing of personal property; and

The Council desires to acquire, purchase or finance personal property as described in Schedule I, or such other personal property, appliances, equipment, facilities, furnishings or interests therein, whether movable or fixed, deemed by Council to be necessary, useful and/or appropriate for its purposes (the "Property"); and

The Council deems it appropriate to adopt this Ordinance and issue the "Contractual Obligations" authorized by the Act.

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

PART 2. DEFINITIONS.

The terms used in this Ordinance have the following meanings:

"Act" means the Public Property Finance Act, Sec. 271.001, et seq., Subchapter A, Local Government Code.

"Authentication Certificate" means the Paying Agent/Registrar's Authentication Certificate, in the form identified in the Form of Obligation.

"Authorized Denomination" means \$5,000 or any integral multiple of \$5,000.

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

"City" means the City of Austin, Texas.

"Code" means the Internal Revenue Code of 1986, as amended.

"Council" means the City Council of the City.

1 “Defeasance Securities” means any securities now or hereafter permitted by Section 1207.062,
2 Texas Government Code (or any successor statute), including (i) direct, noncallable obligations of the
3 United States of America, including obligations that are unconditionally guaranteed by the United States
4 of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America,
5 including obligations that are unconditionally guaranteed or insured by the agency or instrumentality
6 and that are rated as to investment quality by a nationally recognized investment rating firm not less than
7 “AAA” or its equivalent, and (iii) noncallable obligations of a state or an agency or a county,
8 municipality, or other political subdivision of a state that have been refunded and that are rated as to
9 investment quality by a nationally recognized investment rating firm not less than “AAA” or its
10 equivalent.

11 “Defeased Obligation” means any Obligation and the interest on the Obligation that is
12 considered to be paid, retired and no longer outstanding under the terms of this Ordinance, specifically
13 PART 16 of this Ordinance.

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

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

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

19 “Future Escrow Agreement” means an escrow agreement or other similar instrument with respect
20 to Defeased Obligations.

21 “Interest and Sinking Fund” means the City of Austin, Texas, Series 2013 Public Property
22 Finance Contractual Obligations Interest and Sinking Fund established in PART 9 of this Ordinance.

23 “MSRB” means the Municipal Securities Rulemaking Board.

24 “Obligations” means the obligations of the City to be called “City of Austin, Texas Public
25 Property Finance Contractual Obligations, Series 2013.”

26 “Paying Agent/Registrar” means Wilmington Trust, N.A., or any other bank, trust company,
27 financial institution, or agency named in accordance with the provisions of subsection (g) of PART 7 of
28 this Ordinance.

29 “Paying Agent/Registrar Agreement” means the agreement between the City and the Paying
30 Agent/Registrar with respect to the Obligations in the form approved by the City Manager of the City,
31 and any successor agreement.

32 “Property” has the meaning described in PART 1 of this Ordinance.

33 “Purchase Price” means the purchase price for the Obligations designated in Schedule II to this
34 Ordinance.

35 “Purchasers” means the entity or entities designated in Schedule II to this Ordinance.

36 “Registration Books” means the books or records of registration and transfer of the Obligations
37 maintained by the Paying Agent/Registrar.

1 “Registered Owner” means the owner of any Obligation as recorded in the Registration Books.

2 “Rule” means SEC Rule 15c2-12.

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

4 **PART 3. OBLIGATIONS TO BE SOLD.**

5 The Obligations shall be issued in accordance with the Constitution, laws of the State of Texas,
6 and the Charter of the City, in the aggregate principal amount set forth in Schedule II for the purposes of
7 (i) paying all or a portion of the City’s contractual obligations to be incurred with the acquisition,
8 purchase or financing of the Property, in accordance with the provisions of the Act, and (ii) paying the
9 costs of issuance associated with the sale of the Obligations.

10 **PART 4. MATURITY SCHEDULE.**

11 The Obligations shall be dated as of September 1, 2013, shall be in Authorized Denominations,
12 shall be numbered consecutively from R-1 upward, and shall mature on the maturity date(s), in each of
13 the years, and in the amounts, respectively, as set forth in Schedule II.

14 **PART 5. REDEMPTION PROVISIONS.**

15 The Obligations are not subject to redemption prior to maturity.

16 **PART 6. INTEREST.**

17 The Obligations shall bear interest at the rates per annum set forth in Schedule II. The interest
18 shall be payable to the Registered Owner of any Obligation in the manner provided and on the dates
19 stated in the Form of Obligation. Interest shall be calculated on the basis of a 360-day year consisting of
20 twelve 30-day months.

21 **PART 7. ADDITIONAL CHARACTERISTICS OF THE OBLIGATIONS.**

22 (a) The City shall keep, or cause to be kept at the Designated Payment/Transfer Office, the
23 Registration Books, and the City appoints the Paying Agent/Registrar as its registrar and transfer agent
24 to keep books or records and make the transfers and registrations under the reasonable regulations as the
25 City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make transfers
26 and registrations as provided in this Ordinance. It shall be the duty of the Paying Agent/Registrar to
27 obtain from the Registered Owner and record in the Registration Books the address of the Registered
28 Owner to which payments with respect to the Obligations shall be mailed, as provided in this Ordinance.
29 The City, or its designee, shall have the right to inspect the Registration Books during regular business
30 hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the
31 Registration Books confidential and, unless otherwise required by law, shall not permit their inspection
32 by any other entity. Registration of each Obligation may be transferred in the Registration Books only
33 upon presentation and surrender of the Obligation to the Paying Agent/Registrar for transfer of
34 registration and cancellation, together with proper written instruments of assignment, in form and with
35 guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing the assignment of the
36 Obligation, or any portion of the Obligation, in any Authorized Denomination, to the assignee or
37 assignees, and the right of the assignee or assignees to have the Obligation or any portion of the
38 Obligation registered in the name of the assignee or assignees. Upon the assignment and transfer of any

1 Obligation, a new substitute obligation or obligations shall be issued in exchange for the Obligation in
2 the manner provided in this Ordinance.

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

10 (c) The City appoints the Paying Agent/Registrar to act as the paying agent for paying the
11 principal of, premium, if any, and interest on, the Obligations, and to act as its agent to exchange or
12 replace Obligations, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper
13 records of all payments made by the City and the Paying Agent/Registrar with respect to the
14 Obligations, and of all exchanges and replacements, as provided in this Ordinance.

15 (d) Each Obligation may be exchanged for fully registered obligations as set forth in this
16 Ordinance. Each Obligation issued and delivered pursuant to this Ordinance may, upon surrender at the
17 Designated Payment/Transfer Office, together with a written request duly executed by the Registered
18 Owner or its assignee or assignees, or its or their duly authorized attorneys or representatives, with
19 guarantee of signatures satisfactory to the Paying Agent/Registrar, at the option of the Registered Owner
20 or its assignee or assignees, as appropriate, be exchanged for fully registered obligations, without
21 interest coupons, in the form prescribed in the Form of Obligation, in any Authorized Denomination
22 (subject to the requirement stated below that each substitute Obligation shall have a single stated
23 maturity date), as requested in writing by the Registered Owner or its assignee or assignees, in an
24 aggregate principal amount equal to the unredeemed principal amount of any Obligation or Obligations
25 so surrendered, and payable to the appropriate Registered Owner, assignee, or assignees. If a portion of
26 any Obligation is assigned and transferred, each Obligation issued in exchange shall have the same
27 maturity date and bear interest at the same rate as the Obligation for which it is being exchanged. Each
28 substitute Obligation shall bear a letter and/or number to distinguish it from each other Obligation. The
29 Paying Agent/Registrar shall exchange or replace Obligations as provided in this Ordinance, and each
30 fully registered Obligation delivered in exchange for or replacement of any Obligation or portion of an
31 Obligation as permitted or required by any provision of this Ordinance shall constitute one of the
32 Obligations for all purposes of this Ordinance, and may again be exchanged or replaced. Any Obligation
33 delivered in exchange for or replacement of another Obligation before the first scheduled interest
34 payment date on the Obligations (as stated on the face of the Obligation) shall be dated the same date,
35 but each substitute Obligation delivered on or after the first scheduled interest payment date shall be
36 dated the interest payment date preceding the date on which the substitute Obligation is delivered, unless
37 the substitute Obligation is delivered on an interest payment date, in which case it shall be dated as of
38 the date of delivery; however, if at the time of delivery of any substitute Obligation the interest on the
39 Obligation for which it is being exchanged has not been paid, then the substitute Obligation shall be
40 dated the date to which interest has been paid in full. On each substitute Obligation issued in exchange
41 for or replacement of any Obligation issued under this Ordinance there shall be printed on the Obligation
42 the Authentication Certificate. An authorized representative of the Paying Agent/Registrar shall, before
43 the delivery of any substitute Obligation, date the substitute Obligation in the manner set forth above,
44 and manually sign and date the Authentication Certificate, and no substitute Obligation shall be
45 considered to be issued or outstanding unless the Authentication Certificate is executed. The Paying
46 Agent/Registrar promptly shall cancel all Obligations surrendered for exchange or replacement. No

1 additional ordinances, orders, or resolutions need be passed or adopted by Council or any other body or
2 person to accomplish the exchange or replacement of any Obligation, and the Paying Agent/Registrar
3 shall provide for the printing, execution, and delivery of the substitute Obligations in the manner
4 prescribed in this Ordinance. Pursuant to Chapter 1206, Texas Government Code, the duty of exchange
5 or replacement of any Obligation is imposed on the Paying Agent/Registrar, and, upon the execution of
6 the Authentication Certificate, the exchanged or replaced obligation shall be valid, incontestable, and
7 enforceable in the same manner and with the same effect as the Obligations which originally were
8 delivered pursuant to this Ordinance, approved by the Texas Attorney General, and registered by the
9 Texas Comptroller of Public Accounts.

10 (e) All Obligations issued in exchange or replacement of any other Obligation or portion of
11 an Obligation (i) shall be issued in fully registered form, without interest coupons, with the principal of
12 and interest on the Obligations to be payable only to the Registered Owners, (ii) may be redeemed prior
13 to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be exchanged for other
14 Obligations, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of
15 and interest on the Obligations shall be payable, all as provided, and in the manner required or indicated,
16 in the Form of Obligation.

17 (f) The City shall pay the Paying Agent/Registrar's reasonable and customary fees and
18 charges for making transfers of Obligations, but the Registered Owner of any Obligation requesting the
19 transfer shall pay any taxes or other governmental charges required for the transfer. The Registered
20 Owner of any Obligation requesting any exchange shall pay the Paying Agent/Registrar's reasonable
21 and standard or customary fees and charges for exchanging any Obligation or a portion of an Obligation,
22 together with any required taxes or governmental charges, all as a condition precedent to the exercise of
23 the privilege of exchange, except in the case of the exchange of an assigned and transferred Obligation
24 or Obligations or any portion or portions in any Authorized Denomination, the fees and charges will be
25 paid by the City. In addition, the City covenants with the Registered Owners of the Obligations that it
26 will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for
27 its services with respect to the payment of the principal of and interest on the Obligations, when due, and
28 (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer or
29 registration of Obligations, and with respect to the exchange of Obligations solely to the extent stated
30 above.

31 (g) The City Manager is authorized to execute and deliver the Paying Agent/Registrar
32 Agreement. The City covenants with the Registered Owners of the Obligations that at all times while
33 the Obligations are outstanding the City will provide a competent and legally qualified bank, trust
34 company, or other entity duly qualified and legally authorized to act as and perform the services of
35 Paying Agent/Registrar for the Obligations under this Ordinance, and that the Paying Agent/Registrar
36 will be one entity. The City reserves the right to, and may, at its option, change the Paying
37 Agent/Registrar upon not less than 60 days written notice to the Paying Agent/Registrar. In the event
38 that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or
39 other method) should resign or otherwise stop acting as such, the City covenants that it will promptly
40 appoint a competent and legally qualified national or state banking institution organized and doing
41 business under the laws of the United States of America or of any state, authorized under the laws to
42 exercise trust powers, subject to supervision or examination by federal or state authority, and whose
43 qualifications substantially are similar to the previous Paying Agent/Registrar to act as Paying
44 Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous
45 Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy of these
46 Books), along with all other pertinent books and records relating to the Obligations, to the new Paying

1 Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar,
2 the City promptly will cause a written notice to be sent by the new Paying Agent/Registrar to each
3 Registered Owner of the Obligations, by United States mail, first-class postage prepaid, which notice
4 also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing
5 as such, each Paying Agent/Registrar shall be considered to have agreed to the provisions of this
6 Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

7 **PART 8. FORM OF OBLIGATIONS.**

8 The Obligations shall be signed with the manual or facsimile signatures of the Mayor and the
9 City Clerk, and the seal of the City shall be affixed or impressed on the Obligations. The form of all
10 Obligations, including the form of the Comptroller's Registration Certificate to accompany the
11 Obligations on the initial delivery, the form of the Authentication Certificate, and the Form of
12 Assignment to be printed on each Obligation, shall be, respectively, substantially in the form set forth in
13 Exhibit A, with such appropriate variations, omissions, or insertions as are permitted or required by this
14 Ordinance.

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

16 (a) The Interest and Sinking Fund is created and it shall be established and maintained at an
17 official depository of the City. The Interest and Sinking Fund shall be kept separate and apart from all
18 other funds and accounts of the City, and shall be used only for paying the interest on and principal of
19 the Obligations. All ad valorem taxes levied and collected for and on account of the Obligations shall be
20 deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any
21 Obligation is outstanding and unpaid, Council shall compute and ascertain the rate and amount of ad
22 valorem tax, based on the latest approved tax rolls of the City, with full allowances being made for tax
23 delinquencies and costs of tax collections, which will be sufficient to raise and produce the money
24 required to pay the interest on the Obligations as the interest comes due, and to provide a sinking fund to
25 pay the principal of the Obligations as the principal matures, but never less than 2% of the outstanding
26 principal amount of the Obligations as a sinking fund each year. The rate and amount of ad valorem tax
27 needed to fund this obligation is ordered to be levied against all taxable property in the City for each
28 year while any Obligation is outstanding and unpaid, and the ad valorem tax shall be assessed and
29 collected each year and deposited to the credit of the Interest and Sinking Fund. The ad valorem taxes
30 necessary to pay the interest on and principal of the Obligations, as the interest comes due, and the
31 principal matures as provided in the Form of Obligation, are pledged for this purpose, within the limit
32 set by law. The City appropriates from current funds on hand, and directs the transfer for deposit into the
33 Interest and Sinking Fund moneys as may be necessary to pay debt service on the Obligations scheduled
34 to occur prior to receipt of taxes levied to pay such debt service. Money in the Interest and Sinking
35 Fund, at the option of the City, may be invested in the securities or obligations as permitted under
36 applicable law and the City's investment policy. Any securities or obligations in which money is
37 invested shall be kept and held in trust for the benefit of the owners of the Obligations and shall be sold
38 and the proceeds of sale shall be timely applied to the making of all payments required to be made from
39 the Interest and Sinking Fund. Interest and income derived from the investment of money in the Interest
40 and Sinking Fund shall be credited to the Interest and Sinking Fund.

41 (b) Chapter 1208, Texas Government Code, applies to the issuance of the Obligations and
42 the pledge of ad valorem taxes made under PART 9(a) of this Ordinance, and the pledge is valid,
43 effective, and perfected. If Texas law is amended at any time while any Obligation is outstanding and
44 unpaid so that the pledge of ad valorem taxes made by the City under PART 9(a) of this Ordinance is to
45 be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then to preserve

1 to the Registered Owners of the Obligations the perfection of the security interest in the pledge, the City
2 agrees to take measures as it determines are reasonable and necessary under Texas law to comply with
3 the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect
4 the security interest in the pledge.

5 **PART 10. DAMAGED, LOST, STOLEN OR DESTROYED OBLIGATIONS.**

6 (a) In the event any outstanding Obligation is damaged, mutilated, lost, stolen, or destroyed,
7 the Paying Agent/Registrar shall cause to be printed, executed, and delivered a new obligation of the
8 same principal amount, maturity, and interest rate as the damaged, mutilated, lost, stolen, or destroyed
9 Obligation in replacement for the Obligation in the manner provided in this Ordinance.

10 (b) Application for replacement of any damaged, mutilated, lost, stolen, or destroyed
11 Obligation shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of an
12 Obligation, the applicant for a replacement obligation shall furnish to the City and to the Paying
13 Agent/Registrar the security or indemnity as may be required by them to save each of them harmless
14 from any loss or damage with respect to the Obligation. Also, in every case of loss, theft, or destruction
15 of an Obligation, the applicant shall furnish to the City and to the Paying Agent/Registrar evidence to
16 their satisfaction of the loss, theft, or destruction of the Obligation. In every case of damage or
17 mutilation of an Obligation, the applicant shall surrender to the Paying Agent/Registrar for cancellation
18 the damaged or mutilated Obligation.

19 (c) Notwithstanding provisions 10(a) and (b), in the event any Obligation shall have matured,
20 and there is no continuing default in the payment of the principal of, premium, if any, or interest on the
21 Obligation, the City may authorize its payment (without surrender except in the case of a damaged or
22 mutilated Obligation) instead of issuing a replacement Obligation, provided security or indemnity is
23 furnished as above provided in this PART.

24 (d) Prior to the issuance of any replacement Obligation, the Paying Agent/Registrar shall
25 charge the owner of the Obligation with all legal, printing, and other expenses in connection with the
26 replacement. Every replacement Obligation issued pursuant to the provisions of this Ordinance by
27 virtue of the fact that any Obligation is damaged, mutilated, lost, stolen, or destroyed shall constitute a
28 contractual obligation of the City whether the damaged, mutilated, lost, stolen, or destroyed Obligation
29 shall be found, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance
30 equally and proportionately with any and all other Obligations duly issued under this Ordinance.

31 (e) In accordance with Chapter 1206, Texas Government Code, this PART constitutes
32 authority for the issuance of any such replacement Obligation without necessity of further action by the
33 governing body of the City or any other body or person, and the duty of the replacement of the
34 Obligations is authorized and imposed on the Paying Agent/Registrar, subject to the conditions imposed
35 by this PART, and the Paying Agent/Registrar shall authenticate and deliver the Obligations in the form
36 and manner and with the effect, as provided in PART 7(d) of this Ordinance for Obligations issued in
37 exchange for other Obligations.

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

39 The Mayor, or his designee, is authorized to have control of the Obligations and all necessary
40 records and proceedings pertaining to the Obligations pending their delivery and their investigation,
41 examination and approval by the Texas Attorney General, and their registration by the Texas
42 Comptroller of Public Accounts. Upon registration of the Obligations, the Comptroller (or a deputy

1 designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration
2 Certificate accompanying the Obligations, and the seal of the Comptroller shall be impressed, or placed
3 in facsimile, on each certificate. After registration by the Comptroller, delivery of the Obligations shall
4 be made to the Purchasers, under and subject to the general supervision and direction of the Mayor,
5 against receipt by the City of all amounts due to the City under the terms of sale.

6 **PART 12. SALE OF OBLIGATIONS.**

7 The sale of the Obligations to the Purchasers, at the Purchase Price, is approved. The Obligations
8 were sold pursuant to the terms of a "Notice of Sale and Bidding Instructions," "Official Bid Form" and
9 "Official Statement" and the use of these documents, a true and correct copy of each document being
10 presented with this Ordinance, is approved. Council finds, determines and declares that the Obligations
11 were sold to the highest bidder at terms that were the most advantageous reasonably obtained. One
12 Obligation in the principal amount maturing on each maturity date as set out in Schedule II to this
13 Ordinance shall be delivered to the Purchasers, and the Purchasers shall have the right to exchange such
14 certificates as provided in PART 7 of this Ordinance without cost. Council ratifies use of the
15 "Preliminary Official Statement" prepared in connection with the sale of the Obligations. Proceeds from
16 the sale of the Obligations in the amount set forth in Schedule II shall be used for the purposes described
17 in PART 3 of this Ordinance; and any accrued interest (together with a portion of the premium, if any,
18 set forth in Schedule II) received in connection with the sale of the Obligations shall be deposited to the
19 Interest and Sinking Fund.

20 **PART 13. COVENANTS TO MAINTAIN TAX EXEMPT STATUS.**

21 (a) Definitions. When used in this PART, the following terms have the following meanings:

22 "Code" means the Internal Revenue Code of 1986, as amended by all legislation, if any, enacted
23 on or before the Issue Date.

24 "Computation Date" has the meaning stated in section 1.148 1(b) of the Regulations.

25 "Gross Proceeds" has the meaning stated in section 1.148 1(b) of the Regulations.

26 "Investment" has the meaning stated in section 1.148 1(b) of the Regulations.

27 "Issue Date" for the Obligations or other obligations of the City is the respective date on which
28 such Obligations or other obligations of the City is delivered against payment therefor.

29 "Net Sale Proceeds" has the meaning stated in section 1.148 1(b) of the Regulations.

30 "Nonpurpose Investment" has the meaning stated in section 1.148 1(b) of the Regulations.

31 "Proceeds" has the meaning stated in section 1.148-1(b) of the Regulations.

32 "Rebate Amount" has the meaning stated in section 1.148-3 of the Regulations.

33 "Regulations" means the temporary or final Income Tax Regulations applicable to the
34 Obligations issued pursuant to sections 141 through 150 of the Code. Any reference to a section of the
35 Regulations shall also refer to any successor provision to such section hereafter promulgated by the
36 Internal Revenue Service pursuant to sections 141 through 150 of the Code and applicable to the
37 Obligations.

1 “Yield of”

2 (1) any Investment shall be computed in accordance with section 1.148-5 of the
3 Regulations, and

4 (2) the Obligations shall be computed in accordance with section 1.148-4 of the
5 Regulations.

6 (b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of or
7 omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or
8 improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which, if
9 made or omitted, respectively, would cause the interest on any Obligations to become includable in the
10 gross income, as defined in section 61 of the Code, of the owner for federal income tax purposes.
11 Unless and until the City has received a written opinion of counsel nationally recognized in the field of
12 municipal bond law to the effect that failure to comply with such covenant will not adversely affect the
13 exemption from federal income tax of the interest on any Obligation, the City shall comply with the
14 specific covenants in this Section.

15 (c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and
16 the regulations and rulings relating to section 141 of the Code, the City shall, at all times prior to the last
17 stated maturity of the Obligations,

18 (1) exclusively own, operate, and possess all property the acquisition, construction, or
19 improvement of which is to be financed directly or indirectly with Gross Proceeds of the
20 Obligations and not use or permit the use of such Gross Proceeds or any property acquired,
21 constructed, or improved with such Gross Proceeds in any activity carried on by any person or
22 entity other than a state or local government, unless such use is solely as a member of the general
23 public, or

24 (2) not directly or indirectly impose or accept any charge or other payment for use of
25 Gross Proceeds of the Obligations or any property the acquisition, construction or improvement
26 of which is to be financed directly or indirectly with such Gross Proceeds other than taxes of
27 general application and interest earned on investments acquired with such Gross Proceeds
28 pending application for their intended purposes.

29 (d) No Private Loan. Except to the extent permitted by section 141 of the Code and the
30 regulations and rulings relating to section 141 of the Code, the City shall not use Gross Proceeds of the
31 Obligations to make or finance loans to any person or entity other than a state or local government. For
32 purposes of the foregoing covenant, Gross Proceeds are considered to be “loaned” to a person or entity if
33 (1) property acquired, constructed or improved with Gross Proceeds is sold or leased to such person or
34 entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service
35 from such property is committed to such person or entity under a take or pay, output, or similar contract
36 or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or
37 such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

38 (e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code
39 and the regulations and rulings relating to section 148 of the Code, the City shall not, at any time prior to
40 the earlier of the final stated maturity or final payment of the Obligations, directly or indirectly invest
41 Gross Proceeds of such Obligations in any Investment (or use such Gross Proceeds to replace money so

1 invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds
2 whether then held or previously disposed of, exceeds the Yield on the Obligations.

3 (f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code
4 and the regulations and rulings relating to section 149(b) of the Code, the City shall not take or omit to
5 take any action which would cause the Obligations to be federally guaranteed within the meaning of
6 section 149(b) of the Code and the regulations and rulings relating to section 149(b) of the Code.

7 (g) Information Report. The City shall timely file with the Secretary of the Treasury the
8 information required by section 149(e) of the Code with respect to the Obligations on such forms and in
9 such place as such Secretary may prescribe.

10 (h) Payment of Rebate Amount. Except to the extent otherwise provided in section 148(f) of
11 the Code and the regulations and rulings relating to section 148(f) of the Code, the City shall:

12 (1) account for all Gross Proceeds (including all receipts, expenditures and
13 investments thereof) on its books of account separately and apart from all other funds (and
14 receipts, expenditures and investments thereof) and shall retain all records of such accounting for
15 at least six years after the final Computation Date. The City may, however, to the extent
16 permitted by law, commingle Gross Proceeds of the Obligations with other money of the City,
17 provided that the City separately accounts for each receipt and expenditure of such Gross
18 Proceeds and the obligations acquired with these proceeds.

19 (2) calculate the Rebate Amount with respect to the Obligations, not less frequently
20 than each Computation Date, in accordance with rules set forth in section 148(f) of the Code,
21 section 1.148-3 of the Regulations, and the rulings thereunder. The City shall maintain a copy of
22 such calculations for at least six years after the final Computation Date.

23 (3) as additional consideration for the purchase of the Obligations by the initial
24 purchaser and the loan of the money represented by this purchase, and in order to induce such
25 purchase by measures designed to ensure the excludability of the interest from the gross income
26 of the owners for federal income tax purposes, pay to the United States the amount described in
27 paragraph (2) above at the times, in the installments, to the place, in the manner and
28 accompanied by such forms or other information as is or may be required by section 148(f) of
29 the Code and the regulations and rulings relating to section 148(f) of the Code, and

30 (4) exercise reasonable diligence to assure that no errors are made in the calculations
31 required by paragraph (2) and, if such error is made, to discover and promptly to correct such
32 error within a reasonable amount of time, including payment to the United States of any interest
33 and any penalty required by the Regulations.

34 (i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the
35 Code and the regulations and rulings relating to section 148 of the Code, the City shall not, at any time
36 prior to the earlier of the final stated maturity or final payment of the Obligations, enter into any
37 transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of
38 this Section because such transaction results in a smaller profit or a larger loss than would have resulted
39 if the transaction had been at arm's length and had the Yield of the Obligations not been relevant to
40 either party.

1 (j) Not Hedge Bonds. The City will not invest more than 50 percent of the Proceeds of the
2 Obligations in Nonpurpose Investments having a guaranteed yield for four years or more. On the
3 Closing Date, the City will reasonably expect that at least 85 percent of the Net Sale Proceeds of the
4 Obligations will be used to carry out the governmental purpose of such series within three years after the
5 Closing Date.

6 **PART 14. CONTINUING DISCLOSURE OBLIGATION.**

7 (a) *Annual Reports*. (i) The City shall provide annually to the MSRB, within six months
8 after the end of each fiscal year ending in or after 2013, financial information and operating data with
9 respect to the City of the general type included in the Official Statement authorized by PART 12 of this
10 Ordinance, being the information described in Exhibit B. Any financial statements to be provided shall
11 be (1) prepared in accordance with the accounting principles described in Exhibit B, or other accounting
12 principles as the City may be required to employ from time to time pursuant to state law or regulation,
13 and (2) audited, if the City commissions an audit of such statements and the audit is completed within
14 the period during which they must be provided. If the audit of the financial statements is not complete
15 within this period, then the City shall provide unaudited financial statements by the required time, and
16 shall provide audited financial statements for the applicable fiscal year to the MSRB, when and if the
17 audit report on the statements becomes available.

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

21 The financial information and operating data to be provided pursuant to this PART may be set
22 forth in full in one or more documents or may be included by specific reference to any document
23 (including an official statement or other offering document) available to the public on the MSRB's
24 website or filed with the SEC. Filings shall be made electronically, in the format prescribed by the
25 MSRB.

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

- 29 1. Principal and interest payment delinquencies;
- 30 2. Non-payment related defaults, if material;
- 31 3. Unscheduled draws on debt service reserves reflecting financial difficulties;
- 32 4. Unscheduled draws on credit enhancements reflecting financial difficulties;
- 33 5. Substitution of credit or liquidity providers, or their failure to perform;
- 34 6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed
35 or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-
36 TEB) or other material notices or determinations with respect to the tax status of
37 the Obligations, or other material events affecting the tax status of the
38 Obligations;
- 39 7. Modifications to rights of holders of the Obligations, if material;
- 40 8. Obligation calls, if material, and tender offers;
- 41 9. Defeasances;
- 42 10. Release, substitution, or sale of property securing repayment of the Obligations, if
43 material;
- 44 11. Rating changes;

- 1 12. Bankruptcy, insolvency, receivership or similar event of the City;
2 13. The consummation of a merger, consolidation, or acquisition involving the City
3 or the sale of all or substantially all of the assets of the City, other than in the
4 ordinary course of business, the entry into a definitive agreement to undertake
5 such an action or the termination of a definitive agreement relating to any such
6 actions, other than pursuant to its terms, if material; and
7 14. Appointment of a successor Paying Agent/Registrar or change in the name of the
8 Paying Agent/Registrar, if material.

9 As used in clause 12 above, the phrase “bankruptcy, insolvency, receivership or similar event”
10 means the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the
11 U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or
12 governmental authority has assumed jurisdiction over substantially all of the assets or business of the
13 City, or if jurisdiction has been assumed by leaving Council and officials or officers of the City in
14 possession but subject to the supervision and orders of a court or governmental authority, or the entry of
15 an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental
16 authority having supervision or jurisdiction over substantially all of the assets or business of the City.

17 The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely
18 manner, of any failure by the City to provide financial information or operating data in accordance with
19 subsection (b) of this Section by the time required by subsection (a).

20 (c) *Limitations, Disclaimers, and Amendments.*

21 The City shall be obligated to observe and perform the covenants named in this PART for only
22 so long as the City remains an “obligated person” with respect to the Obligations within the meaning of
23 the Rule, except that the City will give written notice of any deposit made in accordance with this
24 Ordinance, or applicable law, that causes any Obligation no longer to be outstanding.

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

34 **UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR**
35 **BENEFICIAL OWNER OF ANY OBLIGATION OR ANY OTHER PERSON, IN CONTRACT OR**
36 **TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE**
37 **CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT**
38 **SPECIFIED IN THIS PART, BUT EVERY RIGHT AND REMEDY OF ANY PERSON, IN**
39 **CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY BREACH SHALL BE LIMITED TO AN**
40 **ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.**

41 No default by the City in observing or performing its obligations under this PART shall comprise
42 a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

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

3 The provisions of this PART may be amended by the City from time to time to adapt to changed
4 circumstances that arise from a change in legal requirements, a change in law, or a change in the
5 identity, nature, status, or type of operations of the City, but only if (1) the provisions of this PART, as
6 amended, would have permitted an underwriter to purchase or sell Obligations in the primary offering of
7 the Obligations in compliance with the Rule, taking into account any amendments or interpretations of
8 the Rule since the offering as well as the changed circumstances and (2) either (a) the holders of a
9 majority in aggregate principal amount (or any greater amount required by any other provision of this
10 Ordinance that authorizes an amendment) of the outstanding Obligations consent to the amendment or
11 (b) a person that is unaffiliated with the City (such as nationally-recognized bond counsel) determines
12 that the amendment will not materially impair the interest of the holders and beneficial owners of the
13 Obligations. If the City amends the provisions of this PART, it shall include with the next financial
14 information and operating data provided in accordance with subsection (b) of this PART an explanation,
15 in narrative form, of the reason for the amendment and of the impact of any change in the type of
16 financial information or operating data so provided. The City may also amend or repeal the provisions of
17 this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule
18 or a court of final jurisdiction enters judgment that the provisions of the Rule are invalid, but only if and
19 to the extent that the provisions of this sentence would not prevent an underwriter from lawfully
20 purchasing or selling Obligations in the primary offering of the Obligations.

21 **PART 15. DTC REGISTRATION.**

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

1 substitution, as provided for in this Ordinance, substitute Obligations will be duly delivered as provided
2 in this Ordinance, and there will be no assurance or representation that any book-entry system will be
3 maintained for the Obligations. In connection with the initial establishment of the foregoing book-entry
4 system with DTC, the City has executed a “Blanket Letter of Representations” prepared by DTC in
5 order to implement the book-entry system described above.

6 **PART 16. DEFEASANCE.**

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

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

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

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

5 **PART 17. DEFAULT AND REMEDIES.**

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

7 (i) the failure to pay the principal of or interest on any Obligation when it becomes
8 due and payable; or

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

14 (b) *Remedies for Default.*

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

24 (ii) All default proceedings shall be instituted and maintained for the equal benefit of
25 all Registered Owners of outstanding Obligations.

26 (c) *Remedies Not Exclusive.*

27 (i) No remedy in this Ordinance is exclusive of any other available remedy, but each
28 remedy shall be cumulative and shall be in addition to every other remedy given in this
29 Ordinance or under the Obligations; however, there is no right to accelerate the debt evidenced
30 by the Obligations.

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

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

37 (iv) None of the members of Council, nor any other official or officer, agent, or
38 employee of the City, shall be charged personally by the Registered Owners with any liability, or

1 be held personally liable to the Registered Owners under any term or provision of this
2 Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.

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

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

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

20 **PART 19. RULES OF CONSTRUCTION.**

21 For all purposes of this Ordinance, unless the context requires otherwise, all references to
22 designated PARTS and other subdivisions are to the PARTS and other subdivisions of this Ordinance.
23 Except where the context otherwise requires, terms defined in this Ordinance to impart the singular
24 number shall be considered to include the plural number and vice versa. References to any named
25 person shall mean that party and his or her successors and assigns. References to any constitutional,
26 statutory or regulatory provision means the provision as it exists on the date this Ordinance is adopted
27 by the City. Any reference to "Form of Obligation" refers to the form of the Obligations in Exhibit A to
28 this Ordinance. The titles and headings of the PARTS and subsections of this Ordinance have been
29 inserted for convenience of reference only and are not a part of this Ordinance and shall not in any way
30 modify or restrict any of its terms or provisions.

31 **PART 20. CONFLICTING ORDINANCES REPEALED.**

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

33 **PART 21. IMMEDIATE EFFECT.**

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

36 [The remainder of this page is intentionally left blank]

1 PASSED AND APPROVED AND EFFECTIVE _____, 2013.

2 _____
3 Lee Leffingwell,
4 Mayor,
5 City of Austin, Texas
6

7 ATTEST:

8
9
10 _____
11 Jannette S. Goodall,
12 City Clerk,
13 City of Austin, Texas

(SEAL)

14
15
16
17 APPROVED:

18
19
20 _____
21 Karen M. Kennard,
22 City Attorney,
23 City of Austin, Texas

DRAFT

EXHIBIT A

Form of Obligation

NO. R-__¹ \$_____

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF AUSTIN, TEXAS
PUBLIC PROPERTY FINANCE CONTRACTUAL OBLIGATION,
SERIES 2013

Maturity Date² Interest Rate² Dated Date CUSIP No.²
_____ 1, 20__ % September 1, 2013

ON THE MATURITY DATE SPECIFIED ABOVE, THE CITY OF AUSTIN, TEXAS (the "City"), in the Counties of Travis, Williamson and Hays, hereby promises to pay to

_____ or to the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount of:

_____ DOLLARS

and to pay interest thereon, from the Dated Date specified above, to the Maturity Date specified above at the rate of interest per annum specified above, with said interest being payable on May 1, 2014, and semiannually on each November 1 and May 1 thereafter; except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Obligation is dated later than May 1, 2014, such interest is payable semiannually on each November 1 and May 1 following such date.³

¹ The initial Obligation shall be numbered T-1.

² To be omitted from the initial Obligation.

³ The first paragraph of the initial Obligation shall read as follows:

"ON THE MATURITY DATES SPECIFIED BELOW, THE CITY OF AUSTIN, TEXAS (the "City"), in the Counties of Travis, Williamson and Hays, hereby promises to pay to _____ or to the registered assignee hereof (either being hereinafter called the "registered owner") the principal amount shown below: [Insert information regarding maturity dates and interest rates from Schedule II of the Ordinance] and to pay interest thereon, from the Dated Date specified above, to the Maturity Dates specified above at the rates of interest per annum specified above, with said interest being payable on May 1, 2014, and semiannually on each November 1 and May 1 thereafter; except that if the Paying Agent/Registrar's Authentication Certificate appearing on the face of this Obligation is dated later than May 1, 2014, such interest is payable semiannually on each November 1 and May 1 following such date."

1 THE PRINCIPAL OF AND INTEREST ON this Obligation are payable in lawful money
2 of the United States of America, without exchange or collection charges. The principal of this
3 Obligation shall be paid to the registered owner hereof upon presentation and surrender of this
4 Obligation at maturity at the designated corporate trust office in Dallas, Texas (the “Designated
5 Payment/Transfer Office”) of Wilmington Trust, N.A., which is the “Paying Agent/Registrar”
6 for this Obligation. The payment of interest on this Obligation shall be made by the Paying
7 Agent/Registrar to the registered owner hereof as shown by the Registration Books kept by the
8 Paying Agent/Registrar at the close of business on the 15th day of the month next preceding such
9 interest payment date by check, dated as of such interest payment date, drawn by the Paying
10 Agent/Registrar on, and payable solely from, funds of the City required to be on deposit with the
11 Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by
12 the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such
13 interest payment date, to the registered owner hereof at its address as it appears on the
14 Registration Books kept by the Paying Agent/Registrar, as hereinafter described. Any accrued
15 interest due at maturity of this Obligation prior to maturity as provided herein shall be paid to the
16 registered owner upon presentation and surrender of this Obligation for payment at the
17 Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the
18 registered owner of this Obligation that no later than each principal payment and/or interest
19 payment date for this Obligation it will make available to the Paying Agent/Registrar from the
20 Interest and Sinking Fund as defined by the ordinance authorizing the Obligations (the
21 “Ordinance”) the amounts required to provide for the payment, in immediately available funds,
22 of all principal of, premium, if any, and interest on the Obligations, when due.

23 IN THE EVENT OF A NON-PAYMENT of interest on a scheduled payment date, and
24 for thirty (30) days thereafter, a new record date for such interest payment (a “Special Record
25 Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of
26 such interest have been received from the City. Notice of the Special Record Date and of the
27 scheduled payment date of the past due interest (“Special Payment Date,” which shall be fifteen
28 (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the
29 Special Record Date by United States mail, first class postage prepaid, to the address of each
30 registered owner of an Obligation appearing on the registration books of the Paying
31 Agent/Registrar at the close of business on the last business day next preceding the date of
32 mailing of such notice.

33 IF THE DATE for the payment of the principal of, premium, if any, or interest on this
34 Obligation shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in
35 the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located
36 are authorized by law or executive order to close, then the date for such payment shall be the
37 next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which
38 banking institutions are authorized to close; and payment on such date shall have the same force
39 and effect as if made on the original date payment was due. Notwithstanding the foregoing,
40 during any period in which ownership of the Obligations is determined only by a book entry at a
41 securities depository for the Obligations, any payment to the securities depository, or its nominee
42 or registered assigns, shall be made in accordance with existing arrangements between the City
43 and the securities depository.

1 THIS OBLIGATION is one of a series of Obligations of like tenor and effect except as to
2 number, principal amount, interest rate and maturity authorized in accordance with the
3 Constitution and laws of the State of Texas in the principal amount of \$_____, for the
4 purpose of paying all or a portion of the City’s contractual obligations to be incurred in
5 connection with the acquisition, purchase or financing of personal property, in accordance with
6 the provisions of the Public Property Finance Act, Section 271.001, et seq., Local Government
7 Code..

8 ALL OBLIGATIONS OF THIS SERIES are issuable solely as fully registered bonds,
9 without interest coupons, in the denomination of any integral multiple of \$5,000 (an “Authorized
10 Denomination”). As provided in the Ordinance, this Obligation may, at the request of the
11 registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for
12 a like aggregate principal amount of fully registered bonds, without interest coupons, payable to
13 the appropriate registered owner, assignee, or assignees, as the case may be, having the same
14 maturity date, and bearing interest at the same rate, in any Authorized Denomination as
15 requested in writing by the appropriate registered owner, assignee, or assignees, as the case may
16 be, upon surrender of this Obligation to the Paying Agent/Registrar at its Designated
17 Payment/Transfer Office for cancellation, all in accordance with the form and procedures set
18 forth in the Ordinance. Among other requirements for such assignment and transfer, this
19 Obligation must be presented and surrendered to the Paying Agent/Registrar, together with
20 proper instruments of assignment, in form and with guarantee of signatures satisfactory to the
21 Paying Agent/Registrar, evidencing assignment of this Obligation or any portion or portions
22 hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names
23 this Obligation or any such portion or portions hereof is or are to be transferred and registered.
24 The form of Assignment printed or endorsed on this Obligation may be executed by the
25 registered owner to evidence the assignment hereof, but such method is not exclusive, and other
26 instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence
27 the assignment of this Obligation or any portion or portions hereof from time to time by the
28 registered owner. The one requesting such exchange shall pay the Paying Agent/Registrar’s
29 reasonable standard or customary fees and charges for exchanging any Obligation or portion
30 thereof. The foregoing notwithstanding, in the case of the exchange of an assigned and
31 transferred Obligation or Obligations or any portion or portions thereof, such fees and charges of
32 the Paying Agent/Registrar will be paid by the City. In any circumstance, any taxes or
33 governmental charges required to be paid with respect thereto shall be paid by the one requesting
34 such assignment, transfer, or exchange as a condition precedent to the exercise of such privilege.

35 WHENEVER the beneficial ownership of this Obligation is determined by a book entry
36 at a securities depository for the Obligations, the foregoing requirements of holding, delivering
37 or transferring this Obligation shall be modified to require the appropriate person or entity to
38 meet the requirements of the securities depository as to registering or transferring the book entry
39 to produce the same effect.

40 IN THE EVENT any Paying Agent/Registrar for the Obligations is changed by the City,
41 resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it
42 promptly will appoint a competent and legally qualified substitute therefor, and promptly will
43 cause written notice thereof to be mailed to the registered owners of the Obligations.

1 IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Obligation, and
2 the series of which it is a part, is duly authorized by law; that all acts, conditions and things
3 required to be done precedent to and in the issuance of this series of bonds, and of this
4 Obligation, have been properly done and performed and have happened in regular and due time,
5 form and manner as required by law; that sufficient and proper provision for the levy and
6 collection of ad valorem taxes has been made, which, when collected, shall be appropriated
7 exclusively to the payment of this Obligation and the series of which it is a part; and that the total
8 indebtedness of the City of Austin, Texas, including the entire series of bonds of which this is
9 one, does not exceed any constitutional or statutory limitation.

10 BY BECOMING the registered owner of this Obligation, the registered owner thereby
11 acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms
12 and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in
13 the official minutes and records of the governing body of the City, and agrees that the terms and
14 provisions of this Obligation and the Ordinance constitute a contract between each registered
15 owner hereof and the City.

16 IN WITNESS WHEREOF, this Obligation has been duly executed on behalf of the City,
17 under its official seal, in accordance with law.

City Clerk,
City of Austin, Texas

Mayor,
City of Austin, Texas

(SEAL)

* * * * *

1 FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE:

2 PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
3 (To be executed if this Obligation is not accompanied by an
4 executed Registration Certificate of the Comptroller
5 of Public Accounts of the State of Texas)

6 It is hereby certified that this Obligation has been issued under the provisions of the
7 proceedings adopted by the City as described in the text of this Obligation; and that this
8 Obligation has been issued in conversion of and exchange for or replacement of a bond, bonds,
9 or a portion of a bond or bonds of an issue which originally was approved by the Attorney
10 General of the State of Texas and registered by the Comptroller of Public Accounts of the State
11 of Texas.

Dated: Wilmington Trust, N.A.,
Paying Agent/Registrar

By: _____
Authorized Representative

12 * * * * *

13 FORM OF COMPTROLLER'S CERTIFICATE (ATTACHED TO
14 THE OBLIGATIONS UPON INITIAL DELIVERY THEREOF):

15 OFFICE OF COMPTROLLER :
16 : REGISTER NO. _____
17 STATE OF TEXAS :
18

19 I hereby certify that there is on file and of record in my office a certificate of the Attorney
20 General of the State of Texas to the effect that this Obligation has been examined by him as
21 required by law, and that he finds that it has been issued in conformity with the Constitution and
22 laws of the State of Texas, and that it is a valid and binding obligation of the City of Austin,
23 Texas, payable in the manner provided by and in the ordinance authorizing same, and said
24 Obligation has this day been registered by me.

25 WITNESS MY HAND and seal of office at Austin, Texas _____.

26 _____
27 Comptroller of Public Accounts of the
28 State of Texas

29 (SEAL)

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FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

Please insert Social Security or Taxpayer Identification Number of Transferee

/_____/

(please print or typewrite name and address, including zip code of Transferee)

the within Obligation and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to register the transfer of the within Obligation on the books kept for registration
thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

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

EXHIBIT B

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Description of Annual Financial Information

The following information is referred to in PART 14 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with PART 14 are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

The quantitative financial information and operating data with respect to the City of the general type included in the main text of the Official Statement under the subcaptions: “Tax Valuation” with respect to the appraised value as of January 1 during the fiscal year as to which such annual report relates; “Current Investments;” “Valuation and Funded Debt History;” “Tax Rates, Levy and Collection History;” “Ten Largest Taxpayers;” “Property Tax Rate Distribution;” “General Fund Revenues and Expenditures and Changes in Fund Balance;” “Municipal Sales Tax;” and “Transfers from Utility Fund.”

The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded fiscal year.

Accounting Principles

The accounting principles referred to in PART 14 are the accounting principles described in the notes to the financial statements referred to in the third paragraph under the heading “Annual Financial Statements and Operating Data” above.

SCHEDULE I

Description of Personal Property

<u>Description</u>	<u>Approximate Cost</u>	<u>Useful Life</u>	<u>Approximate Delivery Date</u>
Austin Resource Recovery – (\$13,000,000)			
Attachment for excavator (1x)	\$ 30,000	7 years	12/31/13
Pick up truck (8x)	240,000	7 years	12/31/13
Rear-Loaders (1x)	315,000	7 years	12/31/13
Sweeper (1x)	305,000	7 years	12/31/13
Roll-Off/Crane (1x)	295,000	7 years	12/31/13
Roll-Off (1x)	205,000	7 years	12/31/13
Trash Carts-24 gal (1400x)	55,000	7 years	12/31/13
Trash Carts-32 gal (30,000x)	1,200,000	7 years	12/31/13
Recycle Carts-64 gal (10,000x)	437,000	7 years	12/31/13
Trash Carts-64 gal (25,000x)	1,095,000	7 years	12/31/13
Recycle Carts-96 gal (10,000x)	525,000	7 years	12/31/13
Trash Carts-96 gal (2,350x)	125,000	7 years	12/31/13
20' Gooseneck Trailer (1x)	15,000	7 years	12/31/13
Litter Containers (125x)	215,000	7 years	12/31/13
Recycling Truck- Automated Collection Vehicle (2x)	690,000	7 years	12/31/13
Garbage Truck-Automated Collection Vehicle (19x)	6,555,000	7 years	12/31/13
Garbage Truck-Semi-Automated Rear Loader (2x)	370,000	7 years	12/31/13
Recycling Truck-Semi-Automated Rear Loader (2x)	328,000	7 years	12/31/13
Austin Transportation Department – (\$635,000)			
Ford Focus Electric (2x)	67,000	7 years	12/31/13
Small SUV (4x)	84,000	7 years	12/31/13
Steam Cleaning System (1x)	40,000	7 years	12/31/13
Pickup 1/2 ton, propane (1x)	35,000	7 years	12/31/13
Thermoplastic Push Cart Striping Machine (2x)	20,000	7 years	12/31/13
Pickup 1/2 ton, propane (3x)	105,000	7 years	12/31/13
Mid size cargo van (1x)	37,000	7 years	12/31/13
Bucket Truck 48-Foot (2x)	180,000	7 years	12/31/13
Pickup 1/2 ton, propane (2x)	67,000	7 years	12/31/13
Communications & Technology Management – (\$5,355,000)			
GATTRS: Microwave radios & related antennae network (24x)	5,355,000	10 years	12/31/13
Fire – (\$2,865,000)			
Pumper Trucks (6x)	2,865,000	7 years	12/31/13
Fleet – (\$10,850,000)			
Add'l truck to replace rental truck (3x)	96,000	10 years	12/31/13
FORD F150 TRUCK 2WD LPG (3x)	110,000	10 years	12/31/13
CHEV BLAZER SUV (1x)	24,000	10 years	12/31/13
FORD F250 TRUCK 2WD LPG (1x)	36,000	10 years	12/31/13
FORD RANGER TRUCK 2WD (3x)	84,000	10 years	12/31/13
FORD EXPLORER SUV PASS 4WD (1x)	24,000	10 years	12/31/13
CHEV S10 TRUCK 2WD (1x)	28,000	10 years	12/31/13
GMC SONOMA TRUCK 2WD (1x)	30,000	10 years	12/31/13
CHEV S10 TRUCK 2WD (REPLACE W/EQUINOX) (1x)	26,000	10 years	12/31/13
DODGE B250 VAN PANEL (1x)	49,000	10 years	12/31/13
IHC 4700 PLTFRM FUEL TRK DSL (1x)	160,000	15 years	12/31/13
DODGE 2500 TRUCK 2WD (1x)	38,000	10 years	12/31/13
FORD F150 TRUCK 2WD LPG (1x)	38,000	10 years	12/31/13
FORD EXPLORER SUV PASS 4WD (2x)	67,000	10 years	12/31/13
TOYOTA PRIUS SEDAN PASS HYBRID (1X)	26,000	10 years	12/31/13
FORD E250 VAN PANEL (1x)	45,000	10 years	12/31/13
DODGE B350 VAN (1x)	45,000	10 years	12/31/13

1	FORD ESCURSION SUV 2WD (1x)	50,000	10 years	12/31/13
2	PUMPER TRUCK (2x)	1,100,000	15 years	12/31/13
3	LADDER TRUCK (2x)	1,900,000	20 years	12/31/13
4	FORD TAURUS SEDAN FLEXFUEL (1x)	28,000	10 years	12/31/13
5	CHEV 3500 SVCTRK (1x)	55,000	10 years	12/31/13
6	FORD E450 BUS (1x)	95,000	10 years	12/31/13
7	GMC TOPKICK WTR TANKER (1x)	110,000	15 years	12/31/13
8	CHEV S10 TRUCK 2WD (1x)	55,000	10 years	12/31/13
9	GMC C1500 TRUCK (1x)	55,000	10 years	12/31/13
10	GMC G3500 VAN PANEL (1x)	50,000	10 years	12/31/13
11	FORD F350 EXT TRUCK 2WD (1x)	45,000	10 years	12/31/13
12	FORD F450 PLTFRM TRK (1x)	40,000	10 years	12/31/13
13	FORD E350 VAN PASS (1x)	40,000	10 years	12/31/13
14	GEHO COMPACT LOADER SKID STEER (1x)	60,000	10 years	12/31/13
15	BOOM/BUCKET TRUCK 33FT (1x)	110,000	10 years	12/31/13
16	CUSHMAN TRKSTER 4X2 (1x)	16,000	10 years	12/31/13
17	FORD F150 TRUCK 2WD LPG (1x)	45,000	10 years	12/31/13
18	TORO FRMNT MOWER ROTARY 72IN (1x)	15,000	7 years	12/31/13
19	CHEV C3500 EXT PL TFRM TRK (1x)	55,000	10 years	12/31/13
20	FORD F250HD TRUCK 2WD (2x)	80,000	10 years	12/31/13
21	½ TON PICKUPS FOR cemetery maint pgm (4x)	112,000	10 years	12/31/13
22	1 TON PICKUPS / cemetery (2x)	70,000	10 years	12/31/13
23	PROPANE ZRT Mowers / cemetery (7x)	60,000	7 years	12/31/13
24	Equip Trailers / cemetery (4x)	15,000	15 years	12/31/13
25	Tractor w/ flail mower & shredder / cemetery (1x)	45,000	15 years	12/31/13
26	Mini Excavator – cemetery (1x)	35,000	10 years	12/31/13
27	Tractor Back Hoe / cemetery (1x)	45,000	10 years	12/31/13
28	Skid Loader / cemetery (1x)	38,000	10 years	12/31/13
29	Util Vehicle / ATV for cemetery (1x)	15,000	10 years	12/31/13
30	Add'l TRUCK for Colorado Greenbelt / Walnut Crk (2x)	60,000	10 years	12/31/13
31	Unmarked Police SUV (Approx) (30x)	900,000	7 years	12/31/13
32	Unmarked Police Sedan (Approx) (20x)	520,000	7 years	12/31/13
33	Police Motorcycles (20x)	440,000	7 years	12/31/13
34	Escapes (2x)	60,000	10 years	12/31/13
35	Bomb Trailer (1x)	50,000	15 years	12/31/13
36	Prisoner Transport Van-Remont & Upgrade Box to New Chass (1x)	65,000	10 years	12/31/13
37	Swat Truck (Lenco Bearcat) (1x)	275,000	15 years	12/31/13
38	5 Bomb Squad SUV's (Replacing Grant Funded Units) (5x)	300,000	7 years	12/31/13
39	Dog Catcher Truck – Replace Travis County Unit (1x)	55,000	10 years	12/31/13
40	Jeep Cherokee / Spec Change to pickup truck (1x)	30,000	10 years	12/31/13
41	Mobile Health Van (1x)	150,000	15 years	12/31/13
42	Dodge Chassis – Ambulance (13x)	2,470,000	7 years	12/31/13
43	Replace FORD Chassis-Remount Box on reg cab Dodge Chase (1x)	110,000	7 years	12/31/13
44				
45	Financial Services Department – (\$2,575,000)			
46	Cardiac Monitors (56x)	1,795,000	7 years	12/31/13
47	Automatic External Defibrillators (12x)	30,000	7 years	12/31/13
48	Automatic External Defibrillators (7x)	25,000	7 years	12/31/13
49	Vehicle (1x)	30,000	7 years	12/31/13
50	New Vehicles (2x)	58,000	7 years	12/31/13
51	Riding Lawn Mower (1x)	13,000	7 years	12/31/13
52	Tractor (1x)	25,000	7 years	12/31/13
53	Platform Enclosed Cargo Truck (1x)	50,000	7 years	12/31/13
54	Crew-Cab Truck (1x)	32,000	7 years	12/31/13
55	3x1/2 Ton Extended Cab Trucks (3x)	75,000	7 years	12/31/13
56	½ Ton Trucks with Crew Cab (4x)	120,000	7 years	12/31/13
57	Vermeer Chipper (3x)	57,000	7 years	12/31/13
58	½ Ton Trucks with Crew Cab (1x)	33,000	7 years	12/31/13
59	Concealable Ballistic Body Armor (313x)	205,000	7 years	12/31/13
60	Tactical Ballistic Body Armor (16x)	27,000	7 years	12/31/13
61				
62	Police – (\$3,745,000)			
63	Helicopter & Related equipment (1x)	3,745,000	7 years	12/31/13
64				

Public Works (\$9,210,000)				
1				
2	Compressors (7x)	112,000	7 years	12/31/13
3	Loader Truck (1x)	175,000	7 years	12/31/13
4	Dump Truck Retrofit (1x)	75,000	7 years	12/31/13
5	Hybrid SUV (1x)	22,000	7 years	12/31/13
6	Hoe ram attachment (1x)	25,000	7 years	12/31/13
7	Trailer (1x)	15,000	7 years	12/31/13
8	Small Steel Wheel Roller & Trailer (1x)	75,000	7 years	12/31/13
9	Trailer for Small Roller (1x)	12,000	7 years	12/31/13
10	Tractor with 6' mower & trailer (1x)	80,000	7 years	12/31/13
11	Milling Attach. For Skid Steer Loader (1x)	16,000	7 years	12/31/13
12	Pickup, Crew Cab F350 (1x)	42,000	7 years	12/31/13
13	Gradall excavator apparatus (1x)	295,000	7 years	12/31/13
14	Skid steer and attachment & Trailer (1x)	90,000	7 years	12/31/13
15	Hot Mix patch truck (4cv) (1x)	160,000	7 years	12/31/13
16	Vibratory Roller, Walk Behind (10x)	170,000	7 years	12/31/13
17	Portable Generator, 6kw (1x)	8,000	7 years	12/31/13
18	Saw, Conc. Walk Behind (1x)	18,000	7 years	12/31/13
19	Motor Grader (1x)	195,000	7 years	12/31/13
20	Trailer for Saw with Water Tanks (1x)	10,000	7 years	12/31/13
21	Truck, Bucket w/28' boom w/ Towable Chipper, 15" (1x)	180,000	7 years	12/31/13
22	Pickup 1 ton ext cab w/trailer mounted lift (1x)	80,000	7 years	12/31/13
23	Pickup 1 ton ext cab (1x)	40,000	7 years	12/31/13
24	Vacuum Street Sweeper (1x)	230,000	7 years	12/31/13
25	Truck, Dump 6CY (1x)	90,000	7 years	12/31/13
26	SUV, Mid-size, 4x2 (1x)	28,000	7 years	12/31/13
27	Traffic Arrow Board, Solar Powered (1x)	7,000	7 years	12/31/13
28	F-550 crew cab dump bed trucks (19x)	1,235,000	7 years	12/31/13
29	Truck, Dump, 6yd (2x)	184,000	7 years	12/31/13
30	Pickup truck, supervisor (1x)	40,000	7 years	12/31/13
31	Truck Tractor and Trailer (1x)	210,000	7 years	12/31/13
32	Vacuum Sweeper (1x)	215,000	7 years	12/31/13
33	Double Drum Asphalt Roller (1x)	160,000	7 years	12/31/13
34	Haul Trailer (1x)	135,000	7 years	12/31/13
35	Truck, 18cy, tri axle (1x)	145,000	7 years	12/31/13
36	Arrow Board, Solar Powered (6x)	42,000	7 years	12/31/13
37	Small, vibratory roller – steel wheel (1x)	50,000	7 years	12/31/13
38	Truck, Hot Mix Patch (1x)	170,000	7 years	12/31/13
39	Vibrator Roller – walk behind (2x)	28,000	7 years	12/31/13
40	Pneumatic Roller – 4 ton (1x)	70,000	7 years	12/31/13
41	SUV – Large – 4x2 (1x)	45,000	7 years	12/31/13
42	Gradall excavator apparatus (1x)	325,000	7 years	12/31/13
43	Skid steer attachments (1x)	95,000	7 years	12/31/13
44	F350 extended cab truck, pickup (2x)	70,000	7 years	12/31/13
45	Skid Steer Loader, attachments and trailer (3x)	255,000	7 years	12/31/13
46	Trailer for small paver (1x)	37,500	7 years	12/31/13
47	Truck, Dump, 12yd (9x)	1,125,000	7 years	12/31/13
48	Truck, Platform with arrow board and inverter (3x)	300,000	7 years	12/31/13
49	20' tandem axle utility trailer (1x)	6,500	7 years	12/31/13
50	Traffic Arrow Board, Solar Powered (1x)	5,500	7 years	12/31/13
51	Concrete walk behind saw (1x)	23,000	7 years	12/31/13
52	Tracked mini excavator and trailer (1x)	65,000	7 years	12/31/13
53	Trailer for concrete saw (1x)	7,000	7 years	12/31/13
54	Trailer, 12k rated (1x)	24,000	7 years	12/31/13
55	Truck, Concrete Volumetric (3x)	705,000	7 years	12/31/13
56	Truck, Platform, with compressor, arrow board inverter (1x)	100,000	7 years	12/31/13
57	Truck, Bucket/Boom 54' (1x)	150,000	7 years	12/31/13
58	Trailer mounted hot pressure washer (1x)	50,000	7 years	12/31/13
59	Mower Z turn, Propane (1x)	13,500	7 years	12/31/13
60	16 Tandem heavy axle utility trailer (1x)	5,000	7 years	12/31/13
61	Curb cut machine and trailer (1x)	158,000	7 years	12/31/13
62	Curb machine and trailer (1x)	186,000	7 years	12/31/13
63	F-350 extended cab service body (2x)	80,000	7 years	12/31/13
64	Generator (2x)	10,000	7 years	12/31/13

1	Tracked mini excavator and trailer (2x)	130,000	7 years	12/31/13
2	Tandem heavy axle utility trailer (1x)	7,000	7 years	12/31/13
3	Tracked Mini-Excavator (1x)	60,000	7 years	12/31/13
4	Truck, Platform (2x)	150,000	7 years	12/31/13
5	Truck, Platform w/Service Body (1x)	65,000	7 years	12/31/13
6	SUV, 4x2, E86, Ford CMAX (1x)	23,000	7 years	12/31/13
7				
8	Water Utility (\$1,245,000)			
9	Small Trailer (1x)	10,000	7 years	05/01/14
10	Pickup, 4x4 Ext Cab (2x)	80,000	7 years	05/01/14
11	SUV Ford Escape (4x)	140,000	7 years	05/01/14
12	Haul, Tractor (2x)	330,000	7 years	05/01/14
13	Small Truck, Service (3x)	255,000	7 years	05/01/14
14	Large Truck, Service (3x)	295,000	7 years	05/01/14
15	Dump Truck, Service (1x)	105,000	7 years	05/01/14
16	ATV Utility Vehicle (2x)	30,000	7 years	05/01/14
17				
18	Wastewater Utility (\$1,760,000)			
19	ATV Utility Vehicle (1x)	16,250	7 years	05/01/14
20	Cargo Van (2x)	60,000	7 years	05/01/14
21	Pickup, Ext Cab (1x)	30,000	7 years	05/01/14
22	Small Trailer (1x)	5,000	7 years	05/01/14
23	Trommel Screener Tuner (1x)	340,000	7 years	05/01/14
24	TV Inspection Van (2x)	520,000	7 years	05/01/14
25	Dump Truck, Service (1x)	105,000	7 years	05/01/14
26	Large Truck, Service (3x)	350,000	7 years	05/01/14
27	Mini Vacuum/Flusher Trailer (1x)	60,000	7 years	05/01/14
28	Truck, Sewer Cleaner (1x)	158,000	7 years	05/01/14
29	Fuel Platform Truck (1x)	115,750	7 years	05/01/14
30				
31				
32	TOTAL	<u>\$51,240,000</u>		

SCHEDULE II

1 AGGREGATE PRINCIPAL AMOUNT, STATED MATURITIES AND INTEREST RATES:

2 The Obligations shall be issued in the aggregate principal amount of \$_____, maturing on
3 the dates and in the amounts as follows:

<u>May 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>November 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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4
5 PURCHASERS:

6 _____, and syndicate members.

7 PURCHASE PRICE:

8 The Purchase Price for the Obligations shall be par plus a cash premium of \$_____, plus
9 accrued interest to the date of delivery.

10 OPTIONAL REDEMPTION:

11 The Obligations shall not be subject to redemption, at the option of the City, prior to their stated
12 maturity.

13 MANDATORY SINKING FUND REDEMPTION:

14 The Obligations shall not be subject to mandatory redemption prior to their stated maturity.

15 DISPOSITION OF PROCEEDS:

16 Proceeds from the sale of the Obligations in the amount of \$_____ (representing
17 \$_____ of principal and \$_____ of premium) shall be used for the purposes
18 described in clause (i) of PART 3, \$_____ of premium shall be used for the purposes
19 described in clause (ii) of PART 3, and \$_____ (representing \$_____ of premium and
20 \$_____ of accrued interest) shall be deposited to the Interest and Sinking Fund.