



RESOLUTION 14-23

Authorizing Execution of TIFIA Loan Agreement and Issuance of Dulles Toll Road Junior Lien Revenue Bonds, TIFIA Series 2014

WHEREAS, On November 1, 2008, the Virginia Department of Transportation ("VDOT") transferred the Dulles Toll Road to the Metropolitan Washington Airports Authority ("Airports Authority") pursuant to the Master Transfer Agreement Relating to the Dulles Toll Road and the Dulles Corridor Metrorail Project, dated December 29, 2006, by and between VDOT and the Airports Authority;

WHEREAS, On the same date, VDOT and the Airports Authority entered into the Dulles Toll Road Permit and Operating Agreement ("Permit and Operating Agreement") in which VDOT conveyed a permit to the Airports Authority for the following 50 years, among other things, to operate, maintain and improve the Dulles Toll Road, to establish, charge and collect tolls and other fees for the privilege of using the Dulles Toll Road, and to retain, use, pledge and assign revenues from such tolls and other fees, all in accordance with the terms and conditions of Permit and Operating Agreement;

WHEREAS, Under the Permit and Operating Agreement, the Airports Authority is responsible for the design and construction of an extension of the Washington Metrorail system from the West Falls Church Station to and through Dulles International Airport, ending at a new station on Virginia Route 772 ("Metrorail Project"), to be located in part within the Dulles International Airport Access Highway right-of-way, and to be constructed in two phases (Phase 1 from the Westfall Falls Church Station to Wiehle Avenue in Reston, Virginia; Phase 2 from Wiehle Avenue through Dulles International Airport to Route 772 in Loudoun County);

WHEREAS, On August 12, 2009, the Airports Authority issued the Dulles Toll Road Revenue Bonds, Series 2009, in the aggregate principal amount of approximately \$963.3 million to pay, among other things, a portion of the design and construction of the Metrorail Project;

WHEREAS, On May 27, 2010, the Airports Authority issued the Dulles Toll Road Revenue Bonds, Series 2010, in the aggregate principal amount of approximately \$342.6 million to pay, among other things, a portion of the costs of the Metrorail Project;

WHEREAS, On August 11, 2011, the Airports Authority issued the Dulles Toll Road Second Senior Lien Commercial Paper Notes, Series One ("Commercial Paper Notes"), in the aggregate principal amount of up to \$300,000,000, to pay, among other things, a portion of the costs of the Metrorail Project;

WHEREAS, On May 22, 2014, the Airports Authority issued the Dulles Toll Road Second Senior Lien Revenue Refunding Bonds, Series 2014A (Dulles Metrorail and Capital Improvement Projects) ("Series 2014A Bonds") in the aggregate principal amount of \$421,760,000 to pay, among other things, a portion of the costs of the Metrorail Project;

WHEREAS, The Airports Authority's application for a secured loan under the Transportation Infrastructure Finance and Innovation Act of 1978, as amended ("TIFIA Act"), to finance a portion of the costs of Phase 2 of the Metrorail Project has been approved by the United States Department of Transportation ("U.S. DOT") in an initial principal amount of \$1,278,000,000;

WHEREAS, The Airports Authority has been negotiating a form of TIFIA Loan Agreement (the "TIFIA Loan Agreement") between the Airports Authority and U.S. DOT, acting by and through the Federal Highway Administrator ("TIFIA Lender"), pursuant to which the TIFIA Lender will agree to extend a secured loan to the Airports Authority to finance a portion of the Cost of the Dulles Metrorail Project relating to Phase 2;

WHEREAS, The Airports Authority desires to authorize the issuance of additional Dulles Toll Road Revenue Bonds in an initial principal amount of \$1,278,000,000, to be designated as Dulles Toll Road Junior Lien Revenue Bonds, TIFIA Series 2014 ("TIFIA Series 2014 Bonds"), to evidence the obligation of the Airports Authority to repay the loan under the TIFIA Loan Agreement;

WHEREAS, The forms of the following documents have been presented to the Board of Directors at this meeting:

(a) the Tenth Supplemental Indenture of Trust ("Supplemental Indenture"), to be dated the date of execution and delivery of the TIFIA Loan Agreement, by and between the Airports Authority and Manufacturers and Traders Trust Company, as trustee ("Trustee"), relating to the issuance of the TIFIA Series 2014 Bonds;

(b) the TIFIA Series 2014 Bonds, attached as Exhibit A to the Tenth Supplemental Indenture; and

(c) the TIFIA Loan Agreement;

WHEREAS, All capitalized terms used but not defined in this Resolution have the meanings given them in the Supplemental Indenture; now, therefore, be it

RESOLVED, That the Airports Authority is authorized to enter into the TIFIA Loan Agreement to obtain a secured loan from the TIFIA Lender in the initial principal amount of \$1,278,000,000, which amount may be increased from time to time, to the extent permitted under the TIFIA Loan Agreement, to reflect the amount of interest on the loan that is not currently paid by the Airports Authority, and to issue the TIFIA Series 2014 Bonds;

2. That the Airports Authority is authorized to issue the TIFIA Series 2014 Bonds which shall be issued initially as one typewritten bond executed and delivered to the TIFIA Lender pursuant to the Master Indenture of Trust, dated as of August 1, 2009 ("Master Indenture"), by and between the Airports Authority and the Trustee, and the Supplemental Indenture, all upon the terms and conditions specified therein;

3. That Manufacturers and Traders Trust Company shall serve as the Trustee under the Supplemental Indenture;

4. That the form of each of the documents described in paragraphs (a) through (c) of the eleventh "Whereas" clause of this Resolution is hereby approved;

5. The interest rate on the TIFIA Series 2014 Bonds shall be equal to a fixed interest rate calculated by adding one basis point (.01%) to the rate of securities of a similar final maturity as published on the execution date of the TIFIA Loan Agreement in the United States Treasury Bureau of Public Debt's daily rate table for State and Local Government Series (SLGS) securities; provided, that the interest rate on the TIFIA Bonds shall not be less than the yield on 30-year United States Treasury securities as of such date; and provided further, that, upon the occurrence and during the continuance of a payment default, the interest rate with respect to any overdue principal amount shall be the foregoing rate plus 2.00% per annum;

6. That the TIFIA Series 2014 Bonds, as provided in the Supplemental Indenture, shall be issued as Junior Lien Revenue Bonds, shall be subject to mandatory and optional redemption, shall be additionally secured by a debt service reserve account in an amount equal to ten percent (10%) of the outstanding principal amount of the TIFIA Series 2014 Bonds, and, in the event that certain bankruptcy-related events relating to the Airports Authority occur,

shall, as required by the TIFIA Act, become immediately secured as First Senior Lien Bonds or, if there are no First Senior Lien Bonds then outstanding, as Second Senior Lien Bonds;

7. That each of the Chairman, the Vice Chairman, the Co-Chairs of the Finance Committee, the President and Chief Executive Officer, the Executive Vice President and Chief Operating Officer, the Vice President for Finance and Chief Financial Officer, the Deputy Chief Financial Officer and the Manager of Treasury is hereby appointed as an "Airports Authority Representative" under the Master Indenture and the Supplemental Indenture and as "Borrower's Authorized Representative" under the TIFIA Loan Agreement;

8. That each of the Chairman and the Vice Chairman is authorized to execute, by manual or facsimile signature, the Supplemental Indenture, the TIFIA Loan Agreement and the TIFIA Series 2014 Bonds in substantially the forms submitted to the Board of Directors, but with such changes, insertions, completions and deletions as they deem necessary or desirable after consultation with the Co-Chairs of the Finance Committee, the Vice President for Finance and Chief Financial Officer, and the General Counsel, and the execution of these documents, with such changes, insertions, completions and deletions, by the Chairman or Vice Chairman shall constitute conclusive evidence of their approval by the Board of Directors;

9. That the Secretary is authorized and directed to affix the seal of the Airports Authority or a facsimile thereof on each of the Supplemental Indenture, the TIFIA Loan Agreement and the TIFIA Series 2014 Bonds, after its execution by the Chairman or Vice Chairman, to attest the same by a manual or facsimile signature, and to deliver the TIFIA Series 2014 Bonds to the Trustee for authentication upon the terms provided in the Master Indenture and the Supplemental Indenture; and

10. That each of the Airports Authority Representatives and the Borrower's Authorized Representatives is authorized and directed, with respect to the TIFIA Loan Agreement, the Master Indenture, the Supplemental Indenture and the TIFIA Series 2014 Bonds, to prepare and file reports and other documents required from time to time under the TIFIA Loan Agreement and the Supplemental Indenture, to execute, deliver and file any certificate and instrument related to the closing or issuance of the TIFIA Series 2014 Bonds

(including without limitation any agreement for the investment of proceeds from the delivery of the TIFIA Series 2014 Bonds), and to take such other actions as shall be necessary or desirable from time to time in connection with the closing or issuance of the TIFIA Series 2014 Bonds and the administration of and continuing compliance with the TIFIA Loan Agreement.

RECORDED VOTE:

Members Present	<u>11</u>
Members in Favor	<u>11</u>
Members Against	<u>0</u>
Members Abstaining	<u>0</u>

Adopted July 16, 2014



Quince T. Brinkley, Jr., Secretary