

AGENDA ITEM # 16

October 14, 1997

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Discuss and take appropriate action regarding ordinance #1704 with City of Austin.

Moved Commissioner Boatright

Seconded: Judge Doerfler

Motion. To approve resolution regarding ordinance #1704 with the City of Austin.

Vote. Motion carried 4 - 0

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STATE OF TEXAS * THE COMMISSIONERS COURT OF
 *
 COUNTY OF WILLIAMSON * WILLIAMSON COUNTY, TEXAS

KNOW ALL MEN BY THESE PRESENTS THAT ON THIS, the 14th day of October, 1997, the Commissioners Court of Williamson County, Texas, met in a duly called session at the Courthouse in Georgetown, Texas, with the following members present

John C Doerfler, County Judge, Presiding
 Mike Heiligenstein, Commissioner, Pct #1
 Greg Boatright, Commissioner, Pct #2
 David Hays, Commissioner, Pct #3
 Jerry Mehevec, Commissioner, Pct. #4

and at said meeting, among other business, the Court considered the following

WHEREAS, *The Williamson County Commissioners' Court is mindful of all efforts or actions that effect Williamson County residents, and*

WHEREAS, *The Williamson County Commissioners' Court is always concerned about any impact on the taxpayer, and*

WHEREAS, *The City of Austin is apparently considering one or more actions that could have a direct impact on the tax base and taxpayer of Williamson County, and*

WHEREAS, *The City of Austin has expressed a willingness and desire to have open discussions with its governmental counterparts,*

Now, Therefore, be it

RESOLVED, That the Williamson County Commissioners' Court, in order to clarify any uncertainty or misunderstanding, requests the City of Austin to meet with the Williamson County Commissioners' Court, the Round Rock Independent School District, the Leander Independent School District, and State Representatives and State Senator from the affected areas of Williamson County to explain the impact on the tax base and taxpayer in Williamson County under the proposed City of Austin land development ordinances, and be it further

AGENDA ITEM # 17October 14, 1997

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Discuss and take appropriate action pertaining to number of dollars to be allocated for Health Benefits.

Moved Commissioner Boatright

Seconded: Judge Doerfler

Motion: To approve \$230 00 per month/per employee to be allocated for Health Benefits

Vote Motion carried 4 - 0

AGENDA ITEM # 18October 14, 1997

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Discuss and take appropriate action on arbitrage rebate program

Moved: Judge Doerfler

Seconded Commissioner Boatright

Motion: To retain First Southwest Asset Management Company for services on the arbitrage rebate program

Vote: Motion carried 4 - 0

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**AGREEMENT FOR
ARBITRAGE REBATE COMPLIANCE SERVICES
BY AND BETWEEN**

**WILLIAMSON COUNTY, TEXAS
(Hereinafter Referred to as the "Issuer")**

**AND
FIRST SOUTHWEST ASSET MANAGEMENT, INC.
an affiliate of First Southwest Company
(Hereinafter Referred to as "First Southwest")**

It is understood and agreed that the Issuer, in connection with the sale and delivery of certain bonds, notes, certificates, or other tax-exempt obligations (the "Bonds"), will have the need to determine to what extent, if any, it will be required to rebate investment earnings of the proceeds of the Bonds to the United States of America (hereinafter referred to as "Arbitrage Amount") pursuant to the provisions of Section 148(f)(2) of the Internal Revenue Code of 1986 (the "Code"). For purposes of this Agreement, the term "Arbitrage Amount" includes payments made under the election to pay penalty in lieu of rebate for a qualified construction issue under Section 148(f)(4) of the Code.

We have been requested to provide professional services to the Issuer as such services may be necessary to effect this determination and we are pleased to submit the following proposal for consideration. This proposal, if accepted by the Issuer, shall become the agreement (the "Agreement") between the Issuer and First Southwest effective at the date of its acceptance as provided for herein below.

- 1 This Agreement shall apply to all issues of tax-exempt bonds delivered subsequent to the effective date of the rebate requirements, to the extent that any particular issue does not qualify for exceptions to the rebate requirements in accordance with Section 148 of the Internal Revenue Code and related Treasury regulations.

Provisions of First Southwest

- 2 We agree to provide our professional services necessary in the determination of the Arbitrage Amount with regard to the Bonds. The Issuer will assume and pay the fee of First Southwest as such fee is set out in Appendix A attached hereto. First Southwest shall not be responsible for any extraordinary expenses incurred in connection with providing such professional services, including any costs incident to litigation, mandamus action, test case or other similar legal actions, unless First Southwest is a party to such litigation and a claim is asserted against First Southwest for work performed under this Agreement.
- 3 We agree to perform the following duties in connection with providing arbitrage rebate compliance services:
 - a. To cooperate fully with the Issuer in reviewing the schedule of investments made by the Issuer with (i) proceeds from the Bonds, and (ii) proceeds of other funds of the Issuer which, under Treasury Regulations Section 1.148 or any successor regulations thereto, are subject to the rebate requirements of the Code,
 - b. To perform, or cause to be performed, consistent with the Code and the regulations promulgated thereunder, to determine the Arbitrage Amount under Section 148(f)(2) of the Code,
 - c. To provide a report to the Issuer specifying the Arbitrage Amount based upon the investment schedule, the calculations of bond yield and investment yield, and other information deemed relevant by First Southwest.