

City of Alexandria, Virginia

22
9-10-02

MEMORANDUM

DATE: SEPTEMBER 5, 2002

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER ^{PS}

SUBJECT: CONSIDERATION OF A RESOLUTION TO THE VIRGINIA DEPARTMENT OF TRANSPORTATION ENDORSING THE ISSUANCE OF NORTHERN VIRGINIA TRANSPORTATION (NVTD) BONDS

ISSUE: Consideration of a resolution to the Virginia Department of Transportation (VDOT) endorsing the issuance of Northern Virginia Transportation District Bonds.

RECOMMENDATION: That City Council:

- (1) adopt the attached resolution (Attachment 1) endorsing the issuance of transportation bonds to fund projects authorized by the 2002 General Assembly; and
- (2) request staff to forward the resolution to the Virginia Department of Transportation.

DISCUSSION: During the last nine years, the Virginia General Assembly has enacted a series of bills for the Northern Virginia Transportation District Program (NVTD). In order to fund the projects authorized in this legislation, bonds must be sold. These bonds require prior authorization by a majority of the local governments that make up the NVTD.¹

The Virginia Department of Transportation is planning to issue bonds this fall to fund projects in Fairfax, Loudoun, and Prince William counties. New projects authorized by this resolution are improvements to the Fairfax County Parkway, Route 28 in Loudoun County, the Occoquan River Bridge over Route 123, and Metrorail capital improvements attributable to Fairfax County. These projects are being funded from fees paid by telecommunication companies to use the rights-of-way in these counties. The City receives telecommunication rights-of-way revenues as a General Fund revenue. Although none of these projects directly benefit the City, we have been asked as an NVTD member to adopt a resolution in support of these bonds. NVTD bonds that

¹The NVTD is made up of the cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park, and the counties of Arlington, Fairfax, Loudoun, and Prince William.

directly benefit the City (\$8.6 million for King Street Metrorail Station Improvements and \$2.1 million Metrorail capital) have previously been issued by VDOT.

FISCAL IMPACT: There is no fiscal cost or savings to the City for the planned VDOT issuance. The bond refinancing planned by VDOT is for bonds for which the City pays no debt service. The NVTB bonds for which the City makes \$256,070 in annual debt service payments were sold at a lower interest rate and therefore are not feasible to refinance at this time.

ATTACHMENTS:

Attachment 1: Resolution

Attachment 2: 1999 Resolution (No.1927)

STAFF:

Bernard Caton, Legislative Director

Mark Jinks, Assistant City Manager

Richard Baier, Director, Transportation & Environmental Services

Resolution No. _____

RESOLUTION ENDORSING THE ISSUANCE OF ADDITIONAL BONDS FOR CATEGORY 3 PROJECTS OF THE NORTHERN VIRGINIA TRANSPORTATION DISTRICT PROGRAM

WHEREAS, the Alexandria City Council endorsed the issuance of bonds by the Commonwealth Transportation Board (the "CTB") to finance the cost of Category 3 Projects in the Northern Virginia Transportation District ("NVTD") Program by Resolution No. 1927 (the "1999 Resolution"), in accordance with Chapters 740 and 761 of the 1998 Acts of Assembly and chapter 538 of the 1999 Acts of Assembly (the "NVTD Legislation") which collectively authorized \$205.2 million of bonds to be issued by the CTB for designated Category 3 Projects in the NVTD Program, provided that (i) the governing bodies of at least five jurisdictions in the NVTD (comprising a majority of the population of the participating jurisdictions) adopt resolutions endorsing the sale of such bonds, and (ii) at least two of the participating jurisdictions enter into a contract dedicating state or local revenues, which may include secondary allocations and public right-of-way use fees, to pay debt service on such bonds;

WHEREAS, the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Falls Church and Fairfax adopted such endorsing resolutions in 1999; and the County of Arlington and the Cities of Alexandria, Fairfax and Falls Church executed such contracts in 1999 to pay approximately 50% of debt service on such Category 3 bonds attributable to such jurisdictions, which resolutions and contracts shall remain in effect so long as any debts or obligations for Category 3 Projects remain outstanding; and

WHEREAS, Chapter 799 of the 2002 Acts of Assembly (the "2002 NVTD Legislation") amended the NVTD Legislation to authorize an additional \$29 million of bonds for Category 3 Projects to be issued by the CTB and designated the following additional Category 3 Projects in the NVTD Program: (i) Fairfax County Parkway between Routes 1 and 7, (ii) Route 28 Parallel Roads in Loudoun County, (iii) Route 123 Occoquan River Bridge, and (iv) Metrorail Capital Improvements attributable to Fairfax County, including Metro Parking Expansion;

NOW, THEREFORE, BE IT RESOLVED, that the Alexandria City Council does hereby (i) endorse the issuance by the CTB of the additional Category 3 Project bonds authorized by the 2002 NVTD Legislation, and (ii) re-affirm the 1999 Resolution.

ADOPTED:

Kerry J. Donley, Mayor

ATTEST:

Beverly I. Jett, CMC, City Clerk

RESOLUTION NO. 1927

RESOLUTION ENDORSING THE ISSUANCE OF BONDS FOR CATEGORY 3
PROJECTS OF THE NORTHERN VIRGINIA TRANSPORTATION
DISTRICT PROGRAM

WHEREAS, Chapters 740 and 761 of the 1998 Acts of Assembly amend Chapter 391 of the 1993 Acts of Assembly, as amended by Chapters 470 and 597 of the 1994 Act of Assembly, to redesignate the projects and increase the debt authorization from \$271 million to \$366.9 million to finance the cost of the Northern Virginia Transportation District (NVTD) Program (the "NVTD Legislation"); and

WHEREAS, Chapter 538 of the 1999 Acts of Assembly amends Chapter 391 of the 1993 Acts of Assembly, as amended by Chapters 470 and 597 of the 1994 Acts of Assembly and by Chapters 740 and 761 of the 1998 Acts of Assembly, to redesignate the projects and increase the debt authorization from \$366.9 million to \$471.2 million; and

WHEREAS, the 1998 NVTD Legislation authorizes \$100.9 million in bonds to be issued by the Commonwealth Transportation Board (CTB) for Category 3 Projects, which are comprised of several projects located in the Northern Virginia region, including the Route 50/Courthouse Road interchange, Fairfax County Parkway, Route 234 Bypass, Route 28/Route 625 interchange, King Street Metrorail Station, and Metrorail capital improvements; and

WHEREAS, the 1999 NVTD Legislation authorizes \$104.3 million in bonds to be issued by the Commonwealth Transportation Board (CTB) for Category 3 Projects, which are comprised of several projects located in the Northern Virginia region, including Route 15, Route 1/123 interchange, Lee Highway, Route 123, Route 7, Telegraph Road, Route 1/Route 234 interchange, Metrorail capital improvements, King Street Metrorail station, Potomac-Rappahanock Transportation Commission bus replacement program, Dulles Corridor enhanced transit program, and Ballston Metrorail station improvements; and

WHEREAS, Chapter 464, Item 523 E.1. of the 1998 Acts of Assembly appropriates the public right-of-way use fees attributable to Fairfax, Loudoun, and Prince William Counties to pay debt service on Category 3 Project bonds; and

WHEREAS, Arlington County and the Cities of Alexandria, Fairfax, and Falls Church have indicated their intent to dedicate available state or local revenues, through individual contracts with the Commonwealth Transportation Board (CTB), to pay approximately 50% of the debt service on Category 3 Project bonds attributable to each jurisdiction and authorized by Chapters 740 and 761 of the 1998 Acts of Assembly; and

WHEREAS, Chapter 464, Item 523 E.1. of the 1998 Acts of Assembly appropriates Commonwealth Transportation Funds to pay debt service on Category 3 Project bonds in addition to dedicated public right-of-way use fees, and revenues dedicated through contracts with the Commonwealth Transportation Board (CTB), to meet annual debt service requirements for NVTD Program bonds; and

WHEREAS, Chapter 935, Item 523 E.1. of the 1999 Acts of Assembly appropriates revenues to the NVTD Fund to pay debt service on Category 3 Project bonds, and directs the Governor and the Secretary of Transportation to propose sufficient funding sources to support the full amount of NVTD Program debt; and

WHEREAS, the NVTD Legislation provides that the Commonwealth Transportation Board (CTB) shall only issue the bonds for Category 3 Projects if (i) the governing bodies of at least five of the jurisdictions (comprising a majority of the population of the participating jurisdictions) have adopted resolutions endorsing the

proposed sale or sales of bonds to support the Category 3 Projects and (ii) at least two of the jurisdictions participating in the NVTD Program have entered into a contract that dedicates any state or local revenues, which may include their secondary allocations, county road maintenance payments, urban allocations and local public right-of-way use fees, to pay annual debt service on the NVTD Program bonds; and

WHEREAS, such resolutions and contracts pursuant to the NVTD Legislation shall remain in force so long as any debts or obligations for Category 3 Projects remain outstanding;

NOW, THEREFORE, BE IT RESOLVED, that the Alexandria City Council does hereby endorse the issuance of bonds by the Commonwealth Transportation Board (CTB) to finance the cost of Category 3 Projects in the NVTD program; and

BE IT FURTHER RESOLVED, that the Alexandria City Council does hereby make this endorsement with the understanding the Commonwealth Transportation Board (CTB), and any other responsible entities, will make their best efforts, including use of any available short-term debt financing strategies and accelerated right-of-way acquisition, to initiate construction or transfer payments for the Category 3 Projects in the following time frames:

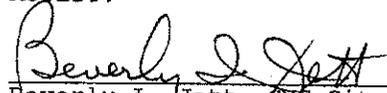
- Route 50/Courthouse Road Interchange--Summer 2001
- Fairfax County Parkway--Fall 2002
- Route 234 Bypass--Summer 1999
- Route 28/Route 625 Interchange--Summer 2001
- King Street Metrorail Improvements--Fall 2000
- Metrorail Capital Improvements--NVTC transfer by Fall 1999
- Ballston Metrorail Improvements--Fall 2000
- Route 15 Improvements--Fall 2001
- Route 1/Route 123 Interchange--Fall 2001
- Lee Highway Improvements--Fall 2000
- Route 123 Improvements--Spring 2001
- Dulles Corridor Enhanced Transit--Summer 2000
- Route 7 Improvements--Summer 2003
- Telegraph Road Improvements--Summer 2003
- Route 1/Route 234 Interchange - Fall 2002
- PRTC Bus Replacement--PRTC Transfer by Fall 1999

BE IT FINALLY RESOLVED that the Alexandria City Council does hereby indicate its intent to enter into a contract with the Commonwealth Transportation Board (CTB), pursuant to Section 58.1-815.1, Code of Virginia, to dedicate annually approximately \$275,000 in state or local funds to pay its share of debt service in FY 99 and FY 00 and future years, so long as any outstanding debt obligations remain on Category 3 Project bonds authorized by Chapters 740 and 761 of the 1998 Acts of Assembly.

ADOPTED: June 22, 1999


KERRY J. DONLEY MAYOR

ATTEST:


Beverly I. Uett, City Clerk

RESOLUTION NO. 2041

**RESOLUTION ENDORSING THE ISSUANCE OF ADDITIONAL BONDS FOR
CATEGORY 3 PROJECTS OF THE NORTHERN VIRGINIA TRANSPORTATION
DISTRICT PROGRAM**

WHEREAS, the Alexandria City Council endorsed the issuance of bonds by the Commonwealth Transportation Board (the "CTB") to finance the cost of Category 3 Projects in the Northern Virginia Transportation District ("NVTD") Program by Resolution No. 1927 (the "1999 Resolution"), in accordance with Chapters 740 and 761 of the 1998 Acts of Assembly and chapter 538 of the 1999 Acts of Assembly (the "NVTD Legislation") which collectively authorized \$205.2 million of bonds to be issued by the CTB for designated Category 3 Projects in the NVTD Program, provided that (i) the governing bodies of at least five jurisdictions in the NVTD (comprising a majority of the population of the participating jurisdictions) adopt resolutions endorsing the sale of such bonds, and (ii) at least two of the participating jurisdictions enter into a contract dedicating state or local revenues, which may include secondary allocations and public right-of-way use fees, to pay debt service on such bonds; and

WHEREAS, the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Falls Church and Fairfax adopted such endorsing resolutions in 1999; and the County of Arlington and the Cities of Alexandria, Fairfax and Falls Church executed such contracts in 1999 to pay approximately 50% of debt service on such Category 3 bonds attributable to such jurisdictions, which resolutions and contracts shall remain in effect so long as any debts or obligations for Category 3 Projects remain outstanding; and

WHEREAS, Chapter 799 of the 2002 Acts of Assembly (the "2002 NVTD Legislation") amended the NVTD Legislation to authorize an additional \$29 million of bonds for Category 3 Projects to be issued by the CTB and designated the following additional Category 3 Projects in the NVTD Program: (i) Fairfax County Parkway between Routes 1 and 7, (ii) Route 28 Parallel Roads in Loudoun County, (iii) Route 123 Occoquan River Bridge, and (iv) Metrorail Capital Improvements attributable to Fairfax County, including Metro Parking Expansion;

NOW, THEREFORE, BE IT RESOLVED, that the Alexandria City Council does hereby (i) endorse the issuance by the CTB of the additional Category 3 Project bonds authorized by the 2002 NVTD Legislation, and (ii) reaffirm the 1999 Resolution.

ADOPTED: September 10, 2002


KERRY J. DONLEY MAYOR

ATTEST:


Beverly I. Jett, CMC City Clerk