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ORDINANCE NO. 20260521-___

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF CITY OF AUSTIN, TEXAS, WATER AND WASTEWATER SYSTEM BOND, SERIES 2026B (WALNUT CREEK WASTEWATER TREATMENT PLANT EXPANSION AND ENHANCEMENTS PROJECT) (WIFIA ID – 23123TX)

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

SECTION 1: DEFINITIONS AND FINDINGS. The following terms shall have the meanings set forth below, unless the text specifically indicates otherwise:

“Bond” means the “CITY OF AUSTIN, TEXAS, WATER AND WASTEWATER SYSTEM REVENUE BOND, SERIES 2026B (WALNUT CREEK WASTEWATER TREATMENT PLANT EXPANSION AND ENHANCEMENTS PROJECT) (WIFIA ID – 23123TX)”, as authorized by this Fifty-Third Supplement.

“Business Day” means a day other than a Sunday, Saturday, a legal holiday, or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

“Chapter 9” means V.T.C.A., Business & Commerce Code, Chapter 9.

“Chapter 551” means V.T.C.A., Government Code, Chapter 551.

“Chapter 1201” means V.T.C.A., Government Code, Chapter 1201.

“Chapter 1204” means V.T.C.A., Government Code, Chapter 1204.

“Chapter 1206” means V.T.C.A., Government Code, Chapter 1206.

“Chapter 1208” means V.T.C.A., Government Code, Chapter 1208.

“Chapter 1371” means V.T.C.A., Government Code, Chapter 1371.

“Chapter 1502” means V.T.C.A., Government Code, Chapter 1502.

“Code” means the Internal Revenue Code of 1986.

31 “Effective Date” means the date on which the Bond is first delivered to the
32 WIFIA Lender.

33 “Eligible Project Costs” has the meaning set forth in the WIFIA Loan
34 Agreement.

35 “Event of Default” has the meaning set forth in the WIFIA Loan Agreement.

36 “Fifty-Third Supplement” means this Ordinance No. 20260521-____
37 authorizing the issuance of the Bond.

38 “Holder” means the registered owner or holder of the Bond.

39 “Master Ordinance” means Ordinance No. 000608-56A passed by council
40 on June 8, 2000.

41 “Paying Agent/Registrar” means U.S. Bank Trust Company, National
42 Association, or other financial institution specified in the Paying Agent/Registrar
43 Agreement.

44 “Paying Agent/Registrar Agreement” means the agreement between the City
45 and the Paying Agent/Registrar as described in Section 5 of this Fifty-Third
46 Supplement.

47 “Previously Issued Parity Water/Wastewater Obligations” means the
48 outstanding (1) City of Austin, Texas, Water and Wastewater System Revenue
49 Bonds, Series 2010”, (2) “City of Austin, Texas, Water and Wastewater System
50 Revenue Refunding Bonds, Series 2010B (Direct Subsidy-Build America Bonds)”,
51 (3) “City of Austin, Texas, Water and Wastewater System Revenue Refunding
52 Bonds, Series 2015A”, (4) “City of Austin, Texas, Water and Wastewater System
53 Revenue Refunding Bonds, Series 2016”, (5) “City of Austin, Texas, Water and
54 Wastewater System Revenue Bonds, Series 2016A”, (6) “City of Austin, Texas,
55 Water and Wastewater System Revenue Refunding Bonds, Series 2017”, (7) “City
56 of Austin, Texas, Water and Wastewater System Revenue Bonds, Series 2017A”,
57 (8) “City of Austin, Texas Water and Wastewater System Revenue Bonds, Series
58 2018”, (9) “City of Austin, Texas Water and Wastewater System Revenue Bonds,
59 Series 2019”, (10) “City of Austin, Texas Water and Wastewater System Revenue
60 Bonds, Series 2020A”, (11) “City of Austin, Texas Water and Wastewater System
61 Revenue Bonds, Series 2020B”, (12) “City of Austin, Texas, Water and
62 Wastewater System Revenue Refunding Bonds, Series 2020C”, (13) “City of
63 Austin, Texas, Water and Wastewater System Revenue Bonds, Series 2020D”,
64 (14) “City of Austin, Texas, Water and Wastewater System Revenue Refunding
65 Bonds, Series 2021”, (15) “City of Austin, Texas, Water and Wastewater System
66 Revenue Bonds, Series 2021A”, (16) “City of Austin, Texas, Water and

67 Wastewater System Revenue Bonds, Series 2021B”, (17) “City of Austin, Texas,
68 Water and Wastewater System Revenue Bonds, Series 2021C”, (18) “City of
69 Austin, Texas, Water and Wastewater System Revenue Bonds, Series 2021D
70 (CWSRF)”, (19) “City of Austin, Texas, Water and Wastewater System Revenue
71 Bonds, Series 2021E (DWSRF)”, (20) “City of Austin, Texas, Water and
72 Wastewater System Revenue Refunding Bonds, Series 2022”, (21) “City of Austin,
73 Texas, Water and Wastewater System Revenue Bonds, Series 2022A (SWIRFT)”
74 (22) “City of Austin, Texas, Water and Wastewater System Revenue Bonds, Series
75 2022B (DWSRF)”, (23) “City of Austin, Texas, Water and Wastewater System
76 Revenue Bonds, Series 2022C (CWSRF)”, (24) “City of Austin, Texas, Water and
77 Wastewater System Revenue Refunding Bonds, Series 2023 (Forward Delivery)”,
78 (25) “City of Austin, Texas Water and Wastewater System Revenue Bonds, Series
79 2023A (SWIRFT), (26) “City of Austin, Texas, Water and Wastewater System
80 Revenue Refunding and Improvement Bonds, Series 2024”, (27) “City of Austin,
81 Texas, Water and Wastewater System Revenue Bonds, Series 2024A (SWIRFT)”,
82 (28) “City of Austin, Texas, Water and Wastewater System Revenue Bonds, Series
83 2025A (SWIRFT)”, (29) “City of Austin, Texas, Water and Wastewater System
84 Revenue Bonds, Series 2025B (SWIRFT)”, (30) “City of Austin, Texas, Water and
85 Wastewater System Revenue Refunding and Improvement Bonds, Series 2026”;
86 and (31) “City of Austin, Texas, Water and Wastewater System Revenue Bonds,
87 Series 2026A (CWSRF)”.

88 “Pricing Certificate” means a certificate setting forth certain details relating
89 to the pricing and sale of the Bond and signed by the Pricing Officer.

90 “Pricing Officer” has the meaning set forth in Section 4(a) of this Fifty-
91 Third Supplement.

92 “Prior Supplements” mean Ordinances Nos. 20091217-004, 20101118-074,
93 20150604-038, 20160421-011, 20161020-002, 20170622-016, 20171012-002,
94 20181018-004, 20191003-002, 20200123-106, 20200123-107, 20200927-057,
95 20201029-041, 20201210-004, 20201210-005, 20211014-004, 20211014-005,
96 20211014-006, 20211014-009, 20220915-003, 20221013-002, 20221013-003
97 20221013-004, 20231019-002, 20240502-015, 20241024-006, 20251023-006,
98 20251023-005, 20260312-005, and 20260423-010 authorizing the issuance of the
99 Previously Issued Parity Water/Wastewater Obligations.

100 “Security Register” shall have the meaning given in Section 5 of this Fifty-
101 Third Supplement.

102 “WIFIA Lender” shall have the meaning given in Section 2 of this Fifty-
103 Third Supplement.

104 “WIFIA Loan” shall have the meaning given in Section 2 of this Fifty-Third
105 Supplement.

106 “WIFIA Loan Agreement” shall have the meaning given in Section 2 of this
107 Fifty-Third Supplement.

108 The terms used in this Fifty-Third Supplement and not otherwise defined
109 shall have the meanings given in the Master Ordinance or the Prior Supplements.

110 In accordance with the provisions of Chapter 1371, council is delegating to
111 the Pricing Officer (as defined in Section 4 of this Fifty-Third Supplement) the
112 authority to establish the terms and details related to the issuance and sale of the
113 Bond including: (i) the principal amount of the Bond; (ii) the form and designation
114 of the Bond; (iii) the issuance of the Bond; (iv) the principal amount of the Bond
115 and the Stated Maturity of the Bond; (v) the dates, price, interest rates, interest
116 payment dates, principal payment dates, and redemption or prepayment features of
117 the Bond; and (vi) any other details relating to the issuance, sale, delivery, and/or
118 exchange of the Bond, all within certain specified parameters set forth in this Fifty-
119 Third Supplement. In the WIFIA Loan Agreement, the Pricing Officer shall
120 determine, based upon advice provided by the City’s financial advisor, that
121 acceptance of the terms of the WIFIA Loan is in the best interests of the City.

122 The Bond shall be secured by a lien on, and pledge of, the Net Revenues and
123 the funds, if any, deposited to the credit of the Debt Service Fund as provided in
124 Section 12 of this Fifty-Third Supplement on a parity with the lien and pledge
125 securing the Previously Issued Parity Water/Wastewater Obligations and any other
126 Parity Water/Wastewater Obligations. There are no Prior First Lien Obligations,
127 Previously Issued Separate Lien Obligations or Prior Subordinate Lien Obligations
128 outstanding. Council affirms that the Master Ordinance provides that no additional
129 revenue obligations shall be issued on parity with the Prior First Lien Obligations
130 or the Prior Subordinate Lien Obligations.

131 **SECTION 2: PURPOSE – AUTHORIZATION – DESIGNATION –**
132 **PRINCIPAL AMOUNT.**

133 The City has requested that the United States Environmental Protection
134 Agency, an agency of the United States of America, acting by and through the
135 Administrator of the Environmental Protection Agency (the “WIFIA Lender”),
136 make a secured loan to the City (the “WIFIA Loan”) to be used to pay a portion of
137 the Eligible Project Costs related to the Project (as defined in the WIFIA Loan
138 Agreement).

139 The WIFIA Lender proposes to approve WIFIA financial assistance for the
140 Project by extending credit in the form of a direct loan upon the terms and

141 conditions contained in the WIFIA Loan Agreement through the purchase of the
142 Bond constituting a Parity Water/Wastewater Obligation under the terms of the
143 Master Ordinance secured by a first lien on and pledge of the Net Revenues and
144 the funds, if any, deposited to the credit of the Debt Service Fund as provided in
145 Section 12 of this Fifty-Third Supplement in accordance with the Master
146 Ordinance and this Fifty-Third Supplement, on a parity with the lien and pledge
147 securing the Previously Issued Parity Water/Wastewater Obligations and any other
148 Parity Water/Wastewater Obligations.

149 The City's obligations to the WIFIA Lender relating to the issuance by the
150 City of the Bond authorized herein which is being issued to evidence any advances
151 to be made by the WIFIA Lender under the WIFIA Loan Agreement, constitutes a
152 contract allowing for the construction of Water/Wastewater System facilities
153 pursuant to Section 1502.002(b) of the Texas Government Code, as amended, a
154 contract in connection with providing funds for the construction of
155 Water/Wastewater System facilities pursuant to Section 1502.051(c) of the Texas
156 Government Code, as amended. The payment of capitalized interest is hereby
157 authorized in connection with the issuance of the Bond. Under the WIFIA Loan
158 Agreement, capitalized interest is added to the principal amount of the Bond at the
159 end of the capitalized interest period. The WIFIA Loan Agreement and the Bond
160 evidencing amounts due under the WIFIA Loan Agreement are hereby authorized
161 in an amount not to exceed the maximum aggregate principal amounts determined
162 as provided in Section 4 of this Fifty-Third Supplement to be used to provide funds
163 for paying a portion of the Eligible Project Costs related to the Project, in
164 conformity with the Constitution and laws of the State of Texas, including
165 Chapter 1371 and Chapter 1502.

166 A revenue bond of the City shall be and is authorized to be issued in an
167 amount not to exceed the maximum aggregate principal amounts determined as
168 provided in Section 4 of this Fifty-Third Supplement and designated the "CITY OF
169 AUSTIN, TEXAS, WATER AND WASTEWATER SYSTEM REVENUE
170 BOND, SERIES 2026B (WALNUT CREEK WASTEWATER TREATMENT
171 PLANT EXPANSION AND ENHANCEMENTS PROJECT) (WIFIA ID –
172 23123TX)" (the "Bond").

173 It is further provided, however, that notwithstanding the foregoing
174 provisions, the Bond shall not be delivered unless, prior to delivery, the Bond has
175 been rated by a nationally recognized rating agency for municipal securities in one
176 of the four highest rating categories for long term obligations, as required by
177 Section 1371.001(5), Texas Government Code.

178 In satisfaction of Sections 1201.022(a)(3) and Section 1371.056(c), Texas
179 Government Code, as applicable, the City hereby determines that the delegation of

180 the authority to each Pricing Officer to approve the final terms and conditions of
181 the WIFIA Loan Agreement and the Bond as set forth in this Fifty-Third
182 Supplement and the decisions made by each Pricing Officer pursuant to such
183 delegated authority and incorporated in the Pricing Certificate will be, in the best
184 interests and shall have the same force and effect, as if such determination were
185 made by the City Council, and each Pricing Officer is hereby authorized to make
186 and include in the Pricing Certificate an appropriate finding to that effect.

187 **SECTION 3: FULLY REGISTERED OBLIGATION—AUTHORIZED**
188 **DENOMINATIONS – STATED MATURITY - DATE.** The Bond shall be
189 issued as a fully registered obligation, without coupons, shall be dated the
190 Effective Date as stated in the FORM OF BOND set forth in Exhibit A to the
191 WIFIA Loan Agreement, and shall be in denominations of \$5,000 or any integral
192 multiple thereof (within a Stated Maturity), shall be numbered consecutively from
193 R-1 upward (except as provided in Section 9 of this Fifty-Third Supplement) and
194 shall become due and payable on the Stated Maturity thereof and bear interest at
195 the rate(s) per annum in accordance with the details of the Bond as set forth in the
196 WIFIA Loan Agreement.

197 The Bond shall bear interest on the unpaid principal amounts from the date
198 and at the rate(s) per annum as specified in the WIFIA Loan Agreement (calculated
199 on the basis of a 360-day year of twelve 30-day months). Interest on the Bond
200 shall be payable on May 15 and November 15 in each year, commencing on the
201 date specified in the WIFIA Loan Agreement, until maturity or prior redemption or
202 prepayment.

203 **SECTION 4: DELEGATION OF AUTHORITY TO PRICING**
204 **OFFICER.**

205 (a) Because of the nature of the WIFIA Loan, the council delegates to the
206 Mayor, City Manager, Chief Financial Officer, Director of Financial Services and
207 the City Treasurer of the City (any one of them, the “Pricing Officer”) the authority
208 to effect the sale of the Bond subject to the parameters set forth below. As
209 authorized by Chapter 1371, the Pricing Officer is authorized to act on behalf of
210 the City in selling and delivering the Bond and carrying out the other procedures
211 specified in this Fifty-Third Supplement, including selling the Bond for the
212 purposes described herein, determining the amount of the Bond to be issued for
213 improvement projects, determining the aggregate principal amount of the Bond,
214 determining and fixing the Effective Date, which shall be the delivery date of the
215 Bond, the date of the Bond, any additional or different designation or title by
216 which the Bond shall be known, the price at which the Bond will be sold, the year
217 in which the Bond will mature, the principal amount to mature in each of such
218 years, the rate of interest to be borne by each such maturity, the amount of

219 capitalized interest to be paid, the first interest payment date, the price and terms
220 upon and at which the Bond shall be subject to redemption or prepayment prior to
221 maturity at the option of the City, as well as any mandatory sinking fund
222 redemption or prepayment provisions, the designation of a paying agent/registrar,
223 if different from the Paying Agent/Registrar, and all other matters relating to the
224 issuance, sale, and delivery of the Bond, all of which shall be specified in the
225 WIFIA Loan Agreement or a certificate signed by the Pricing Officer (the “Pricing
226 Certificate”), provided that:

227 (i) the aggregate original principal amount of the Bond issued for the
228 purposes described herein (including capitalized interest which may be added to
229 the principal amount of the Bond in accordance with the WIFIA Loan Agreement)
230 shall not exceed \$1,000,000,000;

231 (ii) the Bond shall bear interest at a rate not greater than 15.0% per annum
232 and the net effective interest rate (as defined in Chapter 1204) for the Bond shall
233 not exceed 15.0%;

234 (iii) the maximum maturity for the Bond shall not extend beyond 40 years
235 from the date of initial delivery of the Bond; and

236 The execution of the WIFIA Loan Agreement shall evidence the sale date of
237 the Bond by the City to the WIFIA Lender.

238 (b) In establishing the aggregate principal amount of the Bond, the
239 Pricing Officer shall establish an amount not exceeding the amount authorized in
240 Subsection (a)(i) above, which shall be sufficient in amount to provide for the
241 purposes for which the Bond is authorized and to pay costs of issuing the Bond.
242 This delegation shall expire if not exercised by the Pricing Officer on or prior to
243 the one year anniversary of the date of adoption of this Fifty-Third Supplement.
244 The Bond shall be sold to the WIFIA Lender, at the price, and with and subject to
245 the terms, as set forth in the WIFIA Loan Agreement.

246 **SECTION 5: TERMS OF PAYMENT - PAYING AGENT**
247 **/REGISTRAR.** The principal of, premium, if any, and the interest on the Bond,
248 due and payable by reason of maturity, redemption or prepayment or otherwise,
249 shall be payable only to the Holder appearing on the registration and transfer books
250 maintained by the Paying Agent/Registrar and the payment shall be in any coin or
251 currency of the United States of America, which at the time of payment is legal
252 tender for the payment of public and private debts, and shall be without exchange
253 or collection charges to the Holder.

254 The selection and appointment of the Paying Agent/Registrar for the Bond is
255 approved and confirmed. Books and records relating to the registration, payment,

256 exchange and transfer of the Bond (the “Security Register”) shall at all times be
257 kept and maintained on behalf of the City by the Paying Agent/Registrar, all as
258 provided in this Fifty-Third Supplement, in accordance with the terms and
259 provisions of a Paying Agent/Registrar Agreement, substantially in the form of
260 paying agent agreements previously approved by council in connection with the
261 issuance of public securities, and such reasonable rules and regulations as the
262 Paying Agent/Registrar and the City may prescribe. The Pricing Officer is
263 authorized to execute and deliver the Paying Agent/Registrar Agreement in
264 connection with the delivery of the Bond. The City covenants to maintain and
265 provide a Paying Agent/Registrar at all times until the Bond is paid and
266 discharged, and any successor Paying Agent/Registrar shall be a bank, trust
267 company, financial institution or other entity qualified and authorized to serve in
268 such capacity and perform the duties and services of Paying Agent/Registrar.
269 Upon any change in the Paying Agent/Registrar for the Bond, the City agrees to
270 promptly cause a written notice of the change to be sent to each Holder by United
271 States Mail, first class postage prepaid, which notice shall also give the address of
272 the new Paying Agent/Registrar.

273 Principal of and interest on the Bond shall be payable in the manner required
274 or indicated in the Master Ordinance, this Fifty-Third Supplement, the WIFIA
275 Loan Agreement and the Bond.

276 **SECTION 6: REGISTRATION-TRANSFER-EXCHANGE OF BOND -**
277 **PREDECESSOR BONDS.** The Paying Agent/Registrar shall obtain, record, and
278 maintain in the Security Register the name and address of the registered owner of
279 the Bond issued under the provisions of this Fifty-Third Supplement. The Bond
280 may, in accordance with its terms and the terms of this Fifty-Third Supplement, be
281 transferred or exchanged for a replacement Bond of other authorized
282 denominations upon the Security Register by the Holder, in person or the Holder’s
283 authorized agent, upon surrender of the Bond to the Paying Agent/Registrar for
284 cancellation, accompanied by a written instrument of transfer or request for
285 exchange executed by the Holder or the Holder’s authorized agent, in form
286 satisfactory to the Paying Agent/ Registrar.

287 Upon surrender for transfer of the Bond to the Paying Agent/Registrar, the
288 Paying Agent/Registrar shall register and deliver, in the name of the designated
289 transferee(s), a new Bond executed on behalf of, and furnished by, the City of
290 authorized denominations and having the same Stated Maturity and of a like
291 aggregate principal amount as the Bond surrendered for transfer.

292 At the option of the Holder, the Bond may be exchanged for another Bond of
293 authorized denominations and having the same Stated Maturity, bearing the same
294 rate of interest and of like aggregate principal amount as the Bond surrendered for

295 exchange, upon surrender of the Bond to be exchanged to the Paying
296 Agent/Registrar. Whenever the Bond is surrendered for exchange, the Paying
297 Agent/Registrar shall register and deliver a new Bond, executed on behalf of, and
298 furnished by, the City, to the Holder requesting the exchange.

299 The replacement Bond issued upon any transfer or exchange of the Bond
300 shall be delivered by the Paying Agent/Registrar, or sent by United States Mail,
301 first class postage prepaid, to the Holder and, upon the delivery, the same shall be
302 valid obligations of the City, evidencing the same obligation to pay, and entitled to
303 the same benefits under this Fifty-Third Supplement, as the Bond surrendered for
304 transfer or exchange.

305 All transfers or exchanges of the Bond under this Section shall be made
306 without expense or service charge to the Holder, except as otherwise provided in
307 this Fifty-Third Supplement, and except that the Paying Agent/Registrar shall
308 require payment by the Holder requesting the transfer or exchange of any tax or
309 other governmental charges required to be paid with respect to such transfer or
310 exchange.

311 The Bond canceled by reason of an exchange or transfer under the
312 provisions of this Fifty-Third Supplement are defined to be "Predecessor Bonds,"
313 evidencing all or a portion, as the case may be, of the same obligation to pay
314 evidenced by the Bond registered and delivered in the exchange or transfer.
315 Additionally, the term "Predecessor Bonds" shall include any mutilated, lost,
316 destroyed, or stolen Bond for which a replacement Bond has been issued,
317 registered and delivered under Section 19 of this Fifty-Third Supplement and the
318 new replacement Bond shall be deemed to evidence the same obligation as the
319 mutilated, lost, destroyed, or stolen Bond.

320 The City agrees to deliver to the Paying Agent/Registrar the Bond,
321 numbered T-1, as provided above, and registered to the WIFIA Lender following
322 the approval by the Attorney General of the State and the registration by the
323 Comptroller of Public Accounts.

324 **SECTION 7: BOOK-ENTRY.** The Bond and the WIFIA Loan Agreement
325 shall not be issued in book-entry-only form.

326 **SECTION 8: EXECUTION – BOND; REGISTRATION.** The Bond
327 shall be executed on behalf of the City by the Mayor or Mayor Pro Tem under its
328 seal reproduced or impressed on the Bond and countersigned by the City Clerk.
329 The signature of the officers on the Bond may be manual or facsimile. The Bond
330 bearing the manual or facsimile signatures of individuals who are or were the
331 proper officers of the City shall be deemed to be executed on behalf of the City,

332 notwithstanding that those individuals or either of them shall cease to hold the
333 offices at the time of delivery of the Bond to the WIFIA Lender and with respect to
334 Bond delivered in subsequent exchanges and transfers, all as authorized and
335 provided in Chapter 1201.

336 No Bond shall be entitled to any right or benefit under this Fifty-Third
337 Supplement, or be valid or obligatory for any purpose, unless there appears on the
338 Bond either a certificate of registration substantially in the form provided in the
339 FORM OF BOND, manually executed by the Comptroller of Public Accounts of
340 the State of Texas or his or her authorized agent, or a certificate of registration
341 substantially in the form provided in the FORM OF BOND set forth in Exhibit A
342 to the WIFIA Loan Agreement, manually executed by an authorized officer,
343 employee or representative of the Paying Agent/Registrar, and either certificate
344 upon the Bond signed shall be conclusive evidence, and the only evidence, that the
345 Bond has been certified, registered and delivered.

346 The Bond shall be initially issued as a single fully registered bond in the
347 total principal amount specified in the WIFIA Loan Agreement with principal due
348 and payable as provided in the WIFIA Loan Agreement and numbered T-1. The
349 Bond shall be registered in the name of the WIFIA Lender or its designee. The
350 Bond shall be submitted to the Office of the Attorney General of the State of Texas
351 for approval, certified and registered by the Office of the Comptroller of Public
352 Accounts of the State of Texas and delivered to the WIFIA Lender.

353 **SECTION 9: EXECUTION – WIFIA LOAN AGREEMENT AND**
354 **WIFIA TERM SHEET.**

355 (a) The WIFIA Loan Agreement may be executed and delivered to the
356 WIFIA Lender on after the date the Pricing Certificate is executed. The WIFIA
357 Loan Agreement, a substantially final draft of which is attached hereto as
358 **Exhibit A** constitutes a contract allowing for the construction of
359 Water/Wastewater System facilities pursuant to Section 1502.002(b) of the Texas
360 Government Code, as amended, and contracts in connection with providing funds
361 for the construction of Water/Wastewater System facilities pursuant to
362 Section 1502.051(c) of the Texas Government Code, as amended. Under the
363 WIFIA Loan Agreement, capitalized interest is added to the principal amount of
364 the Bond at the end of the capitalized interest period. The WIFIA Loan Agreement
365 and the Bond evidencing amounts due under the WIFIA Loan Agreement are
366 hereby authorized in an amount not to exceed the maximum aggregate principal
367 amounts determined as provided in Section 4 of this Fifty-Third Supplement to be
368 used to provide funds for paying a portion of the Eligible Project Costs related to
369 the Project. Each Pricing Officer is hereby authorized and directed to approve the
370 final terms and conditions of the WIFIA Loan Agreement and to execute and

371 deliver the WIFIA Loan Agreement to the WIFIA Lender. The WIFIA Loan
372 Agreement, together with the Bond, is authorized pursuant to authority conferred
373 by and in conformity with State law.

374 (b) In order to satisfy the requirements of the WIFIA Lender in
375 connection with the delivery of the Bond and the WIFIA Loan Agreement, the
376 WIFIA Term Sheet in connection therewith is hereby authorized to be executed
377 and delivered by a Pricing Officer in substantially the form attached hereto as
378 **Exhibit B**.

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382 SECTION 10: **FORMS**.

383 (a) The Bond, the Registration Certificate of the Comptroller of Public
384 Accounts of the State of Texas, the Certificate of Registration, and the form of
385 Assignment to be printed on the Bond, shall be substantially in the forms set forth
386 in the FORM OF BOND set forth in Exhibit A to the WIFIA Loan Agreement,
387 with appropriate insertions, omissions, substitutions, and other variations as are
388 permitted or required by this Fifty-Third Supplement, and may have such letters,
389 numbers, or other marks of identification (including identifying numbers and
390 letters of the Committee on Uniform Securities Identification Procedures of the
391 American Bankers Association) and any other legends and endorsements
392 (including any reproduction of an opinion of counsel) as may be established by the
393 City or determined by the officers executing the Bond as evidenced by their
394 execution of the Bond. Any portion of the text of the Bond may be set forth on the
395 reverse of the Bond, with an appropriate reference on the face of the Bond. The
396 provisions of the Bond set forth in the Pricing Certificate shall be incorporated into
397 the form of the executed Bond. The definitive Bond shall be printed, lithographed,
398 or engraved, typewritten, photocopied or otherwise reproduced in any other similar
399 manner, all as determined by the officers executing the Bond as evidenced by their
400 execution of the Bond.

401 (b) The WIFIA Loan Agreement shall be substantially in the form set
402 forth in **Exhibit A** attached hereto, with appropriate insertions, omissions,
403 substitutions, and other variations as are permitted or required by this Fifty-Third
404 Supplement.

405 (c) The WIFIA Term Sheet shall be substantially in the form set forth in
406 **Exhibit B** attached hereto, with appropriate insertions, omissions, substitutions,
407 and other variations as are permitted or required by this Fifty-Third Supplement.

408 **SECTION 11: CRITERIA FOR ISSUANCE OF PARITY WATER/
409 WASTEWATER OBLIGATIONS.** The City has provided certain criteria and
410 established certain covenants and agreements in relation to the issuance of Parity
411 Water/Wastewater Obligations of the Water/Wastewater System pursuant to the
412 Master Ordinance and Prior Supplements. This Fifty-Third Supplement provides
413 for the authorization, issuance, sale, delivery, form, characteristics, provisions of
414 payment, and security of the WIFIA Loan Agreement and the Bond which are
415 Parity Water/Wastewater Obligations. The Master Ordinance is incorporated by
416 reference and made a part of this Fifty-Third Supplement for all purposes, except
417 to the extent modified and supplemented by the Prior Supplements and this Fifty-
418 Third Supplement, and the Bond is declared to be a Parity Water/Wastewater
419 Obligation under the Master Ordinance and Prior Supplements. The City
420 determines that it will have sufficient funds to meet the financial obligations of the
421 Water/Wastewater System, including sufficient Net Revenues to pay the Annual
422 Debt Service Requirements of the Bond and the Previously Issued Parity
423 Water/Wastewater Obligations and to meet all financial obligations of the City
424 relating to the Water/Wastewater System. The City hereby finds and determines
425 that all terms and conditions for the issuance of the Bond herein authorized as a
426 Parity Water/Wastewater Obligation have been or can be met and satisfied.

427 The WIFIA Loan Agreement and the Bond are hereby declared to be Parity
428 Water/Wastewater Obligations under the Master Ordinance.

429 **SECTION 12: PLEDGE.** The Net Revenues of the Water/Wastewater
430 System are pledged to the payment of the Bond, and the Bond shall be equally and
431 ratably secured by a first lien on and pledge of the Net Revenues of the
432 Water/Wastewater System in accordance with the terms of the Master Ordinance
433 and this Fifty-Third Supplement. Such lien on and pledge of the Net Revenues is
434 on a parity with the lien and pledge securing the Previously Issued Parity
435 Water/Wastewater Obligations and any other Parity Water/Wastewater
436 Obligations. The Bond is not secured by or payable from a mortgage or deed of
437 trust on any properties, whether real, personal or mixed, constituting the
438 Water/Wastewater System.

439 Additionally, the Bond and the Previously Issued Parity Water/Wastewater
440 Obligations shall be equally and ratably secured by a lien on the funds, if any,
441 deposited to the credit of the Debt Service Fund in accordance with the terms of
442 the Master Ordinance, the Prior Supplements and this Fifty-Third Supplement.
443 Such lien on and pledge of the funds, if any, deposited to the credit of the Debt

444 Service Fund is on a parity with the lien and pledge securing the Previously Issued
445 Parity Water/Wastewater Obligations and any other Parity Water/Wastewater
446 Obligations.

447 The Parity Water/Wastewater Obligations, and the interest on the Parity
448 Water/Wastewater Obligations, shall constitute a lien on the Net Revenues of the
449 Water/Wastewater System and the funds, if any, deposited to the credit of the Debt
450 Service Fund as provided above and be valid and binding and fully perfected from
451 and after the date of adoption of this Fifty-Third Supplement without physical
452 delivery or transfer of control of the Net Revenues, the filing of this Fifty-Third
453 Supplement or any other act, all as provided in Chapter 1208. The owners of the
454 Parity Water/Wastewater Obligations shall never have the right to demand
455 payment out of funds raised or to be raised by taxation, or from any source other
456 than specified in the Master Ordinance, the Prior Supplements and this Fifty-Third
457 Supplement.

458 Chapter 1208 applies to the issuance of the Bond and the pledge of the Net
459 Revenues of the Water/Wastewater System granted by the City under this
460 Section 12, and the pledge is valid, effective and perfected. If Texas law is
461 amended at any time while the Bond is Outstanding such that the pledge of the Net
462 Revenues of the Water/Wastewater System granted by the City under this
463 Section 12 is to be subject to the filing requirements of Chapter 9, then to preserve
464 to the registered owners of the Bond the perfection of the security interest in the
465 pledge, the City agrees to take measures as it determines are reasonable and
466 necessary under Texas law to comply with the applicable provisions of Chapter 9,
467 and enable a filing to perfect the security interest in the pledge to occur.

468 **SECTION 13: DEBT SERVICE FUND.** By reason of the issuance of the
469 Bond, the City need not establish any special accounts within the Debt Service
470 Fund and following the delivery of the Bond, the City agrees and covenants that in
471 addition to the deposits for the payment of the Previously Issued Parity
472 Water/Wastewater Obligations there shall be deposited to the credit of the Debt
473 Service Fund an amount equal to one hundred percent (100%) of the amount
474 required to fully pay the interest on and principal of the Bond falling due on or
475 before each maturity, mandatory redemption or prepayment date and interest
476 payment date, and such deposits shall be made in substantially equal monthly
477 amounts on or before the 14th day of each month beginning on or before the 14th
478 day of the month next following the month the Bond are delivered to the WIFIA
479 Lender.

480 The required monthly deposits to the Debt Service Fund for the payment of
481 principal of and interest on the Bond shall continue to be made in the manner
482 provided in this Section until such time as (i) the total amount on deposit in the

483 Debt Service Fund is equal to the amount required to fully pay and discharge all
484 Parity Water/Wastewater Obligations then Outstanding or (ii) the Bond is no
485 longer outstanding, *i.e.*, fully paid as to principal and interest or the Bond has been
486 refunded.

487 Any accrued interest received from the WIFIA Lender shall be deposited in
488 the Debt Service Fund, and shall be taken into consideration and reduce the
489 amount of the monthly deposits that would otherwise be required to be deposited to
490 the credit of the Debt Service Fund from the Net Revenues of the
491 Water/Wastewater System.

492 SECTION 14: **RESERVE FUND.** Acting in accordance with the
493 provisions of the Master Ordinance, specifically Section 8 of the Master
494 Ordinance, the City is exercising the authority to determine in a Supplement that it
495 is not necessary at the time of issuance, but reserves the right in the future, for the
496 Bond to be secured by the Reserve Fund established for the benefit of the owners
497 of certain series of the Previously Issued Parity Water/Wastewater Obligations.
498 The City shall not be required at the time of issuance, but reserves the right in the
499 future, to make deposits of any Reserve Fund Obligations to the credit of the
500 Reserve Fund for the benefit of the Bond, and the City shall not be required at the
501 time of issuance, but reserves the right in the future, to make deposits of Reserve
502 Fund Obligations to the credit of the Reserve Fund with respect to the Bond. The
503 City reserves the right in the future to secure the Bond by the Reserve Fund
504 established for the benefit of the owners of certain series of the Previously Issued
505 Parity Water/Wastewater Obligations or a dedicated stand-alone reserve fund to
506 the extent required by the terms of the WIFIA Loan Agreement.

507 Furthermore, in accordance with Section 10(d) of the Master Ordinance,
508 council finds that the Gross Revenues will be sufficient to meet the obligations of
509 the Water/Wastewater System, including sufficient Net Revenues to satisfy the
510 Annual Debt Service Requirements of Parity Water/Wastewater Obligations
511 currently Outstanding and the financial obligations of the City under any Credit
512 Facility entered into with the Credit Facility providers.

513 SECTION 15: **PAYMENT OF BOND.** On or before the first scheduled
514 interest payment date, and on or before each subsequent interest payment date and
515 principal payment date while the Bond is Outstanding, the City shall cause an
516 amount to be transferred to the Paying Agent/Registrar in immediately available
517 funds from the Debt Service Fund sufficient to pay the interest on and the principal
518 amount of the Bond, as shall become due on each payment date, respectively, at
519 maturity or by redemption or prepayment prior to maturity. The Paying
520 Agent/Registrar shall destroy the paid Bond and furnish the City with an
521 appropriate certificate of cancellation or destruction.

522 **SECTION 16: TAXABLE BOND.** It is the intention of the City that the
523 Bond and the WIFIA Loan Agreement not be obligations described in section 103
524 of the Internal Revenue Code of 1986 interest on which is excludable from the
525 gross income of the Holder and, in that regard, the City is not required to file a
526 form 8038-G, or any comparable information return relating to tax-exempt
527 obligations, with the Internal Revenue Service and hereby agrees not to make any
528 such filing.

529 **SECTION 17: [RESERVED]**

530 **SECTION 18: [RESERVED]**

531 **SECTION 19: DAMAGED, MUTILATED, LOST, STOLEN, OR**
532 **DESTROYED BOND.** In the event the Outstanding Bond is damaged, mutilated,
533 lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed,
534 executed, and delivered, a new bond of the same principal amount, maturity, and
535 interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in
536 replacement for the Bond in the manner provided in this Section. An application
537 for the replacement of a damaged, mutilated, lost, stolen, or destroyed Bond shall
538 be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction
539 of the Bond, the applicant for a replacement bond shall furnish to the City and to
540 the Paying Agent/Registrar security or indemnity as may be required by them to
541 save each of them harmless from any loss or damage with respect thereto. Also, in
542 every case of loss, theft, or destruction of the Bond, the applicant shall furnish to
543 the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss,
544 theft, or destruction of the Bond, as the case may be. In every case of damage or
545 mutilation of the Bond, the applicant shall surrender to the Paying Agent/Registrar
546 for cancellation the Bond so damaged or mutilated. Prior to the issuance of any
547 replacement bond, the Paying Agent/Registrar shall charge the owner of the Bond
548 with all legal, printing, and other expenses in connection with this issuance. Every
549 replacement bond issued pursuant to the provisions of this Section by virtue of the
550 fact that the Bond is lost, stolen, or destroyed shall constitute a contractual
551 obligation of the City whether the lost, stolen, or destroyed Bond shall be found at
552 any time, or be enforceable by anyone, and shall be entitled to all the benefits of
553 this Fifty-Third Supplement.

554 Notwithstanding the preceding provisions of this Section, in the event the
555 Bond shall have matured, and no default has occurred which is then continuing in
556 the payment of the principal of, redemption premium, if any, or interest on the
557 Bond, the City may authorize the payment of the same (without surrender of the
558 Bond except in the case of a damaged or mutilated Bond) instead of issuing a
559 replacement Bond, provided security or indemnity is furnished as above provided
560 in this Section. Furthermore, in accordance with Chapter 1206 (specifically

561 Section 1206.022), this Section shall constitute authority for the issuance of any
562 replacement bond without necessity of further action by the governing body of the
563 City or any other body or person, and the duty of the replacement of the Bond is
564 authorized and imposed upon the Paying Agent/Registrar, and the Paying
565 Agent/Registrar shall authenticate and deliver a replacement Bond in the form and
566 manner and with the effect, as provided in Section 6 of this Fifty-Third
567 Supplement for a replacement Bond issued in exchange for the Bond.

568 **SECTION 20: FIFTY-THIRD SUPPLEMENT TO CONSTITUTE A**
569 **CONTRACT; EQUAL SECURITY.** In consideration of the execution of the
570 WIFIA Loan Agreement by the WIFIA Lender and the acceptance of the Bond by
571 the WIFIA Lender and by those who shall hold the same from time to time in the
572 future, this Fifty-Third Supplement shall be deemed to be and shall constitute a
573 contract between the City and the WIFIA Lender, as well as with any future
574 Holder. The pledge made in this Fifty-Third Supplement by the City and the
575 covenants and agreements set forth in this Fifty-Third Supplement to be performed
576 by the City shall be for the equal and proportionate benefit, security, and protection
577 of all Holders from time to time of the Bond, without preference, priority, or
578 distinction as to security or otherwise of the Bond by reason of time of issuance,
579 sale, or maturity or otherwise for any cause whatsoever, except as expressly
580 provided in or permitted by this Fifty-Third Supplement

581 **SECTION 21: NO RULE 15C2-12 CONTINUING DISCLOSURE**
582 **UNDERTAKING.** THE SALE OF THE BOND IS EXEMPT FROM RULE
583 15C2-12. CONSEQUENTLY, THE CITY MAKES NO UNDERTAKING WITH
584 RESPECT TO RULE 15C2-12 OR WITH RESPECT TO THE PROVISION OF
585 ON-GOING FINANCIAL AND OPERATING DATA UNDER RULE 15C2-12.

586 **SECTION 22: EVENTS OF DEFAULT; REMEDY IN EVENT OF**
587 **DEFAULT.** Each Event of Default under the WIFIA Loan Agreement is hereby
588 declared to be an Event of Default under this Fifty-Third Supplement and the
589 Master Ordinance. Upon the occurrence of an Event of Default under the WIFIA
590 Loan Agreement, the Holder may exercise any and all remedies as set forth below
591 and as set forth in and in accordance with the WIFIA Loan Agreement.

592 In addition to all rights and remedies provided by the laws of the State of
593 Texas and as provided in the WIFIA Loan Agreement, the City covenants and
594 agrees particularly that in the event the City (a) defaults in payments to be made to
595 the Debt Service Fund as required by this Fifty-Third Supplement or the Master
596 Ordinance, (b) defaults in the observance or performance of any other of the
597 covenants, conditions or obligations set forth in this Fifty-Third Supplement or the
598 Master Ordinance or (c) the City declares bankruptcy, the Holder of the Bond shall
599 be entitled to a writ of mandamus issued by a court of proper jurisdiction,

600 compelling and requiring the City and its officers to observe and perform any
601 covenant, condition or obligation prescribed in this Fifty-Third Supplement or the
602 Master Ordinance. No delay or omission to exercise any right or power accruing
603 upon any default shall impair any such right or power, or shall be construed to be a
604 waiver of any such default or acquiescence in such default, and every such right
605 and power may be exercised from time to time and as often as may be deemed
606 expedient.

607 The specific remedy provided in this Section shall be cumulative of all other
608 existing remedies and the specification of such remedy shall not be deemed to be
609 exclusive.

610 SECTION 23: **SOVEREIGN IMMUNITY WAIVER.** TO THE
611 FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND PURSUANT
612 TO SECTION 1371.059(C) OF THE TEXAS GOVERNMENT CODE, AS
613 AMENDED, WITH RESPECT TO ITS OBLIGATIONS ARISING UNDER THE
614 BOND WHICH EVIDENCES AMOUNTS DUE UNDER THE WIFIA LOAN
615 AGREEMENT, THE CITY HEREBY WAIVES SOVEREIGN IMMUNITY
616 FROM SUIT AND LIABILITY FOR THE PURPOSE OF ADJUDICATING A
617 CLAIM TO ENFORCE ITS DUTIES AND OBLIGATIONS UNDER THE
618 BOND OR FOR DAMAGES FOR BREACH OF THE BOND.

619 SECTION 24: [RESERVED]

620 SECTION 25: [RESERVED]

621 SECTION 26: **CONTROL AND CUSTODY OF BOND.** The Pricing
622 Officer shall be and is authorized to take and have charge of all necessary orders
623 and records pending the sale of the Bond, and shall take and have charge and
624 control of the Bond pending the approval thereof by the Attorney General, the
625 registration thereof by the Comptroller of Public Accounts and the delivery thereof
626 to the WIFIA Lender.

627 Furthermore, the Mayor, Mayor Pro Tem, City Manager, any Assistant City
628 Manager, Chief Financial Officer, any Deputy Financial Officer, City Clerk, City
629 Treasurer and City Attorney, any one or more of these officials, are authorized and
630 directed to furnish and execute any documents relating to the City and its financial
631 affairs as may be necessary for the sale of the Bond, the approval of the Attorney
632 General and registration by the Comptroller of Public Accounts and, together with
633 the City's financial advisor, bond counsel and the Paying Agent/Registrar, make
634 the necessary arrangements for their delivery to the WIFIA Lender following the
635 sale.

636 **SECTION 27: PROCEEDS OF SALE.** The proceeds from the sale of the
637 Bond shall be used for the payment of Eligible Project Costs in accordance with
638 the terms and provisions of the WIFIA Loan Agreement.

639 **SECTION 28: LEGAL OPINION.** The obligation of the WIFIA Lender to
640 accept delivery of the Bond is subject to being furnished a final opinion of McCall,
641 Parkhurst & Horton L.L.P., approving the Bond as to its validity, the opinion to be
642 dated and delivered as of the date of initial delivery of the Bond. A true and
643 correct reproduction of the opinion is authorized to be printed on the definitive
644 Bond.

645 **SECTION 29: CUSIP NUMBERS.** A CUSIP number may be printed or
646 typed on the definitive Bond. It is expressly provided, however, that the presence
647 or absence of a CUSIP number on the definitive Bond shall be of no significance
648 or effect as regards the legality thereof and neither the City nor attorneys approving
649 the Bond as to legality are to be held responsible for a CUSIP number incorrectly
650 printed or typed on the definitive Bond.

651 **SECTION 30: PAYMENT AND PERFORMANCE ON BUSINESS**
652 **DAYS.** Whenever under the terms of this Fifty-Third Supplement or the Bond, the
653 performance date of any provision of this Fifty-Third Supplement or the Bond,
654 including the payment of principal of or interest on the Bond, shall occur on a day
655 other than a Business Day, then performance, including the payment of principal of
656 and interest on the Bond, shall be determined in accordance with the WIFIA Loan
657 Agreement.

658 **SECTION 31: LIMITATION OF BENEFITS WITH RESPECT TO**
659 **THIS FIFTY-THIRD SUPPLEMENT.** With the exception of the rights or
660 benefits expressly conferred in this Fifty-Third Supplement, nothing expressed or
661 contained in this Fifty-Third Supplement or implied from the provisions of this
662 Fifty-Third Supplement, the WIFIA Loan Agreement or the Bond is intended or
663 should be construed to confer upon or give to any person other than the City, the
664 Holder, and the Paying Agent/Registrar, any legal or equitable right, remedy, or
665 claim under or by reason of or in respect to this Fifty-Third Supplement or any
666 covenant, condition, stipulation, promise, agreement, or provision contained in this
667 Fifty-Third Supplement. This Fifty-Third Supplement and all of the covenants,
668 conditions, stipulations, promises, agreements, and provisions of this Fifty-Third
669 Supplement are intended to be and shall be for and inure to the sole and exclusive
670 benefit of the City, the Holder, and the Paying Agent/Registrar as provided in this
671 Fifty-Third Supplement, in the WIFIA Loan Agreement and in the Bond.

672 **SECTION 32: NOTICES TO HOLDER.** Wherever this Fifty-Third
673 Supplement provides for notice to the Holder of any event, the notice shall be
674 given in accordance with terms and provisions of the WIFIA Loan Agreement.

675 **SECTION 33: GOVERNING LAW.** This Fifty-Third Supplement shall be
676 construed and enforced in accordance with the laws of the State of Texas and the
677 United States of America.

678 **SECTION 34: EFFECT OF HEADINGS.** The Section headings in this
679 Fifty-Third Supplement are for convenience of reference only and shall not affect
680 the construction of this Fifty-Third Supplement.

681 **SECTION 35: CONSTRUCTION OF TERMS.** If appropriate in the
682 context of this Fifty-Third Supplement, words of the singular number shall be
683 considered to include the plural, words of the plural number shall be considered to
684 include the singular, and words of the masculine, feminine or neuter gender shall
685 be considered to include the other genders. References to any named person shall
686 mean that person and his or her successors and assigns. References to any office
687 shall include the person holding the office in an interim, acting or permanent
688 capacity. References to any constitutional, statutory or regulatory provision means
689 the provision as it exists on the date this Fifty-Third Supplement is adopted by
690 council. Any reference to the payment of principal in this Fifty-Third Supplement
691 shall include the payment of any mandatory sinking fund redemption or
692 prepayment payments as described in this Fifty-Third Supplement. Any reference
693 to "FORM OF BOND" refers to the form of the Bond in **Exhibit A** to the WIFIA
694 Loan Agreement.

695 **SECTION 36: SEVERABILITY.** If any provision of this Fifty-Third
696 Supplement or its application to any circumstance shall be held to be invalid, the
697 remainder of this Fifty-Third Supplement and its application to other
698 circumstances shall nevertheless be valid, and council declares that this Fifty-Third
699 Supplement would have been enacted without such invalid provision.

700 **SECTION 37: [RESERVED]**

701 **SECTION 38: [RESERVED]**

702 **SECTION 39: PUBLIC MEETING.** It is officially found that the meeting
703 at which this Fifty-Third Supplement is adopted was open to the public and public
704 notice of the time, place, and subject matter of the public business to be considered
705 at such meeting, including this Fifty-Third Supplement, was given; all as required
706 by Chapter 551.

707 SECTION 40: **EFFECTIVE DATE.** This Fifty-Third Supplement is
708 passed on one reading as authorized by Chapter 1201 (specifically
709 Section 1201.028) and shall be effective immediately upon its passage and
710 adoption.

711

712

[Execution Page Follows]

DRAFT

**PASSED AND APPROVED
MAY 21, 2026**

CITY OF AUSTIN, TEXAS

Mayor

ATTEST:

City Clerk

APPROVED:

City Attorney

(City Seal)

Exhibit A

WIFIA Loan Agreement

[See attached pages]

Exhibit B

WIFIA Term Sheet

[See attached pages]