

2314

13-R-3303

First Reading

Committee _____
Date _____
Chair _____
Referred To _____

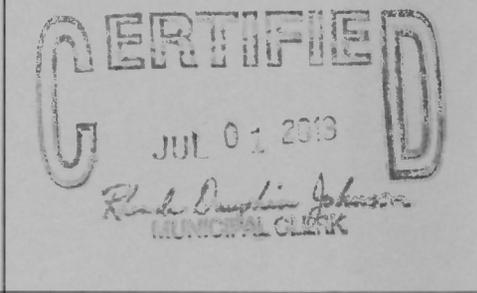
FINAL COUNCIL ACTION
 2nd 1st & 2nd 3rd
Readings
 Consent V Vote RC Vote

A RESOLUTION
BY FINANCE/ EXECUTIVE COMMITTEE

A RESOLUTION AUTHORIZING THE CHIEF FINANCIAL OFFICER ON BEHALF OF THE CITY OF ATLANTA DEPARTMENT OF WATERSHED MANAGEMENT TO DEPOSIT SETTLEMENT AND RESTITUTION FUNDS FROM GE FUNDING CAPITAL MARKET SERVICES, INC. (GEFCMS) IN THE AMOUNT OF FOUR MILLION, FIVE HUNDRED THIRTY-NINE THOUSAND, TWENTY-SEVEN DOLLARS AND SEVENTY-EIGHT CENTS (\$4,539,027.27) IN SETTLEMENT OF THAT PORTION OF THE CITY OF ATLANTA'S INTEREST IN CLAIMS AGAINST GEFCMS FOR CERTAIN ALLEGED TRANSACTIONS OCCURRING BETWEEN 1998 AND 2006 AS IDENTIFIED IN THE LAWSUIT BETWEEN CERTAIN ATTORNEYS GENERAL AND VARIOUS FINANCIAL INSTITUTIONS, INCLUDING GEFCMS; SUCH FUNDS SHALL BE DEPOSITED TO FUND, DEPARTMENT, ORGANIZATION, AND ACCOUNT NUMBER 5051.000002.3890007 WATER & WASTEWATER REVENUE FUND, REVENUE DEPARTMENT, RECOVERIES. AND FOR OTHER PURPOSES. *Substitute*

Fin/Exec
Committee
Date *6-26-13*
Chair *[Signature]*
Action *on substitute*
 Fav, Adv, Hold (see rev. side)
 Other
Members *[Signatures]*

Committee
Date
Chair
Action
Fav, Adv, Hold (see rev. side)
Other
Members



- CONSENT REFER
- REGULAR REPORT REFER
- ADVERTISE & REFER
- 1ST ADOPT 2ND READ & REFER
- PERSONAL PAPER REFER

Refer To

Refer To

Committee
Date
Chair
Action
Fav, Adv, Hold (see rev. side)
Other
Members

Committee
Date
Chair
Action
Fav, Adv, Hold (see rev. side)
Other
Members

MAYOR'S ACTION

ADOPTED BY
JUL 01 2013
COUNCIL
Refer To

Refer To

APPROVED
JUL 10 2013
WITHOUT SIGNATURE
BY OPERATION OF LAW

Date Referred:
Referred To:
Date Referred:
Referred To:
Date Referred:
Referred To:



13-R-3303

**A SUBSTITUTE RESOLUTION
BY FINANCE/ EXECUTIVE COMMITTEE**

A RESOLUTION AUTHORIZING THE CHIEF FINANCIAL OFFICER ON BEHALF OF THE CITY OF ATLANTA DEPARTMENT OF WATERSHED MANAGEMENT TO DEPOSIT SETTLEMENT AND RESTITUTION FUNDS FROM GE FUNDING CAPITAL MARKET SERVICES, INC. (GEFCMS) IN THE AMOUNT OF FOUR MILLION, FIVE HUNDRED THIRTY-NINE THOUSAND, TWENTY-SEVEN DOLLARS AND SEVENTY-EIGHT CENTS (\$4,539,027.78) IN SETTLEMENT OF THAT PORTION OF THE CITY OF ATLANTA'S INTEREST IN CLAIMS AGAINST GEFCMS FOR CERTAIN ALLEGED TRANSACTIONS OCCURRING BETWEEN 1998 THROUGH 2006 AS IDENTIFIED IN THE LAWSUIT BETWEEN CERTAIN ATTORNEYS GENERAL AND VARIOUS FINANCIAL INSTITUTIONS, INCLUDING GEFCMS; SUCH FUNDS SHALL BE DEPOSITED TO FUND, DEPARTMENT, ORGANIZATION, AND ACCOUNT NUMBER 5051.000002.3890007 WATER & WASTEWATER REVENUE FUND, REVENUE DEPARTMENT, RECOVERIES. AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta, as a municipal corporation authorized by the State of Georgia, issues municipal bonds, notes and other obligations pursuant to Article IX of the Constitution of the State of Georgia, Georgia Law and the Charter of the City of Atlanta; and

WHEREAS, the United States government, municipalities and other public entities have become aware of allegations of widespread price-fixing and bid-rigging, including the manipulation of the LIBOR (London Interbank Offered Rate) (which is used widely by financial and lending institutions to determine interest rates), by international banking institutions in the multi-billion dollar municipal derivatives industry; and

WHEREAS, GEFCMS and other large commercial and investment banks, insurance companies, brokers and others were sued by governmental, quasi-governmental, and non-profit entities ("Plaintiffs") that issue and/or receive municipal bond proceeds and invest those bond proceeds in guaranteed investment contracts and other Municipal Bond Derivatives provided, or brokered, by the named defendants; and

WHEREAS, the lawsuit, *In re Municipal Derivatives Antitrust Litigation*, MDL No. 1950, Master Civil Action No. 08-2516 (S.D.N.Y.) ("lawsuit") alleges that GE Funding Capital Market Services, Inc (GEFCMS) and other entities (e.g., Bank of America N.A., J.P. Morgan Chase & Co., Morgan Stanley, Inc.,) sought to illegally influence or manipulate the value of Municipal Bond Derivatives through a variety of anti-competitive and deceptive practices ("the lawsuit"); and



WHEREAS, the City of Atlanta was identified as an affected party that entered into one or more Municipal Bond Derivative transactions between January 1, 1998 and December 31, 2006 (“Effective Period”); and

WHEREAS, the amount of funds offered all affected parties is based upon a formula developed by the Attorneys General of various states and GEFCMS, with the assistance of an independent economic expert hired by the Attorneys General and has accordingly offered the City a settlement amount in exchange for relinquishing the right to sue GEFCMS and its affiliates for certain claims for damages for the conduct described herein as described in the Notice Packet accompanying the GEFCMS offer of payment; and

WHEREAS, this out-of court settlement has been offered by GEFCMS to acquire a release for the defined Effective Period, although the settlement agreement provides compensation for transactions only during the period 1999 through 2005; and

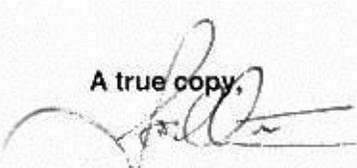
WHEREAS, pursuant to the settlement, acceptance of the funds does not affect the City’s ability to sue for transactions occurring before January 1, 1998 or after December 31, 2006, to collect from the other named defendants in this lawsuit, or to pursue any other legal action against the remaining parties; and

WHEREAS, the Department of Watershed Management requests approval of the deposit of the settlement amount of Four Million, Five Hundred Thirty-Nine Thousand, Twenty-Seven Dollars and Seventy-Eight Cents (\$4,539,027.78).

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY RESOLVES that the Chief Financial Officer on behalf of the City of Atlanta Department of Watershed Management is authorized to deposit settlement and restitution funds from GE Funding Capital Market Services, Inc. (GEFCMS) in the amount of Four Million, Five Hundred Thirty-Nine Thousand, Twenty-Seven Dollars and Seventy-Eight Cents (\$4,539,027.78) in settlement of that portion of the City of Atlanta’s interest in claims against GEFCMS for certain alleged transactions occurring between January 1,1998 and December 31, 2006 as identified in the lawsuit.

BE IT FINALLY RESOLVED, that said funds will be deposited to Fund Department Organization and Account Number 5051.000002.3890007 Water & Wastewater Revenue Fund, Revenue Department, Recoveries.

A true copy,


Deputy Clerk

ADOPTED by the Atlanta City Council
APPROVED as per City Charter Section 2-403

JUL 01, 2013
JUL 10, 2013

RCS# 2863
7/01/13
3:21 PM

Atlanta City Council

CONSENT AGENDA (PAGES 3 - 14)
Except 13-R-3270 *clp*
ADOPT

YEAS: 12
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 2
EXCUSED: 0
ABSENT 2

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

RCS# 2866
7/01/13
3:26 PM

Atlanta City Council

CONSENT AGENDA SECTION I

RECONSIDER

YEAS: 14
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 0
ABSENT 1

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

RCS# 2867
7/01/13
3:26 PM

Atlanta City Council

CONSENT AGENDA (PAGES 3 - 14)

except 13-R-3270 JCP
ADOPT

YEAS: 14
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 0
ABSENT 1

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

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ITEMS ADOPTED ON CONSENT	ITEMS ADOPTED ON CONSENT	07-01-13
1. 13-O-1043 2. 13-O-1103 3. 13-O-1106 4. 13-O-1075 5. 13-O-1087 6. 13-O-1091 7. 13-O-1092 8. 12-O-1093 9. 13-O-1099 10. 13-O-1104 11. 13-R-3305 12. 13-R-3275 13. 13-R-3276 14. 13-R-3271 15. 13-R-0015 16. 13-R-3263 17. 13-R-3264 18. 13-R-3265 19. 13-R-3267 20. 13-R-3273 21. 13-R-3298 22. 13-R-3299 23. 13-R-3300 24. 13-R-3301 25. 13-R-3302 26. 13-R-3303 27. 13-R-3304 28. 13-R-0636 29. 13-R-3277 30. 13-R-3279 31. 13-R-3280 32. 13-R-3281 33. 13-R-3282 34. 13-R-3283 35. 13-R-3284	36. 13-R-3285 37. 13-R-3286 38. 13-R-3287 39. 13-R-3288 40. 13-R-3289 41. 13-R-3290 42. 13-R-3291 43. 13-R-3292 44. 13-R-3293 45. 13-R-3294 46. 13-R-3295 47. 13-R-3296 48. 13-R-3297	