

**Resolution # TC-2012**

**Amending Prior Resolution for Refunding of 2004A TRANs**

**Approved by the Transportation Commission on: August 18, 2011**

WHEREAS, pursuant to C.R.S. 43-4-701, et seq., and the November 1999 statewide election, the Colorado Department of Transportation (CDOT) was authorized to issue Transportation Revenue Anticipation Notes (TRANs) for purposes of financing qualified federal aid transportation projects; and

WHEREAS, CDOT issued several series of TRANs between 2000 and 2004, including \$134,640,000 in principal amount of Series 2004A TRANs, and

WHEREAS, C.R.S. 43-4-705(9) authorizes the CDOT Executive Director to refund any outstanding TRANs pursuant to article 56 of title 11, C.R.S.; and

WHEREAS, on June 21, 2011 the Transportation Commission adopted Resolution #TC-2000 which approved a refunding of the Series 2004A TRANs provided the transaction resulted in not less than \$4 million in total interest savings payable on the Series 2004A TRANs; and

WHEREAS, CDOT assumed, at the time of Resolution #TC-2000 was adopted, that the entire \$134,640,000 in Series 2004A TRANs were eligible to be refunded with tax exempt bonds and that interest savings of 3% would apply to the entire outstanding amount of Series 2004A TRANs; and

WHEREAS, in structuring the refunding transaction, CDOT has determined that the applicable federal tax regulations dictate a different allocation between the Series 2004A TRANs and the Series 2004B Refunding TRANs, issued together with the Series 2004A TRANs, than the allocation anticipated by CDOT, with the result that approximately \$106,000,000 of the Series 2004A TRANs are eligible for refunding with tax exempt bonds; and

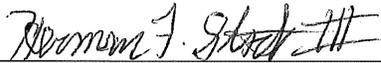
WHEREAS, refunding the portion of the Series 2004A TRANs that are eligible for refunding with tax exempt bonds will still save CDOT approximately \$3 million in total interest savings; and

WHEREAS, refunding the remaining portion of the Series 2004A TRANs as taxable bonds would result in approximately \$140,000 in additional net present value interest savings and, although it would reduce the overall percentage savings on the transaction, would result in the greatest dollar savings to CDOT for the transaction.

NOW THEREFORE BE IT RESOLVED, the Transportation Commission hereby amends Resolution #TC-2000 and authorizes CDOT's Executive Director to conclude a refunding of the Series 2004A TRANs eligible for refunding with

tax exempt bonds provided the transaction will result in at least a 3% interest savings on the total amount of the Series 2004A TRANs refunded with tax-exempt bonds; and

BE IT FURTHER RESOLVED, that the CDOT Executive Director may exercise his discretion to refund all of the Series 2004A TRANs with both tax-exempt and taxable bonds if such a refunding provides CDOT with the greatest total dollar savings on interest, even if the overall percentage savings for the transaction will be reduced.



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Herman Stockinger, Secretary  
Transportation Commission of Colorado