

AN ORDINANCE

BY *Clair Muller*

AN ORDINANCE TO ANTICIPATE AND APPROPRIATE GRANT FUNDS IN THE AMOUNT OF \$12,000,000 TO BE RECEIVED FROM THE FEDERAL AVIATION ADMINISTRATION'S OFFER VIA A LETTER OF INTENT "#ASO-02-2 PAYMENT #5" IDENTIFYING GRANT AGREEMENT 3-13-0008-76 FOR PAYMENT OF THE PRINCIPAL ON THE 2004 PASSENGER FACILITY CHARGE BOND AND SUBORDINATE LIEN REVENUE BONDS ISSUED TO PAY CAPITAL COSTS ASSOCIATED WITH THE PROJECT THAT EXTENDS THE 5TH RUNWAY AND ASSOCIATED TAXIWAYS (SITE PREPARATION-PHASE 1E); AND FOR OTHER PURPOSES.

WHEREAS, the City issued bonds on behalf of the Department of Aviation for the design and construction of Runway 10-28 (5th Runway) and other purposes at the Hartsfield-Jackson Atlanta International Airport (Airport); and

WHEREAS, the Federal Aviation Administration (FAA) announced its intentions in accordance with the provisions of Section 4711(e) Title 49, as amended in the United States Code, to obligate funds from future budget authority to issue grants to pay the City for the United States share of allowable costs (75%) at the Hartsfield-Jackson Atlanta International Airport for the project described as "Extending the 5th Runway and Associated Taxiways (Site Preparation Phase 1E)"; and

WHEREAS, the maximum obligation of the United States payable under this offer is \$12,000,000; and

WHEREAS, the grant funds are to be used to pay against debt service expenses with respect to the Series 2004 D associated with the Capital Improvement Plan that includes among other things, the planning, design, construction and equipping of (i) the Maynard Jackson International Terminal; (ii) the addition of the 5th runway, associated taxiways and other airfield projects, and (iii) additions and improvements to the existing passenger terminal complex (collectively, the "2004 Project"); and

WHEREAS, a previously issued Letter of Intent (LOI) received by the City for FAA Grant Agreement 3-13-0008-73 for \$7,000,000 was inadvertently used to pay against debt service expenses per ordinance 2006-O-1657 with respect to the Construction of Taxiway "V" End Around Taxiway and must now be reimbursed the same amount out of grant proceeds from the FAA Grant Agreement 3-13-0008-76 as the inadvertently paid amount from FAA Grant Agreement 3-13-0008-73 pre-empted in part what Grant Agreement 3-13-0008-76 was to accomplish; and

WHEREAS, the remaining balance (\$5,000,000) of the LOI FAA Grant Agreement 3-13-0008-76 is to pay against debt service expenses associated with "Extending the 5th Runway and Associated Taxiways (Site Preparation Phase 1E)"; and

WHEREAS, the City must legislatively anticipate and appropriate grant funds to allocate said funding in order to reimburse Grant Agreement 3-13-0008-73 and properly position funding to enable debt service payments associated with "Extending the 5th Runway and Associated Taxiways (Site Preparation Phase 1E)".

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS, as follows:

SECTION 1: That the FY 2008 Airport Renewal & Extension Fund Budget, Department of Aviation, is amended as follows:

ADD TO ANTICIPATIONS

5502 3319001 R21E0511AZ76 Federal/Grants Entitlements \$12,000,000.00

ADD TO APPROPRIATIONS

5502 6110001 R21E0511AZ76 Transfer Out to Another Fund \$12,000,000.00

SECTION 2: That the Chief Financial Officer be and is hereby authorized to pay \$7,000,000.00 from the FY 2008 Airport Renewal & Extension Fund 5502 6110001 R21E0511AZ76 to the FY 2008- Airport Passenger Facility Charge Fund (5505 3912025 R21E0511AZ76) and \$5,000,000 from the FY 2008 Airport Renewal & Extension Fund 5502 6110001 R21E0511AZ76 to the FY 2008-2004 Airport Passenger Facility Charge Bond Fund (5508 3912025 R21E0511AZ76).

SECTION 3: That the FY 2008- Airport Passenger Facility Charge Fund Budget be amended as follows:

ADD TO ANTICIPATIONS

5505 3912025 R21E0511AZ76 Operating Transfers in from 5502 \$7,000,000.00

ADD TO APPROPRIATIONS

5505 6100001 200101 Reserves for Appropriations \$7,000,000.00

SECTION 4: That the FY 2008-2004 Airport Passenger Facility Charge Bond Fund Budget be amended as follows:

ADD TO ANTICIPATIONS

5508 3912025 R21E0511AZ76 Operating Transfers in from 5502 \$5,000,000.00

ADD TO APPROPRIATIONS

5508 6110001 R21E0511AZ76 Transfer out to Another Fund \$5,000,000.00

SECTION 5: That the Chief Financial Officer be and is hereby authorized to pay \$5,000,000.00 from the FY 2008-2004 Airport Passenger Facility Charge Bond Fund 5508 - 6110001- R21E05011AZ76 to the FY 2008 Airport Facility Revenue Bond Sinking Fund Budget (5513 - 5811002 - 200816)

SECTION 6: That the FY 2008 Airport Facility Revenue Bond Sinking Fund Budget be amended as follows:

TRANSFER FROM APPROPRIATIONS

5508 6110001 R21E0511AZ76 Transfer out to Another Fund \$5,000,000.00

TRANSFER TO APPROPRIATIONS

5513	5811002	200816	Revenue Bond Principal Payment	\$5,000,000.00
------	---------	--------	--------------------------------	----------------

SECTION 7: That all ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview: Finance/ Executive Committee

Caption: AN ORDINANCE TO ANTICIPATE AND APPROPRIATE GRANT FUNDS IN THE AMOUNT OF \$12,000,000 TO BE RECEIVED FROM THE FEDERAL AVIATION ADMINISTRATION'S OFFER VIA A LETTER OF INTENT "#ASO-02-2 PAYMENT #5" IDENTIFYING GRANT AGREEMENT 3-13-0008-76 FOR PAYMENT OF THE PRINCIPAL ON THE 2004 PASSENGER FACILITY CHARGE BOND AND SUBORDINATE LIEN REVENUE BONDS ISSUED TO PAY CAPITAL COSTS ASSOCIATED WITH THE PROJECT THAT EXTENDS THE 5TH RUNWAY AND ASSOCIATED TAXIWAYS (SITE PREPARATION-PHASE 1E); AND FOR OTHER PURPOSES.

Council Meeting Date: January 7, 2008

Requesting Dept.: Department of Finance

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

AN ORDINANCE TO ANTICIPATE AND APPROPRIATE GRANT FUNDS IN THE AMOUNT OF \$12,000,000 TO BE RECEIVED FROM THE FEDERAL AVIATION ADMINISTRATION'S OFFER VIA A LETTER OF INTENT "#ASO-02-2 PAYMENT #5" IDENTIFYING GRANT AGREEMENT 3-13-0008-76 FOR PAYMENT OF THE PRINCIPAL ON THE 2004 PASSENGER FACILITY CHARGE BOND AND SUBORDINATE LIEN REVENUE BONDS ISSUED TO PAY CAPITAL COSTS ASSOCIATED WITH THE PROJECT THAT EXTENDS THE 5TH RUNWAY AND ASSOCIATED TAXIWAYS (SITE PREPARATION-PHASE 1E); AND FOR OTHER PURPOSES.

2. Please provide background information regarding this legislation.

The FAA awarded Hartsfield-Jackson a Letter of Intent #ASO-02-2, Payment #5 (Grant #76). The FAA's maximum obligation in the award is not to exceed \$12 million and is to represent 75% of the cost of the project, which is to Extend 5th Runway and Associated Taxiways (Site Preparation-Phase 1E). In order for the Department of Aviation (DOA) to officially receive the grant it must be formalized via approval by the Atlanta City Council. Additionally, the Department of Finance must gain Council's approval to allocate (budget) the funds per Aviation's request. Moreover, Finance may request the actual receipt of funds on behalf of DOA from the FAA only after the City's legislative process has been completed.

3. If Applicable/Known:

(a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):**

- (b) **Source Selection:**
- (c) **Bids/Proposals Due:**
- (d) **Invitations Issued:**
- (e) **Number of Bids:**
- (f) **Proposals Received:**
- (g) **Bidders/Proponents:**
- (h) **Term of Contract:**

4. Fund Account Center:

5. Source of Funds: FAA

6. Fiscal Impact: \$12,000,000

7. Method of Cost Recovery:

This Legislative Request Form Was Prepared By: Antrameka Knight

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: LaShawn Gardiner

Contact Number: 404-330-6449

Originating Department: Department of Finance

Committee(s) of Purview: Finance/ Executive Committee

Chief of Staff Deadline: November 26, 2007

Anticipated Committee Meeting Date(s): December 12-13, 2007

Anticipated Full Council Date: January 7, 2008

Legislative Counsel's Signature: [Signature]

Commissioner Signature: [Signature]

Chief Procurement Officer Signature: _____

CAPTION

AN ORDINANCE TO ANTICIPATE AND APPROPRIATE GRANT FUNDS IN THE AMOUNT OF \$12,000,000 TO BE RECEIVED FROM THE FEDERAL AVIATION ADMINISTRATION'S OFFER VIA A LETTER OF INTENT "#ASO-02-2 PAYMENT #5" IDENTIFYING GRANT AGREEMENT 3-13-0008-76 FOR PAYMENT OF THE PRINCIPAL ON THE 2004 PASSENGER FACILITY CHARGE BOND AND SUBORDINATE LIEN REVENUE BONDS ISSUED TO PAY CAPITAL COSTS ASSOCIATED WITH THE PROJECT THAT EXTENDS THE 5TH RUNWAY AND ASSOCIATED TAXIWAYS (SITE PREPARATION-PHASE 1E); AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any): \$12,000,000

Mayor's Staff Only

Received by CPO: _____ (date) Received by LC from CPO: _____ (date)

Received by Mayor's Office: 1/7/08 [Signature] Reviewed by: [Signature] (date)

Submitted to Council: _____ (date)