



## RESOLUTION #2354

**SUBJECT:** Authorize VRE to Refinance the VRE RRIF Loan

**WHEREAS:** The Northern Virginia Transportation District Commission (“NVTC”) and the Potomac and Rappahannock Transportation District Commission (“PRTC,” and, together with NVTC, the “Commissions”) jointly own and operate the Virginia Railway Express (the “VRE”) commuter rail service in Northern Virginia and the District of Columbia pursuant to the “Master Agreement for Provision of Commuter Rail Services in Northern Virginia – Establishment of the Virginia Railway Express” dated as of October 3, 1989, as amended (the “Master Agreement”), among the Commissions and the Participating and Contributing Jurisdictions described in such Master Agreement;

**WHEREAS:** NVTC, with the consent of PRTC and the Participating and Contributing Jurisdictions, entered into a financing agreement with the Federal Railroad Administration pursuant to its Railroad Rehabilitation and Improvement Financing program in 2007 and subsequently borrowed a total of \$68,953,913 pursuant to a series of draws under the program for railcars delivered between 2008 and 2012 (collectively, the “FRA Loan”);

**WHEREAS:** The FRA Loan is now administered by the U.S. Department of Transportation’s Build America Bureau;

**WHEREAS:** The Master Agreement provides that the Commissions shall utilize reasonable debt financing to the extent that such financing is advantageous to the VRE and is in the interest of the parties to the Master Agreement, but requires that the Commissions not incur debt related to the VRE without the consent of all Participating and Contributing Jurisdictions;

**WHEREAS:** The Commissions have determined to refinance the FRA Loan with the proceeds of a loan to be obtained from the Virginia Resources Authority (“VRA”) in an amount not to exceed \$56,000,000, for a term not to exceed 15 years from its delivery date, and generating net present value savings of at least three percent of the refunded principal (collectively, the “VRA Loan”); and

**WHEREAS:** The VRE Operations Board recommends the following.

**NOW, THEREFORE, BE IT RESOLVED** that the Northern Virginia Transportation Commission does hereby approve the following:

1. The VRA Loan, upon the terms and conditions set forth in the VRA Term Sheet dated December 15, 2017 (a copy of which has been provided to the Commissions), with such changes thereto as may be approved in writing by the Chairman, Vice Chairman or Executive Director of NVTC, is hereby authorized.

2. The Chairman, Vice Chairman or Executive Director of NVTC is authorized to determine and approve the final details of the VRA Loan, including, without limitation, the aggregate principal amount of the VRA Loan, the interest rates on the VRA Loan, the dates (including payment dates) of the VRA Loan documents and the amounts and prices of any optional or mandatory prepayments, provided, however, that the aggregate principal amount of the VRA Loan shall not exceed \$56,000,000, its term shall not exceed 15 years from its delivery date, it shall generate net present value savings of at least three percent of the refunded principal, and its other terms and conditions shall be substantially as provided in the VRA Term Sheet described above. The VRA Loan will require that the Commissions grant the VRA security interests in the participating jurisdictions' jurisdictional payments under the Master Agreement. The approval of the Chairman, Vice Chairman or Executive Director of NVTC of such details shall be conclusively evidenced by the execution and delivery of the loan documents for the VRA Loan, which VRA Loan documents shall be prepared or reviewed by VRE's bond counsel and reviewed by its general counsel, it being acknowledged and understood that the repayment obligations of the VRA Loan and the related financing covenants will be evidenced by a local bond to be issued by NVTC and a local bond sale and financing agreement to be negotiated and entered into by NVTC and VRA. The consummation of the VRA Loan shall be subject to the consent of the Participating and Contributing Jurisdictions as described in the recitals to this Resolution.
3. The Chairman, Vice Chairman or Executive Director of NVTC is authorized to approve, execute and deliver on behalf of NVTC, and, if required, the Secretary or any Assistant Secretary of NVTC is authorized to affix and attest the seal of NVTC to, the VRA Loan documents described above and such other documents, instruments or certificates as they deem necessary or appropriate, in consultation with VRE's bond counsel and general counsel, to carry out the VRA Loan transaction authorized by this resolution. The approval of the Chairman, Vice Chairman or Executive Director of NVTC shall be conclusively evidenced by the execution and delivery of such documents, instruments or certificates. Such officers of NVTC and the Executive Director are further authorized to do and perform such other things and acts as they deem necessary or appropriate, in consultation with VRE's bond counsel and general counsel, to carry out the VRA Loan transaction authorized by this resolution. All of the foregoing previously approved, executed, delivered, done or performed by such officers of NVTC or the Executive Director are in all respects hereby approved, ratified and confirmed.
4. This resolution shall take effect immediately upon its adoption.

Approved this 4<sup>th</sup> day of January 2018.



Katie Cristol  
Secretary-Treasurer



Paul C. Smedberg  
Chairman