



## COMMONWEALTH of VIRGINIA

### *Commonwealth Transportation Board*

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Chairman

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*Agenda Item # 12*

### **RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD**

**March 14, 2012**

#### **MOTION**

**Made By: Mr. Bowie    Seconded By: Mr. Keen    Action: Motion Carried, Unanimously**

#### **DELEGATING AUTHORITY TO THE CHAIRMAN OF THE COMMONWEALTH TRANSPORTATION BOARD, THE COMMISSIONER OF HIGHWAYS AND THE CHIEF FINANCIAL OFFICER OF THE VIRGINIA DEPARTMENT OF TRANSPORTATION TO DECLARE THE OFFICIAL INTENT OF THE COMMONWEALTH TRANSPORTATION BOARD TO REIMBURSE ITSELF FROM PROCEEDS OF TAX-EXEMPT GARVEES FINANCINGS**

**WHEREAS**, from time to time the Commonwealth of Virginia (the "Commonwealth") receives federal-aid highway construction reimbursements and other federal highway assistance (the "Federal Highway Reimbursements") under or in accordance with Title 23 of the United States Code, or any successor program established under federal law, from the Federal Highway Administration and any successor or additional federal agencies;

**WHEREAS**, the State Revenue Bond Act, Article 5, Chapter 3, Title 33.1 of the Code of Virginia of 1950, as amended (the "State Revenue Bond Act"), empowers the Commonwealth Transportation Board (the "Transportation Board") to issue revenue bonds or notes to finance the costs of transportation projects authorized by the General Assembly of Virginia, including any financing costs or other financing expenses related to such bonds or notes (each a "Project," and, collectively, the "Projects");

**WHEREAS**, the Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes Act of 2011, Article 1.3, Chapter 1, Title 33.1 of the Virginia Code of 1950, as amended, authorizes the Transportation Board, by and with the consent of the Governor, to issue, pursuant to the provisions of the State Revenue Bond Act, in one or more series from time to time, revenue obligations of the Commonwealth to be designated "Commonwealth of Virginia Federal Transportation Grant Anticipation Revenue Notes, Series . . ." (the "GARVEEs");

**WHEREAS**, from time to time the Transportation Board will make original expenditures (the "Expenditures") with respect to expenses incurred in connection with Projects to be reimbursed with the proceeds of GARVEEs;

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**WHEREAS**, the Transportation Board wishes to delegate to the Chairman of the Transportation Board (the "Chairman"), the Commissioner of Highways (the "Commissioner") and the Chief Financial Officer of the Virginia Department of Transportation (the "CFO"), any of whom may act, the authority to declare on behalf of the Transportation Board the official intent and reasonable expectation to reimburse the Transportation Board for Expenditures with proceeds of GARVEEs;

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMONWEALTH TRANSPORTATION BOARD:**

Section 1. Delegation of Authority. The Transportation Board hereby delegates to the Chairman, the Commissioner and the CFO, any of whom may act, the authority to declare on behalf of the Transportation Board the official intent and reasonable expectation of the Transportation Board to reimburse the Transportation Board for Expenditures with proceeds of GARVEEs (each, a "Declaration"), subject to the conditions contained in Section 2 of this Resolution.

Section 2. Conditions of Delegation of Authority. The authority granted to the Chairman, the Commissioner and the CFO, any of whom may act, contained in Section 1 of this Resolution is expressly conditioned upon the following:

(a) All Declarations shall be in writing and signed by the Chairman, the Commissioner and/or the CFO.

(b) All Declarations shall generally describe the Project for which the Expenditure will be paid and state the maximum principal amount of the GARVEEs expected to be issued for such Project.

(c) All Declarations shall contain a statement that such Declaration constitutes a declaration of "official intent" under Treasury Regulations Section 1.150-2.

(d) Each Expenditure on the date made was or will be a capital expenditure (or would be with a proper election) under general federal income tax principles or will otherwise comply with the requirements of Treasury Regulations Section 1.150-2(d)(3).

(e) The Transportation Board shall make a written allocation evidencing the Transportation Board's use of proceeds of the GARVEEs to reimburse an Expenditure no later than 18 months after the later of the date on which the Expenditure is paid or the applicable Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid.

Section 3. Effective Date. This Resolution shall take effect immediately.

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