

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

- RESOLUTION 03-08 -

AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$130,000,000 TRANSPORTATION FACILITIES REVENUE BONDS

WHEREAS, the Northern Virginia Transportation Authority ("NVTA") is a political subdivision of the Commonwealth of Virginia (the "Commonwealth") created by the Northern Virginia Transportation Authority Act (the "NVTA Act"), Chapter 48.2, Title 15.2, Code of Virginia of 1950, as amended (the "Virginia Code"); and

WHEREAS, as provided by Section 15.2-4831 of the NVTA Act, NVTA embraces the Counties of Arlington, Fairfax, Loudoun, and Prince William, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park (collectively, the "Member Localities"); and

WHEREAS, Section 15.2-4830 of the NVTA Act provides, *inter alia*, that NVTA (i) will prepare a regional transportation plan for Planning District Eight, to include, but not necessarily be limited to, transportation improvements of regional significance, and those improvements necessary or incidental thereto, and will from time to time revise and amend the plan and (ii) has the power to construct or acquire, by purchase, lease, contract, or otherwise, the transportation facilities specified in the regional transportation plan when adopted; and

WHEREAS, NVTA prepared and on September 14, 2006, approved a regional transportation plan for Planning District Eight entitled "TransAction 2030 Regional Transportation Plan" (the "Plan"); and

WHEREAS, Section 15.2-4839 of the NVTA Act authorizes and empowers NVTA to issue bonds and other evidences of debt and provides that the provisions of Article 5 (Section 15.2-4519 et seq.) of Chapter 45 of Title 15.2 of the Virginia Code, shall apply, *mutatis mutandis*, to the issuance of such bonds or other debt; and

WHEREAS, Section 15.2-4519 of the Virginia Code provides that NVTA's bonds may be payable from and secured by a pledge of all or any part of the revenues, moneys or funds of NVTA as specified in a resolution adopted or indenture entered into by NVTA; and

WHEREAS, on April 4, 2007, the Virginia General Assembly adopted the Governor's substitute for House Bill 3202 ("HB 3202"), which provides for transportation funding and related reforms both on a statewide basis and on a regional basis for NVTA and the Member Localities and the Hampton Roads Transportation Authority and the localities embraced thereby; and

WHEREAS, under HB 3202 NVTA has been authorized and empowered to impose any one or more of seven regional taxes and fees, specifically, (i) the additional annual regional vehicle registration fee under Section 46.2-755.1 of the Virginia Code, (ii) the initial vehicle

registration fee under Section 46.2-755.2, (iii) the additional safety inspection fee under Section 46.2-1167.1, (iv) the retail sales and use tax on auto repairs under Sections 58.1-605 and 58.1-606, (v) the regional congestion relief fee under Section 58.1-802.1, (vi) the local rental car transportation fee under Section 58.1-2402.1 and (vii) the additional transient occupancy tax under Section 58.1-3825.1 (collectively, the "Regional Taxes and Fees"), one or more of which have been imposed by NVTA; and

WHEREAS, the revenues derived from the Regional Taxes and Fees, net of the administrative costs which may be deducted therefrom under the Virginia Code and guidelines, policies and procedures described in enactment clause 13 of HB 3202, shall be referred to below as the "Regional Tax and Fee Revenues;" and

WHEREAS, Section 15.2-4838.1 of the NVTA Act provides that 40% of the revenues received by NVTA (the "NVTA Revenues"), including the Regional Tax and Fee Revenues, but excluding funds from tolls collected pursuant to subdivision F of Section 15.2-4840 of the NVTA Act shall be distributed on a pro rata basis to the Member Localities to be applied as provided therein; and

WHEREAS, Section 15.2-4838.1 further provides that the first required use of the remaining 60% of the NVTA Revenues (the "Pledgeable NVTA Revenues") is to pay any debt service owing on any of the bonds of NVTA; and

WHEREAS, NVTA has determined to proceed with the issuance of its bonds in a principal amount not to exceed \$130,000,000 (as more particularly defined below, the "Bonds") under the terms and conditions set forth below; and

WHEREAS, NVTA will apply the proceeds of the Bonds, along with other available funds, to pay the issuance and financing costs thereof, to fund capitalized interest and any required reserves and to pay the costs of the construction and acquisition of the transportation facilities and projects described in Exhibit A to this Resolution (the "Projects"), each of which is a project specified in the Plan, or is a priority regional transportation project that is consistent with the Plan; and

WHEREAS, debt service payments on the Bonds will be made from the portion of the Pledgeable NVTA Revenues pledged thereto as provided in this Resolution and the below-defined Indenture and the investment earnings on certain funds and accounts to be established under the Indenture; and

WHEREAS, the foregoing arrangements will be reflected in the following documents, forms of which have been presented to this meeting: (i) the Master Indenture of Trust (the "Master Indenture") between NVTA and a trustee to be named therein (the "Trustee"); and (ii) the First Supplemental Series Indenture between NVTA and the Trustee, to which the form of the Bonds is attached as an exhibit (the "First Supplemental Series Indenture" and, together with the Master Indenture, the "Indenture"); and

WHEREAS, unless otherwise defined, each capitalized term used in this Resolution shall have the meaning given it in the Indenture; and

After careful consideration and to further the public purposes for which NVTA was created, NOW, THEREFORE, BE IT RESOLVED, BY NVTA THAT:

1. General Authorization and Findings. There is hereby authorized the issuance of bonds of NVTA to be known as the Northern Virginia Transportation Authority Transportation Facilities Revenue Bonds (the "Bonds"). The Bonds shall be in substantially the form attached as an exhibit to the First Supplemental Series Indenture. NVTA shall use the proceeds of the issuance of the Bonds as described in the Recitals above and in accordance with the NVTA Act and the Indenture. NVTA hereby finds and determines that (i) the issuance of the Bonds will be in all respects for the benefit of the inhabitants of the Commonwealth and the Member Localities and will promote their safety, health, welfare, convenience and prosperity, (ii) the undertaking of the construction and acquisition of the Projects will constitute the performance of an essential governmental function, (iii) the issuance of the Bonds will further the purposes of NVTA and the NVTA Act by, *inter alia*, financing the construction and acquisition of the Projects, (iv) the proceeds of the Bonds will be used by NVTA solely for transportation purposes benefiting the Member Localities, both collectively as part of Planning District Eight and individually and (v) the issuance of the Bonds and the application of the net proceeds thereof to pay the costs of the construction and acquisition of the Projects will be consistent with the requirement set forth in Section 15.2-4838.1 that all revenues deposited to the credit of NVTA be used for projects benefiting the Member Localities, with each Member Locality's total long-term benefits being approximately equal to the total of the fees and taxes expected to be received by NVTA that are generated by or attributable to the Member Locality divided by the total of such fees and taxes received by NVTA.

2. Details of Bonds. The final details of the Bonds, including without limitation, their series designation, dated date, aggregate principal amount, interest rates, maturity dates, redemption provisions, sale prices, and the principal amount of each maturity will be approved by subsequent resolution of NVTA; provided, however, that (i) the aggregate principal amount of the Bonds shall not exceed \$130,000,000; (ii) the Bonds shall have a true interest cost that does not exceed 6.0%; (iii) the final maturity of the Bonds shall not be later than December 31, 2038; and (iv) no optional redemption premium on the Bonds may exceed 3%.

3. Approval of Indenture. The forms of the Master Indenture and the First Supplemental Series Indenture are approved. The Chairman is authorized to execute and deliver on NVTA's behalf the Master Indenture and the First Supplemental Series Indenture in substantially the forms submitted to this meeting, with such changes, insertions or omissions as may be approved by the Chairman. Such approval shall be evidenced conclusively by the execution and delivery of such documents on NVTA's behalf.

4. Preparation, Execution and Delivery of Bonds. The Chairman is authorized to have the Bonds prepared in substantially the form submitted to this meeting, to have the Bonds executed pursuant to the terms of the Master Indenture and the First Supplemental Series Indenture, to deliver the Bonds to the Trustee for authentication, and to cause the Bonds so executed and authenticated to be delivered to or for the account of the first purchasers thereof upon payment of the purchase price thereof as provided in the First Supplemental Series Indenture.

5. Pledge. The Pledgeable NVTA Revenues are hereby pledged to secure the payment of the principal of and interest on the Bonds in such amounts and under such terms and conditions as provided in the Indenture. Neither the members of NVTA nor any person executing the Bonds shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be a debt of the Commonwealth or any political subdivision thereof (including any Member Locality) other than NVTA. The Bonds shall not constitute an indebtedness within the meaning of any debt limitation or restriction except as provided under the NVTA Act. NVTA hereby represents and acknowledges that its authority to impose, collect or apply any or all of the Regional Taxes and Fees and the Regional Tax and Fee Revenues may be eliminated, changed or limited at any time by action of the General Assembly and that NVTA will not pledge, covenant or agree to impose or maintain at any particular rate or level any of the Regional Taxes and Fees for the benefit of the holders of the Bonds, the Trustee or any other person or entity.

6. Sale of Bonds. The Bonds may be sold in such manner, either at public or private sale or on a competitive or negotiated basis, as may be determined by NVTA by subsequent resolution to be in the best interests of NVTA.

7. Federal Tax Matters. The Chairman is authorized and directed to execute and deliver on NVTA's behalf simultaneously with the issuance of the Bonds a Tax Regulatory Agreement and/or similar agreements or certificates. The Tax Regulatory Agreement and/or similar agreements or certificates shall set forth the expected use of and investment of all or any portion of the proceeds of the Bonds and include such covenants as may be necessary to qualify the interest on all or any portion of the Bonds for exemption from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations (collectively, the "Tax Code"), and to maintain such exemption. The Chairman is further authorized to make on behalf of NVTA such elections under the Tax Code with respect to the Bonds as he may deem to be in the best interests of NVTA after consultation with NVTA's Bond Counsel and Financial Advisor.

8. Additional Actions. Each member, officer and authorized representative of NVTA is authorized to execute and deliver on NVTA's behalf such other instruments, documents or certificates, and to do and perform such things and acts as he or she shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Indenture. Any of the foregoing previously done or performed by any member, officer, or authorized representative of NVTA is in all respects approved, ratified and confirmed. In the Chairman's absence, the Vice Chairman is authorized to take any action specifically assigned to the Chairman under this Resolution.

9. Effective Date. This Resolution shall take effect immediately.

Adopted by the Northern Virginia Transportation Authority, on this 12th day of July, 2007.

BY 
Chairman

Attest 
Vice Chairman

EXHIBIT A NVTA Resolution 03-08

NVTA Transportation Bond Project List

Mode	Description	Funding Required	Route	Status	Transaction 2006	IN TIP/CLRP	Comments	UPC
Total Bond								
\$102,000,000								
T	The Crystal City/Potomac Yard Transit improvements project is being jointly developed by Arlington County and the City of Alexandria. The purpose of this project is to provide enhanced transit service in the Crystal City/Potomac Yard area, connecting Alexandria's Braddock Road Metro station to the Pentagon and Pentagon City in Arlington. The service implementation plan envisions bus rapid transit (BRT) service operating in dedicated transit lanes on an alignment that generally follows Route 1 (Jefferson Davis Highway).	Alexandria: \$8,458,820	1	Alexandria: To date, the project has completed a transit alternative analysis and developed an interim service implementation plan. Most of the work for the environmental analysis in Alexandria has been finished. This work is targeted to be completed by the end of 2007 or early 2008.	Yes	Design- In TIP/CLRP- Construction in TIP/CLRP by the end of 2007	Alexandria: Construct a running way between the Monroe Avenue Bridge and East Glebe Road (Segment B in the environmental document). No Right-of-way needed. Will go to Construction in 2008. Part of public-private partnership	T1837
T		Arlington: \$3,000,000	N/A	Arlington: Design nearly complete; Right-of-way Completed; Construction targeted to begin Spring 2008. FTA has approved the environmental documentation for the initial segment in Arlington from the Crystal City Metrorail station to the County - City boundary.	Yes	Yes	Arlington: Implementation of exclusive bus lanes, bus stop improvements, intersection modifications, and traffic signal improvements	T1117
T	Richmond Highway Public Transportation Initiative - Remaining pedestrian funding	\$10,000,000	1	Phased, multi part project. Phase 1 PE complete. Right-of-way and Construction underway simultaneously on multiple segments.	Yes	Yes	Environmental Work complete.	67772
T	Purcellville Park-and-Ride Lot	\$1,400,000	N/A	Design underway.	Consistent	Yes	To complete funding for land purchase and construction up to four acres/200 spaces.	
T	Route 15 Park-and-Ride Lot	\$1,000,000	15	Right-of-way acquired	Yes	Conformity Neutral	All Right-of-way has been acquired.	72803
T	Installation of escalator canopy at Huntington south entrance to providesheltered customer access to the station.	\$2,000,000	N/A	On the shelf design available.	Consistent	Conformity Neutral	Provide sheltered customer access and protect escalators	WMATA
T	Upgrade of station signage at 20 Virginia Metrorail stations to provide wayfinding signs, illuminated signs and other needed signage.	\$6,100,000	N/A	On the shelf signage design and specs available.	Consistent	Conformity Neutral	Upgrade station signage at 20 Northern Virginia Stations to provide way finding signs, illuminated signs, etc.	WMATA
T	Upgrade of platform at West Falls Church and Vienna stations to improve safety and rehabilitate existing platform	\$3,500,000	N/A	Ready for Construction.	Consistent	Conformity Neutral	West Falls Church, Vienna	WMATA
T	VRE Locomotives (Local Match)	\$3,750,000	N/A	RFP Approved by VRE, RFP to NVTC and PRTC on July 5.	Yes	TIP	Funding request for \$3.75 million to match a \$15 million state appropriation for locomotive acquisition (program total \$18.75 million). This funding is expected to purchase 4-5 locomotives and permit the immediate initiation of a procurement with options for a total of 20 locomotives. The majority of the locomotives will be put into service on the Manassas line. However, as Fairfax and Prince William County residents/taxpayers also ride the Fredericksburg line, at least one new locomotive will also be placed in service on that line. Overall, this purchase will enhance service for the entire VRE system as the worst locomotives in the VRE fleet will be replaced.	VRE
Total Transit Projects								
\$39,208,820								

M	Wilson Blvd: Oakland to Randolph Phase II this project includes re-alignment of existing roadway, expanded sidewalks, improved transit stops and shelter, ADA compliancy at each intersection, improved street lighting and pedestrian crossing improvements.	\$2,000,000	N/A	Right-of-way Completed	Consistent	No, Conformity Neutral	Design complete, ready to go to construction.	Local
M	Old Dominion Drive Multi-Modal Improvements Phases 2-5 - Construct curb, gutter, sidewalk, bike lanes and bus stop improvements from Glebe Road to the Fairfax County line.	\$1,500,000	309	Right-of-way In progress, anticipated to be complete by early 08.	Consistent	Yes	Design is nearly complete and construction could begin summer/fall 2008.	18863
M	Multi-Modal Improvements for the Intersection of Chain Bridge Road (Route 123) and Eaton Place	\$2,500,000	123	Design being reviewed by VDOT.	Consistent	Yes		Local
M	Citywide sidewalk replacement and construction - Falls Church	\$246,000	N/A	Project Scoping Underway.	Consistent	Conformity Neutral	No Right-of-way needed. Includes replacement of curb and gutter, sidewalk, and construction of sidewalk missing links	Local
Total Multi-Modal Projects								
\$6,246,000								

H	Lee Highway at Harrison - Construction of left-turn lanes both east and westbound Lee Highway, including improvements to the ADA ramps, sidewalks, signal modifications.	\$800,000	29	Right-of-way Completed	Yes (Reconstruct; US 29 Turn Lanes, Quincy to Lexington)	In previous TIP; Conformity neutral	Design complete, ready to go to construction.	Local
H	Fairfax County Parkway/Fair Lakes/Monument Interchange	\$28,850,000	7100	PE complete. Right-of-way under way.	Yes	Yes	To complete funding.	52404
H	Pacific Boulevard; Nokes Boulevard Interchange to Severn Way.	\$2,700,000	N/A	Design complete. Most Right-of-way has been acquired.	Consistent	CLRP		78908
H	Battlefield Parkway: Construct half section from Route 621 to new bridge.	\$3,000,000	N/A	Design complete. Right-of-way has been acquired.	Consistent	CLRP	Ready for construction in summer 2008.	Local
H	Intersection of VA 606 (Loudoun County Parkway) and VA 621 (Evergreen Mills Road) - Extend left-turn bay on northbound VA 606 (Loudoun County Parkway)	\$230,000	606	Right-of-way - N/A	Consistent	Conformity Neutral	Can be implemented fairly quickly within existing right of way.	86336
H	Bull Run Post Office Road: pave 0.2 mile from Cedar Ridge Boulevard to Fairfax County line	\$1,500,000		Project scoping to begin.	Consistent	Conformity Neutral		Local
H	Traffic Calming Village of Aldie for Snickersville Turnpike to New Mountain Road	\$915,180	50	NTP after approval of Bond	Consistent	Yes		68825
H	Maple and Main Intersection Improvements in Purcellville.	\$1,300,000	7	Right-of-way has not started. Right-of-way/ Easement Acquisition: Dec 07 to Dec 08. Utility Relocation Start: Jan 08 to Jan 09.	Consistent	Not Required	To Complete funding. This project is to mitigate safety and congestion issues, and is the Town Council's top 10 priority projects. The project is 75% completed.	70578
H	Route 28 overpass in Manassas.	\$2,000,000	26	In Right-of-way phase.	Consistent	Yes	Project pushed to 2015 because of a lack of funding. These funds will advance the project schedule.	Local
H	Intersection Improvements at Manassas Drive and Euclid Avenue in Manassas Park.	\$350,000	N/A	Project Scoping underway.	Consistent	N/A		Local
H	Prince William Parkway widening (4 to 6 lanes) from Hoadly Road to Old Bridge Road	\$14,900,000	3000	Partially designed and constructed	Yes	CLRP	Most Right-of-way has been acquired. Design is underway and will be completed in 2007. Portions of road are currently under construction through proffers.	Local

Total Roadway Projects
\$56,545,180