

RESOLUTION NO. 07-05

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGELINE DEVELOPMENT AUTHORITY URGING THE GATEWAY CITIES COUNCIL OF GOVERNMENTS TO ADOPT A RESOLUTION IN SUPPORT OF THE AUTHORITY'S PROPOSAL AND APPLICATION TO THE CALIFORNIA TRANSPORTATION COMMISSION**

**WHEREAS**, the Orangeline Development Authority has completed Phase 1 preliminary engineering and financial studies for the Orangeline High Speed Maglev project, which indicate that construction and operation of the 108-mile \$19 billion maglev system can be funded from operating funds;

**WHEREAS**, the next Orangeline High Speed Maglev project development phase (Phase 2) entails additional engineering, environmental studies and project financing, and is estimated to take three years to complete at a cost of up to \$200 million;

**WHEREAS**, the Orangeline Development Authority is seeking both public and private funding for completion of Phase 2 and submitted, on November 21, 2006, a Proposal and Application to the California Transportation Commission proposing that up to \$200 million in Infrastructure Bond revenues be loaned to the Authority or used as a loan guarantee to secure a short-term private loan for this purpose;

**WHEREAS**, the proposed State loan or loan guarantee would be retired upon the sale of construction bonds following completion of Phase 2, thereby relieving the State of any financial obligations for construction or operation of the Orangeline High Speed Maglev;

**WHEREAS**, the Authority's Proposal and Application would have positive impact on the \$19 billion State Infrastructure Bond program by leveraging Bond revenues to attract an additional \$19 billion in private investment to essentially double the size of the transportation improvement program to be funded from Bond revenues and private investments;

**WHEREAS**, the Orangeline High Speed Maglev would provide significant transportation, air quality and economic benefits to the State over the first 50 years of operation, estimated to be valued as follows:

Orangeline High Speed Maglev Benefits	
Project Surplus	\$23,312,080,297
Operating Reserves	\$2,000,132,327
Station Area Improvements & Feeder Services	\$21,116,691,148
Investor Interest Earnings	\$23,359,337,310
Rider Cost Savings	\$3,113,357,602
Rider Delay Savings	\$29,217,442,288
Total Surplus	\$91,285,485,109
Emission Savings	\$6,025,162,484
Reduction in Gasoline Consumption (gallons)	2,549,314,071
Annual Reduction in NOx & CO <sub>2</sub> Emissions (tons in 2027)	744,985

**NOW, THEREFORE,** the Authority Board of Directors of the Orangeline Development Authority does hereby resolve as follows:

**SECTION 1.** The Authority Board of Directors urges the Gateway Cities Council of Governments to adopt a resolution in support of the Proposal and Application submitted on November 21, 2006 to the California Transportation Commission.

**SECTION 2.** The Authority Board of Directors urges that the adopted resolution be submitted to the California Transportation Commission, with copies to Governor Schwarzenegger and to the members of the State Legislature.


**SECTION 3.** The Authority Board of Directors urges that the Gateway Cities Council of Governments encourage its member cities to adopt and forward similar resolutions to the Governor and Legislature.

The Secretary shall certify to the adoption of this Resolution.

**APPROVED AND ADOPTED** this 9th day of May 2007.

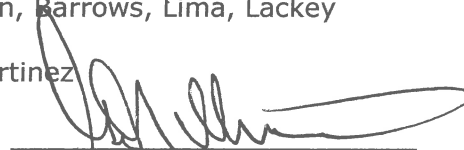
  
SCOTT A. LARSEN, Chairman

ATTEST:

  
GARY MILLIMAN, Secretary

I HEREBY CERTIFY that the foregoing Resolution was adopted by the Board of Directors of the Orangeline Development Authority at a regular meeting held on the 9th day of May 2007, by the following vote, to wit:

AYES: Board Members: Larsen, Edgar, Cartozian, McLean, Davila, McCormick,  
Gurule, Martin, Barrows, Lima, Lackey  
NOES: Board Members: None  
ABSENT: Board Members: Guerrero, Martinez

  
GARY MILLIMAN, Secretary