

RESOLUTION NO.

**RESOLUTION AUTHORIZING DEFEASANCE OF
WATER AND WASTEWATER REVENUE BONDS**

WHEREAS, the City of Austin, Texas (the “City”) has outstanding the following obligations:

City of Austin, Texas Water and Wastewater System Revenue Refunding Bonds, Series 2004A (the “Series 2004A Bonds”);

City of Austin, Texas Water and Wastewater System Revenue Refunding Bonds, Series 2009 (the “Series 2009 Bonds”);

City of Austin, Texas Water and Wastewater System Revenue Refunding Bonds, Series 2009A (the “Series 2009A Bonds”);

City of Austin, Texas Water and Wastewater System Revenue Refunding Bonds, Series 2014 (the “Series 2014 Bonds”); and

WHEREAS, the Series 2004A Bonds maturing on November 15 in each of the years 2018 and 2019, in an aggregate maturity amount not to exceed \$14,010,000, the Series 2009 Bonds maturing on November 15 in each of the years 2018 and 2019, in an aggregate maturity amount not to exceed \$16,510,000, the Series 2009A Bonds maturing on November 15, 2019, in an aggregate maturity amount not to exceed \$4,785,000 and the Series 2014 Bonds maturing on May 15 in each of the years 2018 and 2019, in an aggregate principal amount not to exceed \$5,145,000 are eligible to be defeased, and all or any portion of the Series 2004 Bonds, the Series 2009 Bonds, the Series 2009A Bonds and the Series

2014 Bonds described in this paragraph that are selected to be defeased by the City Manager are called the “Defeased Obligations”;

WHEREAS, the proceedings adopted by the council authorizing the issuance of the Bonds provide that the City may defease of the Defeased Obligations prior to their scheduled maturities; and

WHEREAS, City staff recommends to council that the defeasance of the Defeased Obligations in the manner described below will be the most beneficial use of available water and wastewater system revenues, resulting in the reduction of the outstanding indebtedness secured by the revenues; and.

WHEREAS, the meeting at which this Resolution is adopted was open to the public, and that public notice of the time, place, and purpose of such meeting was given, all as required by Chapter 551, Texas Government Code; **NOW, THEREFORE,**

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

Section 1. Council hereby authorizes the use of surplus water and wastewater system revenues for the purpose of defeasing the Defeased Obligations.

Section 2. The City Manager shall select the Defeased Obligations to be defeased to their respective maturities from available water and wastewater system revenues in an amount, together with investment earnings on those revenues, equal to the maturity amount of the Defeased Obligations, plus accrued interest on the Defeased Obligations to their respective maturity dates.

Section 3. The City Manager shall execute and deliver any documents necessary to effect the defeasance of the Defeased Obligations, specifically, any agreement with the paying agent for the Defeased Obligations to hold the amounts deposited and invested to pay the Defeased Obligations at their respective maturity dates.

Section 4. This Resolution shall become effective immediately upon its passage, in accordance with Section 1201.028, Texas Government Code.

ADOPTED: _____, 2017

ATTEST: _____

Jannette S. Goodall
City Clerk