



MEMORANDUM

Agenda Item No. 11(A)(13)

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

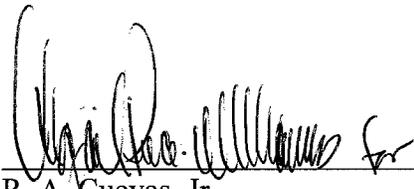
DATE: January 22, 2009

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution urging County Attorney
to continue to analyze whether legal
action shall be taken against
municipal bond insurers, rating
agencies, investment bankers,
financial advisors, bond counsel and
all other parties

Resolution No. R-91-09

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Carlos A. Gimenez.



R. A. Cuevas, Jr.
County Attorney

RAC/cp



MEMORANDUM
(Revised)

TO: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

DATE: January 22, 2009

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 11(A)(13)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(13)
1-22-09

RESOLUTION NO. R-91-09

RESOLUTION URGING COUNTY ATTORNEY TO CONTINUE TO ANALYZE WHETHER LEGAL ACTION SHALL BE TAKEN AGAINST SOME OR ALL OF THE THIRD PARTIES WHO PARTICIPATED IN COUNTY'S AUCTION RATE BOND, VARIABLE RATE BOND AND INTEREST RATE SWAP TRANSACTIONS WHICH HAVE BEEN NEGATIVELY IMPACTED BY DOWNGRADE IN RATINGS OF MUNICIPAL BOND INSURERS AND LIQUIDITY PROVIDERS AND/OR WHETHER NEGOTIATIONS ARE APPROPRIATE WITH SUCH THIRD PARTIES AND TO KEEP COMMISSION APPRISED OF ITS FINDINGS AND CONCLUSIONS MONTHLY

WHEREAS, the downgrade in the ratings of municipal bond insurers and liquidity providers as a result of the sub-prime mortgage crisis resulted in the collapse of the auction rate bond market and the unavailability of liquidity i.e. letters of credit with respect to variable rate bonds and interest rate swaps which have adversely affected government issuers, including Miami-Dade County ("County"), throughout the United States; and

WHEREAS, some governmental issuers have filed suit against certain municipal bond insurers, rating agencies and other parties involved in the sale of their auction rate bonds; and

WHEREAS, the County Attorney has been evaluating and continues to evaluate these various suits as well as other legal remedies that may be available in connection with the auction rate and variable rate bonds issued by the County, including related swap

agreements, to determine whether there is any basis for legal action against any or all of the participants and/or whether negotiations are appropriate with such participants; and

WHEREAS, this Board wishes to urge the County Attorney to continue to consider legal action and to keep the Board apprised monthly,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that the County Attorney is urged to continue to evaluate whether legal action should be taken against municipal bond insurers, rating agencies, investment bankers, financial advisors, bond counsel and all other parties as a result of their role in the issuance of auction rate bonds and variable rate bonds by the County and the entering into related swap agreements by the County and/or whether negotiations are appropriate with such parties and to keep this Board apprised monthly of its findings and determinations.

The Prime Sponsor of the foregoing resolution is Carlos A. Gimenez. It was offered by Commissioner **Carlos A. Gimenez**, who moved its adoption. The motion was seconded by Commissioner **Dennis C. Moss** and upon being put to a vote, the vote was as follows:

	Dennis C. Moss, Chairman	aye	
	Jose "Pepe" Diaz, Vice-Chairman	absent	
Bruno A. Barreiro	aye	Audrey M. Edmonson	absent
Carlos A. Gimenez	aye	Sally A. Heyman	aye
Barbara J. Jordan	absent	Joe A. Martinez	nay
Dorrin D. Rolle	absent	Natacha Seijas	nay
Katy Sorenson	aye	Rebeca Sosa	absent
Sen. Javier D. Souto	absent		

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The Chairperson thereupon declared the resolution duly passed and adopted this 22nd day of January, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **Kay Sullivan**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

A handwritten signature in black ink, appearing to read "GTH", is enclosed within a hand-drawn circle.

Gerald T. Heffernan