

10-0-0129

(Do Not Write Above This Line)

AN ORDINANCE BY 10-0
FINANCE EXECUTIVE COMMITTEE

TO AUTHORIZE THE TERMINATION OF THAT CERTAIN INTEREST RATE EXCHANGE AGREEMENT RELATED TO THE CITY'S OUTSTANDING WATER AND WASTEWATER REVENUE BONDS, SERIES 1999A, AND THE PAYMENT OF A SWAP TERMINATION FEE IN CONNECTION WITH THE TERMINATION OF SAID INTEREST RATE EXCHANGE AGREEMENT; ALL PAYMENTS SHALL BE CHARGED TO AND PAID FROM WATERSHED RENEWAL AND EXTENSION FUND; AUTHORIZING THE EXECUTION A CONFIRMATION OF SWAP TERMINATION DELINEATING THE TERMS ASSOCIATED WITH THE PAYMENT OF SAID SWAP TERMINATION FEE IN CONNECTION WITH THE TERMINATION OF SAID INTEREST RATE EXCHANGE AGREEMENT; GRANTING THE MAYOR THE AUTHORITY TO APPROVE AND EXECUTE ANY AND ALL OTHER DOCUMENTS AND CERTIFICATES WITH RESPECT TO THE TERMINATION OF SAID INTEREST RATE EXCHANGE AGREEMENT; AUTHORIZING CERTAIN OFFICIALS AND EMPLOYEES OF THE CITY TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE TERMINATION OF SAID INTEREST RATE EXCHANGE AGREEMENT; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

SUBSTITUTE

- CONSENT REFER
- REGULAR REPORT REFER
- ADVERTISE & REFER
- 1st ADOPT 2nd READ & REFER
- PERSONAL PAPER REFER

Date Referred 2/19/10
 Referred To: Finance Exe
 Date Referred _____
 Referred To: _____
 Date Referred _____
 Referred To: _____

First Reading
 Committee Finance Executive
 Date 2-13-10
 Chair Richard Johnson
 Referred To Finance Executive

Committee Finance Executive
 Date 2/2/10

Action Refer
 Fav, Adv, Hold (see rev. side)
 Other _____

Members [Signatures]

Refer To [Signature]

Committee _____

Date _____

Chair _____

Action _____
 Fav, Adv, Hold (see rev. side)
 Other _____

Members _____

Refer To _____

Committee _____

Date _____

Chair _____

Action _____
 Fav, Adv, Hold (see rev. side)
 Other _____

Members **ADOPTED BY**

FEB 01 2010

COUNCIL

Refer To _____

FINAL COUNCIL ACTION
 2nd 1st & 2nd 3rd
 Readings
 Consent V Vote RC Vote

CERTIFIED

FEB 01 2010

CERTIFIED
 FEB 01 2010
 Richard Johnson
 MUNICIPAL CLERK

MAYOR'S ACTION

[Signature]



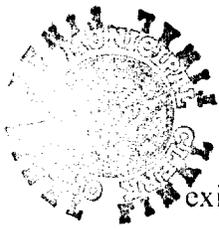
CITY COUNCIL
ATLANTA, GEORGIA

A SUBSTITUTE ORDINANCE BY

10-O-0129

FINANCE/ EXECUTIVE COMMITTEE

AN ORDINANCE TO AUTHORIZE THE TERMINATION OF THAT CERTAIN INTEREST RATE EXCHANGE AGREEMENT RELATED TO THE CITY'S OUTSTANDING WATER AND WASTEWATER REVENUE BONDS, SERIES 1999A, AND THE PAYMENT OF A SWAP TERMINATION FEE IN CONNECTION WITH THE TERMINATION OF SAID INTEREST RATE EXCHANGE AGREEMENT; ALL PAYMENTS SHALL BE CHARGED TO AND PAID FROM THE WATERSHED WATER AND WASTEWATER SINKING FUND; AUTHORIZING THE EXECUTION A CONFIRMATION LETTER TO ISDA MASTER AGREEMENT DELINEATING THE TERMS ASSOCIATED WITH THE PAYMENT OF SAID SWAP TERMINATION FEE IN CONNECTION WITH THE TERMINATION OF SAID INTEREST RATE EXCHANGE AGREEMENT; GRANTING THE MAYOR THE AUTHORITY TO APPROVE AND EXECUTE ANY AND ALL OTHER DOCUMENTS AND CERTIFICATES WITH RESPECT TO THE TERMINATION OF SAID INTEREST RATE EXCHANGE AGREEMENT; AUTHORIZING CERTAIN OFFICIALS AND EMPLOYEES OF THE CITY TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE TERMINATION OF SAID INTEREST RATE EXCHANGE AGREEMENT; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT THERETO; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.



WHEREAS, the City of Atlanta (the "City") is a municipal corporation duly created and existing under the laws of the State; and

WHEREAS, pursuant to the Constitution and laws of the State, including specifically, but without limitation, the Revenue Bond Law (Title 36, Chapter 82, Article 3 of the Official Code of Georgia Annotated, as amended) and the Charter of the City, as amended, the City is authorized to undertake the acquisition, construction, reconstruction and improvement of its water and wastewater facilities and to issue revenue bonds to finance and refinance the cost of such undertaking; and

WHEREAS, pursuant to the terms of that certain Master Bond Ordinance adopted on March 31, 1999 (the "Master Bond Ordinance"), the City previously authorized, issued and delivered \$1,096,140,000 in original aggregate principal amount of the City's Water and Sewer Revenue Bonds, Series 1999A (the "Series 1999A Bonds"); and

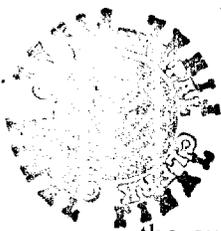
WHEREAS, pursuant to the terms of the Master Bond Ordinance as supplemented by that certain First Supplemental Bond Ordinance adopted March 5, 2001, the City entered into an ISDA Master Agreement and related Schedule (collectively the "Series 1999A Swap Agreement") with UBS AG (the "Swap Provider"), as supplemented by: (a) a Confirmation of Swap Transaction dated March 5, 2001, relating to \$145,000,000 in aggregate principal amount of the Series 1999A Bonds maturing on November 1, 2029 and 2038 (the "Series 1999A-1 Hedged Bonds"), and (b) a Confirmation of Swap Transaction dated March 5, 2001, relating to \$71,850,000 in aggregate principal amount of the Series 1999A Bonds maturing on November 1, 2022 and 2038 (the "Series 1999A-2 Hedged Bonds").

WHEREAS, as a result of rating downgrades of the Series 1999A-1 Hedged Bonds and the Series 1999A-2 Hedged Bonds, one or more termination events may have occurred under the Series 1999A Swap Agreement;

WHEREAS, as a result of the disruptions in the financial markets which have negatively impacted the marketability of variable rate securities and due to events having a negative impact on the municipal finance market, in general and the marketability of the Series 1999A Bonds and after careful study and investigation, the City has found and determined that, it is in the best interests of the City to terminate the Series 1999A Swap Agreement and pay a termination fee in connection therewith (the "Swap Termination Fee") as set forth in that certain Confirmation Letter to ISDA Master Agreement between the City and the Swap Provider, a copy of which is attached hereto as Exhibit A (the "Termination Confirmation"); and

WHEREAS, the City intends to utilize the Water and Wastewater Sinking Fund for the payment of the Swap Termination Fee; and

WHEREAS, the City intends to reimburse itself for all or a portion of the Swap Termination Fee and any other expenses related to the termination of the Series 1999A Swap Agreement from the proceeds of tax-exempt obligations to be issued by the City to refund the Series 1999A Bonds (the "Refunding Bonds") or other tax-exempt obligations to be incurred by the City; and



WHEREAS, the City desires to delegate to the Mayor and the Chief Financial Officer the authority to determine the timing and terms of the termination of the Series 1999A Swap Agreement; and

WHEREAS, the City further desires to delegate to the Mayor, the Chief Financial Officer, the Acting City Attorney and the Municipal Clerk the authority to take such further actions and to execute and deliver the Termination Confirmation and any further documents, certificates, agreements and instruments with respect to the termination of the Series 1999A Swap Agreement and the payment of the Swap Termination Fee.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Atlanta, Georgia as follows:

Section 1. Recitals. The recitals to this Ordinance are incorporated as findings herein.

Section 2. Definitions. All capitalized terms used herein and not otherwise defined in the recitals to this Ordinance are used with the meanings assigned thereto by the Master Bond Ordinance.

Section 3. Rules of Construction. As used in this Ordinance, words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and vice versa. Except where the context otherwise requires, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations and corporations, as well as natural persons.

The headings or titles of the several sections of this Ordinance shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Ordinance.

Section 4. Authorization of Termination of Series 1999A Swap Agreement and Payment of Swap Termination Fee. Subject to compliance with the terms of this Ordinance, the termination of the Series 1999A Swap Agreement and the payment of the Swap Termination Fee pursuant to the Series 1999A Swap Agreement in an amount not to exceed \$25,000,000 as provided herein are hereby authorized, all as set forth in the Termination Confirmation.

Section 5: Declaration of Official Intent. The City hereby declares its official intent under Treasury Regulation §1.150-2 to reimburse itself from the proceeds of obligations to be incurred by the City for all or a portion of the Swap Termination Fee and any other expenses related to the termination of the Series 1999A Swap Agreement from the proceeds of the Refunding Bonds or other tax-exempt obligations to be incurred by the City.

Section 6. Authorizations. The Mayor and the Chief Financial Officer are each hereby authorized and directed, individually or with others pursuant to their direction or authorization, to execute the Termination Confirmation and such other documents, certificates, instruments and contracts, whether or not expressly contemplated hereby, and to execute and do all acts and things required by the provisions of this Ordinance as may be necessary for the full,



unctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Ordinance. The Mayor and the Chief Financial Officer are hereby designated as the primary officers of the City charged with the responsibility for the termination of the Series 1999A Swap Agreement.

Section 7. Parties Interested Herein. Nothing in this Ordinance, expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance, by and on behalf of the City shall be for the sole and exclusive benefit of the City.

Section 8. No City Liability. None of the officers of the City nor the members of the City Council nor any employee or agent of the City shall be liable personally or by reason of the termination of the Series 1999A Swap Agreement, and no recourse shall be had for the payment of the Swap Termination Fee, or for any claim based on this Ordinance against any such member, officer, employee or agent. No stipulations, obligations or agreements of the City nor any member of the City Council or any employee or agent of the City shall be deemed to be stipulations, obligations or agreements of any such officer, member, employee or agent in his or her individual capacity.

Section 9. Incidental Action. The Mayor, the Acting City Attorney, the Chief Financial Officer and the Municipal Clerk (or the Deputy Municipal Clerk) and the other appropriate officials and staff of the City are hereby authorized to take such actions as may be necessary to carry out the purposes of this Ordinance.

Section 10. Repealing Clause. All resolutions or ordinances in conflict or inconsistent herewith are hereby repealed insofar as there is conflict or inconsistency.

Section 11. Severability. In case any one or more of the provisions of this Ordinance, or any of the other agreements herein authorized shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Ordinance or any of the other agreements herein authorized and this Ordinance and the other agreements herein authorized shall be construed and enforced as if such illegal or invalid provision had not been contained in this Ordinance and the other agreements herein authorized.



Section 12. Effective Date. This Ordinance shall take effect immediately upon its enactment by the City Council and approval by the Mayor, and any provisions of any previous resolutions or ordinances in conflict with the provisions herein are hereby superseded.

(SEAL)

CITY OF ATLANTA

By: _____
Mayor

ATTEST:

Municipal Clerk

APPROVED AS TO FORM

Acting City Attorney

A true copy,

Deputy Clerk

ADOPTED by the Atlanta City Council
APPROVED by Mayor Kasim Reed

FEB 01, 2010
FEB 09, 2010

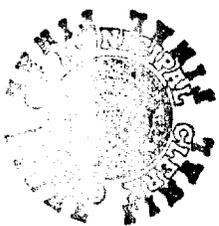


EXHIBIT A

FORM OF TERMINATION CONFIRMATION



Confirmation Letter to ISDA Master Agreement

_____, 2010

City of Atlanta
Department of Finance
68 Mitchell Street, S.W. Suite 1100
Atlanta, Georgia 30303-3520
Attention: _____

Re: Termination of Swap Transaction UBS Ref: 897951

Ladies and Gentlemen:

The purpose of this letter agreement is to confirm the termination of a Swap Transaction designated as Admin UBS Ref: 897951 (the "Original Transaction") as evidenced by the Confirmation Letter dated March 5, 2001 setting forth the terms and conditions of the Original Transaction.

This letter agreement constitutes a "Confirmation" as referred to in the ISDA Master Agreement between UBS, AG ("UBS") and the City of Atlanta ("Counterparty") as of March 5, 2001 (collectively with the Schedule to the Master Agreement dated as of March 5, 2001, the "Agreement"), and incorporates by reference the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., the "Definitions"). For these purposes, all references in the Definitions to a "Swap Transaction" shall be deemed to apply to the Transactions referred to herein.

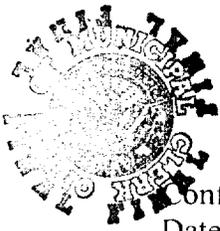
This Confirmation supplements, forms part of, and is subject to, the Agreement. All provisions set forth in the Definitions or contained or incorporated by reference in the Agreement shall govern this Confirmation except as expressly modified below.

The terms of the particular Transaction to which this Confirmation relates are as follows:

A. TRANSACTION DETAILS OF THE ORIGINAL TRANSACTION

UBS Reference Number:	897951
Notional Amount:	USD 145,000,000 (amortizing)
Trade Date:	March 5, 2001

B. TRANSACTION DETAILS



(a) Notwithstanding anything herein to the contrary in the Agreement or the Original Confirmation, the Original Transaction is hereby terminated as of _____, 2010 (the "Termination Date") and neither UBS nor Counterparty shall have any obligations thereunder following the Termination Date, other than with respect to the payment of the Termination Payment (as defined herein) on the date provided herein. In full consideration of this Confirmation and in complete satisfaction of all obligations of all of the parties in respect of the termination of the Original Transaction, Counterparty agrees to pay to UBS a payment of USD _____ (the "Termination Payment") in [equal monthly installments on the first Business Day of each month commencing _____ 1, 2010 and until and including _____, 20__ (the "Final Payment Date")]. The parties hereby agree that no interest shall accrue on or be payable in respect of the Termination Payment from the Termination Date through and including the Final Payment Date.

(b) Counterparty acknowledges, agrees and reaffirms that: (i) pursuant Part 5(i) of the Schedule to the Agreement, the Termination Payment shall be paid from moneys held in or required to be deposited into the Renewal and Extension Fund held under the Bond Ordinance (as such terms are defined in the Schedule) and (ii) the rights and security provided by the Agreement shall continue until final payment in full of the Termination Payment.

C. ACCOUNT DETAILS

[Please confirm]

Payments to UBS in USD:

UBS AG, Stamford
ABA: 026-007-993
A/C#: 101-WA-140007-000
Ref: Atlanta DSR Swap
Attn: _____

D. WAIVERS

UBS confirms that: (i) it has waived any notice periods that were required to have been met in connection with the voluntary termination of this Transaction; and (ii) one or more Events of Default and/or Termination Events may have occurred in connection with the rating downgrades of the Senior Bonds (as defined in the Schedule), which Event(s) of Default and/or Termination Event(s) shall be deemed to have been cured by the terms of this Confirmation.

[Remainder of Page Intentionally Left Blank]



Please confirm your agreement to be bound by the terms of the foregoing by executing the copy of this Confirmation and returning it to us.

Very truly yours,

UBS, AG

By: _____
Name:
Title:

By: _____
Name:
Title:

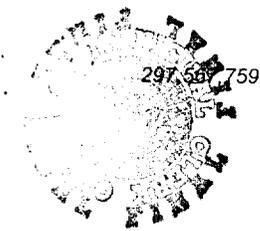
Accepted and confirmed as of
the date first above written.

CITY OF ATLANTA

By: _____
Name:
Title:

Approved as to form:

By: _____
Acting City Attorney



Confirmation Letter to ISDA Master Agreement

_____, 2010

City of Atlanta
Department of Finance
68 Mitchell Street, S.W. Suite 1100
Atlanta, Georgia 30303-3520
Attention: _____

Re: Termination of Swap Transaction UBS Ref: 897956

Ladies and Gentlemen:

The purpose of this letter agreement is to confirm the termination of a Swap Transaction designated as Admin UBS Ref: 897956 (the "Original Transaction") as evidenced by the Confirmation Letter dated March 5, 2001 setting forth the terms and conditions of the Original Transaction.

This letter agreement constitutes a "Confirmation" as referred to in the ISDA Master Agreement between UBS, AG ("UBS") and the City of Atlanta ("Counterparty") as of March 5, 2001 (collectively with the Schedule to the Master Agreement dated as of March 5, 2001, the "Agreement"), and incorporates by reference the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., the "Definitions"). For these purposes, all references in the Definitions to a "Swap Transaction" shall be deemed to apply to the Transactions referred to herein.

This Confirmation supplements, forms part of, and is subject to, the Agreement. All provisions set forth in the Definitions or contained or incorporated by reference in the Agreement shall govern this Confirmation except as expressly modified below.

The terms of the particular Transaction to which this Confirmation relates are as follows:

A. TRANSACTION DETAILS OF THE ORIGINAL TRANSACTION

UBS Reference Number:	897956
Notional Amount:	USD 71,850,000 (amortizing)
Trade Date:	March 5, 2001

B. TRANSACTION DETAILS



(a) Notwithstanding anything herein to the contrary in the Agreement or the Original Confirmation, the Original Transaction is hereby terminated as of _____, 2010 (the "Termination Date") and neither UBS nor Counterparty shall have any obligations thereunder following the Termination Date, other than with respect to the payment of the Termination Payment (as defined herein) on the date provided herein. In full consideration of this Confirmation and in complete satisfaction of all obligations of all of the parties in respect of the termination of the Original Transaction, Counterparty agrees to pay to UBS a payment of USD _____ (the "Termination Payment") in [equal monthly installments on the first Business Day of each month commencing ____ 1, 2010 and until and including _____, 20__ (the "Final Payment Date")]. The parties hereby agree that no interest shall accrue on or be payable in respect of the Termination Payment from the Termination Date through and including the Final Payment Date.

(b) Counterparty acknowledges, agrees and reaffirms that: (i) pursuant Part 5(i) of the Schedule to the Agreement, the Termination Payment shall be paid from moneys held in or required to be deposited into the Renewal and Extension Fund held under the Bond Ordinance (as such terms are defined in the Schedule) and (ii) the rights and security provided by the Agreement shall continue until final payment in full of the Termination Payment.

C. ACCOUNT DETAILS

[Please confirm]

Payments to UBS in USD:

UBS AG, Stamford
ABA: 026-007-993
A/C#: 101-WA-140007-000
Ref: Atlanta DSR Swap
Attn: _____

D. WAIVERS

UBS confirms that: (i) it has waived any notice periods that were required to have been met in connection with the voluntary termination of this Transaction; and (ii) one or more Events of Default and/or Termination Events may have occurred in connection with the rating downgrades of the Senior Bonds (as defined in the Schedule), which Event(s) of Default and/or Termination Event(s) shall be deemed to have been cured by the terms of this Confirmation.

[Remainder of Page Intentionally Left Blank]



Please confirm your agreement to be bound by the terms of the foregoing by executing a copy of this Confirmation and returning it to us.

Very truly yours,

UBS, AG

By: _____
Name:
Title:

By: _____
Name:
Title:

Accepted and confirmed as of
the date first above written.

CITY OF ATLANTA

By: _____
Name:
Title:

Approved as to form:

By: _____
Acting City Attorney

RCS# 42
2/01/10
2:07 PM

Atlanta City Council

REGULAR SESSION

CONSENT I

ADOPT

YEAS: 13
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 2
EXCUSED: 0
ABSENT 1

B Smith	Y Archibong	Y Moore	Y Bond
NV Hall	Y Wan	Y Martin	Y Watson
Y Young	Y Shook	Y Bottoms	Y Willis
Y Winslow	Y Adrean	Y Sheperd	NV Mitchell

CONSENT I

ITEMS ADOPTED ON CONSENT	ITEMS ADVERSED ON CONSENT	02-01-10 ITEMS ADVERSED ON CONSENT
1. 10-O-0118 2. 10-O-0119 3. 10-O-0120 4. 10-O-0121 5. 10-O-0122 6. 10-O-0123 7. 10-O-0126 8. 10-O-0127 9. 10-O-0128 10. 10-O-0129 11. 10-O-0220 12. 10-O-0221 13. 10-O-0057 14. 10-O-0135 15. 10-R-0134 16. 10-R-0162 17. 10-R-0227 19. 10-R-0164 20. 10-R-0165 21. 10-R-0166 22. 10-R-0169 23. 10-R-0170 24. 10-R-0171 25. 10-R-0222 26. 10-R-0228 27. 10-R-0173 28. 10-R-0174 29. 10-R-0175 30. 10-R-0176 31. 10-R-0177 32. 10-R-0178 33. 10-R-0179 34. 10-R-0180 35. 10-R-0181	36. 10-R-0182 37. 10-R-0183 38. 10-R-0184 39. 10-R-0185 40. 10-R-0186 41. 10-R-0187 42. 10-R-0188 43. 10-R-0189 44. 10-R-0190 45. 10-R-0191 46. 10-R-0192 47. 10-R-0193 48. 10-R-0194 49. 10-R-0195 50. 10-R-0196 51. 10-R-0197 52. 10-R-0198 53. 10-R-0199 54. 10-R-0200 55. 10-R-0201 56. 10-R-0202 57. 10-R-0203 58. 10-R-0204 59. 10-R-0205	