

#25

13-R-3675

(Do Not Write Above This Line)

*13R3675*

A RESOLUTION SUPPLEMENTING THAT CERTAIN SERIES 2013B BOND ORDINANCE (13-O-1139) ADOPTED BY THE CITY COUNCIL ON JULY 15, 2013 AND APPROVED BY THE MAYOR ON JULY 16, 2013, TO, AMONG OTHER THINGS, PROVIDE FOR THE ISSUANCE AND SALE BY THE CITY OF ATLANTA OF ITS NOT TO EXCEED \$300,000,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER AND WASTEWATER REVENUE REFUNDING BONDS, SERIES 2013B-2; SET FORTH THE OTHER TERMS OF SUCH BONDS; SPECIFYING THE PORTION OF THE WATER AND WASTEWATER REVENUE BONDS, SERIES 2001A BONDS AND WATER AND WASTEWATER REVENUE BONDS, SERIES 2004 BONDS TO BE REFUNDED WITH PROCEEDS OF THE SERIES 2013B-2 BONDS; AND FOR OTHER RELATED PURPOSES.

**SERIES 2013B SECOND SUPPLEMENTAL PRICING RESOLUTION**

- CONSENT REFER
- REGULAR REPORT REFER
- ADVERTISE & REFER
- 1<sup>ST</sup> ADOPT 2<sup>ND</sup> READ & REFER
- PERSONAL PAPER REFER

Date Referred

*10/21/13*

Referred To:

*Finance / Exec*

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee \_\_\_\_\_  
 Date \_\_\_\_\_  
 Chair \_\_\_\_\_  
 Referred To \_\_\_\_\_

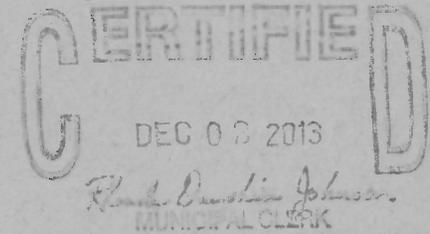
Committee *Fin/Exec*  
 Date *10-30-13*  
 Chair \_\_\_\_\_  
 Action \_\_\_\_\_  
 Fav, Adv, Hold (See rev. side) \_\_\_\_\_  
 Other \_\_\_\_\_  
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Committee \_\_\_\_\_  
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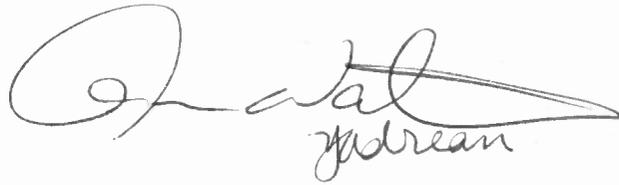
FINAL COUNCIL ACTION  
 2<sup>ND</sup>     1<sup>ST</sup> & 2<sup>ND</sup>     3<sup>RD</sup>  
 3108    Readings  
 Consent     V Vote     RC Vote



**AUTOMATICALLY TERMINATED AND FILED BY CLERK PER CHARTER SECTION 2-407**  
 DEC 02 2013

MAYOR'S ACTION

A RESOLUTION BY



Handwritten signature of a council member, appearing to read 'J. Adams'.

COUNCIL MEMBER(S)

13-R-\_\_\_

**A RESOLUTION SUPPLEMENTING THAT CERTAIN SERIES 2013B BOND ORDINANCE (13-O-1139) ADOPTED BY THE CITY COUNCIL ON JULY 15, 2013 AND APPROVED BY THE MAYOR ON JULY 16, 2013, TO, AMONG OTHER THINGS, PROVIDE FOR THE ISSUANCE AND SALE BY THE CITY OF ATLANTA OF ITS NOT TO EXCEED \$300,000,000 IN ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF WATER AND WASTEWATER REVENUE REFUNDING BONDS, SERIES 2013B-2; SET FORTH THE OTHER TERMS OF SUCH BONDS; SPECIFYING THE PORTION OF THE WATER AND WASTEWATER REVENUE BONDS, SERIES 2001A BONDS AND WATER AND WASTEWATER REVENUE BONDS, SERIES 2004 BONDS TO BE REFUNDED WITH PROCEEDS OF THE SERIES 2013B-2 BONDS; AND FOR OTHER RELATED PURPOSES.**

**SERIES 2013B SECOND SUPPLEMENTAL PRICING RESOLUTION**

**WHEREAS**, the City of Atlanta (the “City”) adopted its Series 2013B Bond Ordinance (No. 13-O-1139) (the “**Series 2013B Bond Ordinance**”) on July 15, 2013, authorizing the issuance and sale of its Water and Wastewater Revenue Refunding Bonds, Series 2013B (the “**Series 2013B Bonds**”) for the purpose of refunding all or a portion of the City’s outstanding Water and Wastewater Revenue Bonds, Series 1999A, Water and Wastewater Revenue Bonds, Series 2001A and Water and Wastewater Revenue Bonds, Series 2004; and

**WHEREAS**, the Series 2013B Bond Ordinance provides that Series 2013B Bonds shall be issued in an original aggregate principal amount specified in a Supplemental Pricing Resolution to be adopted by the City Council of the City (the “**Governing Body**”) and approved by the Mayor following pricing, provided that said Series 2013B Bonds (1) shall be issued in an amount not to exceed an aggregate principal amount of \$700,000,000; (2) shall bear interest at a fixed interest rate (but which shall not in any event exceed a maximum per annum rate of interest of 7.00%); (3) shall be payable on each May 1 and November 1 and shall mature on November 1, in the years and in the principal amounts specified in a Supplemental Pricing Resolution, with a final maturity of November 1, 2043; and (4) shall not require the payment of principal of, and interest on, Series 2013B Bonds in any Fiscal Year exceeding an amount of \$115,000,000 (collectively, the “**Pricing Parameters**”); and

**WHEREAS**, the City adopted its Series 2013B Supplemental Pricing Resolution (the “**First Supplemental Pricing Resolution**”) (No. 13-R-3529) on August 28, 2013, as approved by the Mayor of the City on August 28, 2013 pursuant to which, the City subsequently issued \$200,140,000 in original aggregate principal amount of the Series 2013B Bonds; and

**WHEREAS**, following the issuance of the Series 2013B Bonds the Financial Advisor(s) advised the City that certain bonds, which were not candidates for refunding in August 2013 due to the absence of interest rate savings, are now candidates and, in accordance with their analysis

the Financial Advisor(s) have now delivered the report attached hereto as Exhibit "A", which demonstrates that refunding the additional Refunded Bonds (as defined herein) will reduce total debt service payments on Outstanding Senior Lien Bonds on a present value basis at targeted savings rates consistent with City targets; and

**WHEREAS**, certain capitalized terms used in this Series 2013B Second Supplemental Pricing Resolution (this "**Second Supplemental Pricing Resolution**") shall have the meaning given to them in the Series 2013B Bond Ordinance; and

**WHEREAS**, the City, pursuant to this Second Supplemental Pricing Resolution, now desires to issue additional Bonds, to be designated as its "Water and Wastewater Revenue Refunding Bonds, Series 2013B-2" (the "**Series 2013B-2 Bonds**"), in the original aggregate principal amount of \$[PRINCIPAL AMOUNT], bearing interest at a rate per annum not to exceed 7.00%, with a final maturity of November 1, 2043, which amount, together with the \$200,140,000 in original aggregate principal amount of Series 2013B Bonds issued on September 12, 2013 pursuant to the First Supplemental Pricing Resolution, and which interest rate, combined maximum amount of annual principal and interest and the final maturity, are all within the Pricing Parameters set forth in the Series 2013B Bond Ordinance; and

**WHEREAS**, the City expects to issue not-to-exceed \$300,000,000 of the remaining authorized Series 2013B Bonds as Series 2013B-2 Bonds, but only to the extent that the report of the Financial Advisors demonstrates attainment of the targeted interest savings; and

**WHEREAS**, the Series 2013B Bond Ordinance provides that the City shall, after the bonds have actually been sold, adopt a supplemental resolution which, among other things, will specify the interest rate or rates which the bonds shall bear, the principal amount of bonds to mature in each year, the maturities of the bonds, if any, which will be designated as term bonds subject to mandatory redemption, the optional redemption provisions applicable to the bonds, the application of the proceeds of the bonds and other particulars of the bonds and will provide for the actual issuance and delivery of the bonds upon the payment therefor by the purchaser or purchasers thereof; and

**WHEREAS**, the City desires to ratify the preparation, use and distribution of the Preliminary Official Statement, dated \_\_\_\_\_, 2013 regarding the Series 2013B-2 Bonds in the form attached hereto as Exhibit "B" (the "**Preliminary Official Statement**") and authorize the preparation and delivery to the hereinafter defined Underwriters of a final official statement with respect to the Series 2013B-2 Bonds; and

**WHEREAS**, the Series 2013B-2 Bonds are proposed to be sold pursuant to a Bond Purchase Agreement, dated [BPA DATE] (the "**Bond Purchase Agreement**"), between the City and Goldman, Sachs & Co., as representative of itself and the other underwriters listed in the Preliminary Official Statement (collectively, the "**Underwriters**") a form of which is attached as Exhibit "C" hereto, including the aggregate principal amount of and other terms which are within the Pricing Parameters approved in the Series 2013B Bond Ordinance; and

**NOW, THEREFORE**, The City Council of the City of Atlanta, hereby resolves as follows:

**Section 1. Ratification of Prior Actions.** All actions heretofore taken by the Governing Body and the officers and agents of the City directed toward the issuance and sale of the Series 2013B-2 Bonds be and the same are hereby ratified, approved, and confirmed.

**Section 2. Definitions.** The definitions contained in the Series 2013B Bond Ordinance, particularly Article I thereof, are hereby supplemented and amended as follows, and the following terms shall have the meanings specified below, unless the context clearly requires otherwise.

“**Refunded Bonds**” means the portion of the Series 2001A Bonds and the Series 2004 Bonds to be refunded as identified in Section 5 of this Second Supplemental Pricing Resolution.

“**Series 2013B-2 Bonds**” means the City’s Water and Wastewater Revenue Refunding Bonds, Series 2013B-2, in the original aggregate principal amount of \$[PRINCIPAL AMOUNT].

**Section 3. Series 2013B-2 Bond Details.** The Series 2013B-2 Bonds shall be issued in the original aggregate principal amount of \$[PRINCIPAL AMOUNT] in the form and with the Certificate of Validation specified in Section 2.5 of the Series 2013B Bond Ordinance and shall be designated “City of Atlanta Water and Wastewater Revenue Refunding Bonds, Series 2013B-2,” and shall bear interest as specified below and shall mature on November 1, in the years and in the principal amounts as follows, unless earlier called for redemption:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

**Section 4. Optional Redemption.** The Series 2013B-2 Bonds maturing on or before November 1, 20\_\_ may not be called for optional redemption prior to maturity. The Series 2013B-2 Bonds maturing on or after November 1, 20\_\_, are subject to redemption prior to

maturity at the option of the City on or after November 1, 20\_\_, in whole or in part at any time in the manner and subject to the provisions of the Bond Ordinance, at a redemption price equal to the principal amount thereof, together with accrued interest to the redemption date and without premium. If less than all Series 2013B-2 Bonds of like maturity shall be called for redemption, the particular Series 2013B-2 Bonds, or portion of Series 2013B-2 Bonds, to be redeemed shall be selected by lot by the City or in such other manner as the City in its discretion may deem proper.

**Section 5. Series 2001A Bonds and Series 2004 Bonds to be Refunded.** The City hereby authorizes the following Series 2001A Bonds and Series 2004 Bonds to be refunded (the “**Refunded Bonds**”):

Series 2001A Bonds

November 1	
<u>Maturity</u>	<u>Amount</u>
	\$

Series 2004 Bonds

November 1	
<u>Maturity</u>	<u>Amount</u>
	\$

The \$\_\_\_\_\_ in principal amount of the Series 2001A Bonds maturing on November 1, \_\_\_\_ is hereby designated and the Trustee is to credit such amount against the sinking fund amounts otherwise due for such bonds in years \_\_\_\_\_.

**Section 6. Transferred Funds.** The City hereby authorizes the release from the Series 2001A and Series 2004 subaccounts of the Debt Service Reserve Account \$\_\_\_\_\_ for application to effect the refunding of the Refunded Bonds. The City hereby authorizes the release from the Series 2001A and Series 2004 subaccounts of the Payments Account \$\_\_\_\_\_ for application to effect the refunding of the Refunded Bonds.

**Section 7. Sale of Series 2013B-2 Bonds; Parity Certification and Other Conditions Precedent.**

(a) the City shall sell the Series 2013B-2 Bonds to the Underwriter for the price of \$ \_\_\_\_\_ (par amount of \$[PRINCIPAL AMOUNT], plus [net] original premium of \$ \_\_\_\_\_ and less an underwriters discount of \$ \_\_\_\_\_). The Chief Officer is hereby authorized to execute and deliver, on behalf of the City, a purchase contract between the City and the Underwriters, providing for the sale of the Series 2013B-2 Bonds. The execution and delivery of a purchase contract by the Chief Officer shall constitute conclusive evidence of the ratification, confirmation, and approval by the City of the terms and conditions of the purchase contract.

(b) The City declares that the Series 2013B-2 Bonds shall be Parity Bonds payable from and secured by Pledged Revenues and shall rank on a parity as to the pledge of and lien on the Pledged Revenues with the Prior Bonds, including the Series 2013B Bonds issued on September 12, 2013, pursuant to the authorization granted by Article V of the Master Ordinance.

(c) The City hereby finds, determines, declares and certifies that it has or will have fulfilled all of the applicable requirements of Article V of the Master Ordinance that are conditions precedent to the issuance of Series 2013B-2 Bonds as Parity Bonds as provided in Section 2.3 of the Series 2013B Bond Ordinance.

**Section 8. Application of Proceeds of Series 2013B-2 Bonds.** From the net proceeds derived from the sale of the Series 2013B-2 Bonds, the following payments shall be made, simultaneously with the issuance and delivery of the Series 2013B-2 Bonds, to the extent and in the manner herein set forth:

(a) In addition to amounts described in Section 6 of this Second Supplemental Pricing Resolution, \$ \_\_\_\_\_ shall be deposited with U.S. Bank National Association, as Escrow Agent, for the (i) \$ \_\_\_\_\_ refunding of the Series 2001A Bonds maturing November 1, 20\_\_ and (ii) the \$ \_\_\_\_\_ refunding of the Series 2004 Bonds maturing November 1, 20\_\_ through November 1, 20\_\_; and

(b) \$ \_\_\_\_\_ shall be used to pay the costs of issuance of the Series 2013B-2 Bonds.

**Section 9. Continuance and Effect of Series 2013B Bond Ordinance.** The City hereby confirms the existence and applicability of the Series 2013B Bond Ordinance and ratifies, restates, and reaffirms its representations, warranties, covenants, and agreements and all of the applicable terms, conditions, and provisions as set forth in the Series 2013B Bond Ordinance and as supplemented and amended by this Second Supplemental Pricing Resolution. Except where otherwise expressly indicated in this Second Supplemental Pricing Resolution, the provisions of the Series 2013B Bond Ordinance are to be read as part of this Second Supplemental Pricing Resolution as though copied verbatim herein, and provisions of this Second Supplemental Pricing Resolution shall be read as additions to, and not as substitutes for or modifications of (except as otherwise specifically provided herein), the provisions of the Series 2013B Bond Ordinance. Except as expressly amended, modified, or supplemented by this Second Supplemental Pricing Resolution, all of the terms, conditions, and provisions of the Series 2013B

Bond Ordinance shall remain in full force and effect. In executing and delivering this Second Supplemental Pricing Resolution, the City shall be entitled to all powers, privileges, and immunities afforded to the City and shall be subject to all the duties, responsibilities, and obligations of the City under the Series 2013B Bond Ordinance.

**Section 10. General Authorization.** From and after the date of adoption of this Second Supplemental Pricing Resolution, the officials, employees and agents of the City are hereby authorized to do all such acts and things and to execute and deliver any and all other documents, agreements, certificates and instruments (including, without limitation, a certificate regarding the preparation of a Preliminary Official Statement in connection with the Series 2013B-2 Bonds and the execution of an Escrow Deposit Agreement as may be necessary or desirable in connection with the actions authorized by and the transactions contemplated on the part of the City pursuant to this Second Supplemental Pricing Resolution.

**Section 11. Effective Date.** This Second Supplemental Pricing Resolution shall take effect immediately upon its adoption and approval.

**Section 12. Waiver of Conflicting Ordinances and Resolutions.** Any and all ordinances and resolutions, or parts of ordinances or resolutions, if any, in conflict with this Second Supplemental Pricing Resolution are hereby waived.

**Section 13. Bond Ordinance Constitutes a Contract.** This Second Supplemental Pricing Resolution supplements and amends a contract with the Bondholders binding the City, and therefore it is proper and appropriate for the Chief Officer to execute the same on behalf of the City and for the Attesting Officer to attest the same.

**Exhibit A**

**FINANCIAL ADVISORS REFUNDING REPORT**

**Exhibit B**

**PRELIMINARY OFFICIAL STATEMENT**

(See Attached)

**Exhibit C**

**BOND PURCHASE AGREEMENT**

(See Attached)