

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

In re:)	
)	
JEFFERSON COUNTY, ALABAMA,)	Case No. 11-05736-TBB
a political subdivision of the State of)	
Alabama,)	Chapter 9
)	
Debtor.)	

**NOTICE OF INVITATIONS TO ADDRESS THE JEFFERSON
COUNTY COMMISSION AT THE NEXT SEWER RATE HEARING**

Jefferson County, Alabama (the "County"), the debtor in the above-captioned chapter 9 case, hereby advises that the County Manager has invited representatives of the Indenture Trustee, Liquidity Banks and Insurers to testify before the Jefferson County Commission at its next sewer rate hearing, which will be held on July 24, 2012 in Bessemer, Alabama. Attached hereto as Exhibits A through K are letters sent June 22, 2012 to:

- The Indenture Trustee (Exhibit A);
- JPMorgan Chase (Exhibit B);
- Bank of America (Exhibit C);
- Bank of Nova Scotia (Exhibit D);
- Soci t  G n rale (Exhibit E);
- Bank of New York Mellon (Exhibit F);
- State Street Bank & Trust Company (Exhibit G);
- Lloyds TSB Bank PLC (Exhibit H);
- Financial Guaranty Insurance Company (Exhibit I);
- Assured Guaranty Municipal Corp. (Exhibit J); and
- Syncora Guarantee Inc. (Exhibit K).

Additional information about the hearings can be found in the *First Periodic Status Report Concerning the Sewer Ratemaking Process* [Docket No. 1070], filed June 18, 2012, and on the website created for the hearings, www.jeffcosewerhearings.org.

Respectfully submitted this 25th day of June, 2012.

By: /s/ Patrick Darby

BRADLEY ARANT BOULT CUMMINGS LLP

Patrick Darby

One Federal Place

1819 Fifth Avenue North

Birmingham, Alabama 35203

Telephone: (205) 521-8000

Facsimile: (205) 521-8500

Email: pdarby@babbc.com

-and-

KLEE, TUCHIN, BOGDANOFF & STERN LLP

Kenneth N. Klee (*pro hac vice*)

Lee R. Bogdanoff (*pro hac vice*)

David M. Stern (*pro hac vice*)

Robert J. Pfister (*pro hac vice*)

1999 Avenue of the Stars, Thirty-Ninth Floor

Los Angeles, California 90067

Telephone: (310) 407-4000

Facsimile: (310) 407-9090

Email: kklee@ktbslaw.com, lbogdanoff@ktbslaw.com,
dstern@ktbslaw.com, rpfister@ktbslaw.com

Counsel for Jefferson County, Alabama

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Ms. Bridget M. Schessler
The Bank of New York Mellon,
as Indenture Trustee
525 William Penn Pl., 7th Floor
Pittsburgh, PA 15259

RE: Jefferson County, Alabama Sewer Rate Hearings

Ms. Schessler:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

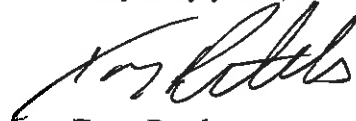
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (e.g., PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Mr. James Dimon
Chairman, President & CEO
JPMorgan Chase Bank, N.A.
270 Park Avenue
New York, NY 10017

RE: Jefferson County, Alabama Sewer Rate Hearings

Mr. Dimon:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property . . .” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

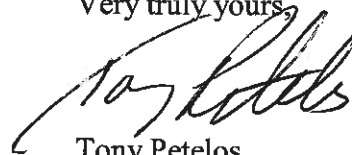
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (e.g., PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Mr. Brian T. Moynihan
President & CEO
Bank of America, N.A.
100 North Tyron Street
Charlotte, NC 28255

RE: Jefferson County, Alabama Sewer Rate Hearings

Mr. Moynihan:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property . . .” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

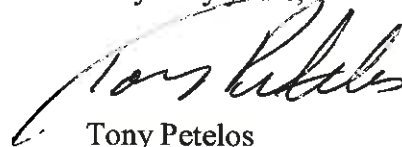
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (e.g., PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Mr. Richard E. Waugh
President & CEO
Bank of Nova Scotia
44 King Street West
Toronto, ON M5H 1H1
Canada

RE: Jefferson County, Alabama Sewer Rate Hearings

Mr. Waugh:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property . . .” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

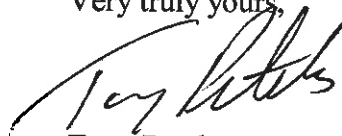
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (*e.g.*, PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Mr. Frédéric Oudéa
Chairman & CEO
Société Générale, New York
1221 Avenue of the Americas
New York, NY 10020

RE: Jefferson County, Alabama Sewer Rate Hearings

Mr. Oudéa :

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property . . .” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

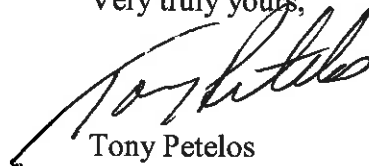
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (*e.g.*, PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Mr. Gerald L. Hassell
Chairman, President & CEO
Bank of New York Mellon
One Wall Street
New York, NY 10286

RE: Jefferson County, Alabama Sewer Rate Hearings

Mr. Hassell:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property . . .” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

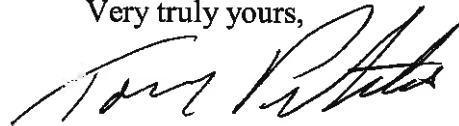
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (*e.g.*, PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Mr. Joseph L. Hooley
Chairman, President & CEO
State Street Bank & Trust Company
1 Lincoln Street, Floor 1
Boston, MA 02111

RE: Jefferson County, Alabama Sewer Rate Hearings

Mr. Hooley:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

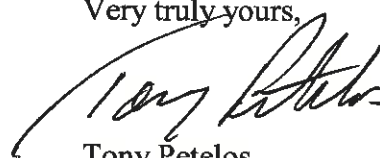
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (*e.g.*, PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Mr. António Horta-Osório
Group Chief Executive
Lloyds TSB Bank PLC
25 Gresham Street
London, EC2V 7HN
United Kingdom

RE: Jefferson County, Alabama Sewer Rate Hearings

Mr. Horta-Osório:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

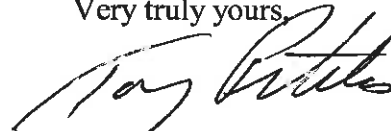
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (*e.g.*, PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Mr. John S. Dubel
Chairman & CEO
Financial Guaranty Insurance Co.
125 Park Avenue
New York, NY 10017

RE: Jefferson County, Alabama Sewer Rate Hearings

Mr. Dubel:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

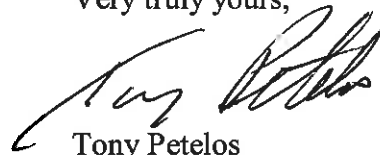
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (*e.g.*, PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Mr. Sean W. McCarthy
President
Assured Guaranty Municipal Corp.
31 West 52nd Street
New York, NY 10019

RE: Jefferson County, Alabama Sewer Rate Hearings

Mr. McCarthy:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property . . .” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

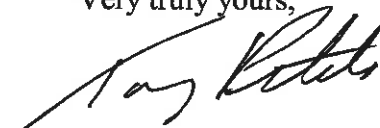
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (*e.g.*, PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens

JEFFERSON COUNTY COMMISSION



DAVID CARRINGTON- PRESIDENT
GEORGE BOWMAN
SANDRA LITTLE BROWN
T. JOE KNIGHT
JAMES A. (JIMMIE) STEPHENS

Tony Petelos
Chief Executive Officer

Suite 251 Courthouse
716 Richard Arrington, Jr. Blvd. N.
Birmingham, Alabama 35203
Telephone (205) 731-2880

June 22, 2012

Ms. Susan B. Comparato
CEO
Syncora Guarantee Inc.
135 West 50th Street
New York, NY 10020

RE: Jefferson County, Alabama Sewer Rate Hearings

Ms. Comparato:

The Jefferson County Commission is holding a series of public hearings regarding sewer rates, the first of which was held on June 12, 2012, at the Birmingham-Jefferson Civic Center in Birmingham, Alabama, and the second of which will be held July 24, 2012, in Bessemer, Alabama. The Commission invites your appearance and testimony, or the appearance and testimony of an appropriate designee from your organization, at the July 24 public hearing.

By way of background, Amendment 73 to the Alabama Constitution of 1901 vests the Commission with the “power and authority to manage, operate, control and administer the sewers and plants [of the Jefferson County Sewer System] . . . and, to that end, [to] make any reasonable and nondiscriminatory rules and regulations fixing rates and charges, providing for the payment, collection and enforcement thereof, and the protection of its property . . .” The current members of the Commission have not previously had the ability to undertake this constitutional duty because (prior to the commencement of their terms of office) authority over the sewer system, including ratemaking, had been transferred to a court-appointed receiver. Following the County’s November 2011 bankruptcy filing and a subsequent ruling by the Bankruptcy Court, however, the Commission is once again responsible for the sewer system – including ratemaking.

The Commission takes very seriously its newly returned authority over the system, and intends to exercise this public trust in a sound, transparent manner. The Commission is committed to proceeding on the basis of the very best information and expertise available, gleaned in a manner befitting a representative democracy: public hearings at which everyone affected by the sewer system and sewer rates and charges has the opportunity to hear the evidence on which the Commission’s decisions will be based, and

to offer any additional testimony, evidence or commentary that may be germane to the ratemaking process.

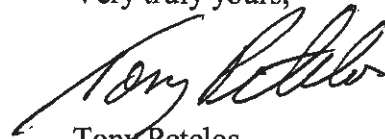
We have already received testimony from Mr. David Denard (Director of the County's Environmental Services Department) and Dr. Stephanie Rauterkus (a finance professor at the University of Alabama at Birmingham), as well as comments from more than a dozen citizens and ratepayers who addressed the Commission during the public comment portion of the first public hearing. At our second public hearing, we intend to receive testimony from Mr. Eric Rothstein, a nationally recognized expert with decades of experience in ratemaking and financial planning for municipal wastewater utilities, as well as further testimony from Mr. Denard and Dr. Rauterkus and additional public comments. We also plan to invite testimony from members of the community who have been (or worry they may be) affected by changes in sewer rates and/or deterioration in system infrastructure.

In addition to the foregoing, the Commission would appreciate testimony from the institution with which you are affiliated, which either lent a portion of the money that was used to build or expand the system or guarantees a portion of the outstanding debt pertaining to the system. We want to hear whatever information you would like us to consider as we undertake this important process.

Kindly contact my office at (205) 731-2880 or e-mail petelost@jccal.org to make arrangements for testifying at the July 24 hearing. For logistical purposes, please let us know by no later than July 17: (i) the identity of the representative(s) who will appear on behalf your firm; (ii) the anticipated length of his, her or their oral testimony; and (iii) any special technical arrangements (*e.g.*, PowerPoint projection) we need to accommodate.

If you would like further information on what was presented at the first public hearing, you can access a complete transcript of the proceedings (as well as copies of the witnesses' PowerPoint slides) at a website created for these hearings: www.jeffcosewerhearings.org. All subsequent hearings will also be transcribed and videotaped, and we intend to post any materials you submit in connection with these hearings to this website, as well.

Very truly yours,



Tony Petelos
County Manager

CC: Commissioner David Carrington
Commissioner George Bowman
Commissioner Sandra Little Brown
Commissioner Joe Knight
Commissioner Jimmie Stephens