

Special Called Meeting of the Mayor and City Council was held Thursday, January 5, 2006, 6:00 PM, Mayor Eva Galambos presiding.

Call to Order

Mayor Galambos called the Special Called Meeting to order.

Roll Call

City Clerk Jeanette Marchiafava called roll.

Councilmembers Present: Councilmember Tibby DeJulio, Councilmember Dianne Fries, Councilmember Dave Greenspan, Councilmember Ashley Jenkins, Councilmember Karen Meinzen McEnery, Councilmember Rusty Paul

Waiver of Notice Approved by Mayor and City Council

At this time, the Waiver of Notice was signed.

New Business

Adopting a resolution to amend and clarify the resolution adopted on January 3, 2006 (Resolution No. 2006-01-01) authorizing, among other things, the issuance and sale of Tax Anticipation Notes in the aggregate principal amount of \$10 million to reflect a fixed rate of interest on the notes.

Resolution No. 2006-01-09

Don Howell, Director of Operations, stated that on Tuesday, January 3, 2006, Council approved Resolution No. 2006-01-01 and at the time of the motion there was an understanding that the interest rate was not to exceed 3.9%. The motion included authorizing the Acting City Manager and City Attorney to meet with the bank, negotiate the rate, and make a recommendation to Council selecting the alternative that had the least net costs. After that, an analysis was done. The bank offered a 3.875% fixed rate that would not have any ability for prepayment, which we concluded we did not need and it waived the \$10,000 fee. When the comparison was done at a fixed rate of 3.875% as compared to a 3.73% floating rate plus a \$10,000 fee, it was clear that we were better served to choose the fixed rate of 3.875% particularly since the 3.73% rate had already moved to up 3.74 by the time we had the conversation. Additionally, it was anticipated that it would move between now and the end of 12 months to as much as 4%. The action before the Council for consideration tonight is a Supplemental Note Resolution prepared by Charlie Thompson of King and Spalding which will fix the rate at 3.875%.

Approval of Meeting Agenda

Mayor Galambos stated that she did not request a motion to approve the meeting agenda and asked if there were any additions or deletions to the agenda. There were none.

Motion and Vote: Councilmember Fries moved to approve the meeting agenda. Councilmember Jenkins seconded the motion. There was no Council discussion. The motion passed unanimously.

Charlie Thompson, King and Spalding, stated, on behalf of King and Spalding, he would like to take this opportunity to thank the Mayor and Council for the opportunity to work with them on the City's first financing on this historic day. Under Georgia law, the Council will need to approve the terms of the bond. The interest rate is one of the most significant terms if not the most important one and they felt that the floating rate was dynamically different and totally different from a fixed rate. For the Council's protection, as well as their own protection, they requested that a Special Meeting be called to re-approve the rate. If there are any questions about the transaction or this resolution, he would be happy to answer them at this time.

Councilmember Jenkins asked if there were any more fees attached since the rate was redone. Mr. Thompson replied no and stated that the only expenses are \$3,500 total, which is their fee of \$2,500 and a \$1,000 fee for underwriter's fee, etc., which is part of doing the transaction.

Finance Director Steve Rapson added that the President of Sandy Springs Community Bank called him this evening and stated that they will actually purchase the first \$1 million and advised him that they have been working with SunTrus' Bank.

Mr. Thompson stated that this is a supplemental resolution. The first resolution still remains in effect. This only supplements and amends to the extent specified in this supplemental resolution.

Motion and Second: Councilmember Paul moved to approve a Resolution to Amend and Clarify the Resolution adopted on January 3, 2006 (Resolution No. 2006-01-01) authorizing, among other things, the issuance and sale of Tax Anticipation Notes in the aggregate principal amount of \$10 million to reflect a fixed rate of interest on the notes. Councilmember Fries seconded the motion.

Discussion on the Motion:

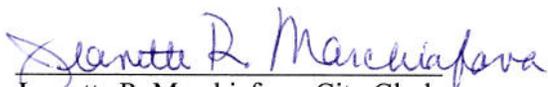
Councilmember Greenspan asked if the resolution of authorization was the original resolution that was voted on at the Tuesday meeting. It was confirmed that was correct.

Vote: There was no further Council discussion. The motion passed unanimously.

Adjournment

Motion and Vote: Councilmember DeJulio moved to adjourn the meeting. Councilmember Paul seconded the motion. There was no further discussion. The motion passed unanimously.

Date Approved: February 7, 2006


Jeanette R. Marchiafava, City Clerk


Eva Galambos, Mayor