

The following resolution was offered by Representative St. Germain and unanimously approved:

#### LOUISIANA TRANSPORTATION AUTHORITY

A resolution directing the Department of Transportation and Development and the Toll Road Consultant to continue to develop recommendations for the LA1 Toll Road Project; providing for certain payments and authorizing the execution of Supplement No. 3 to the Cooperative Endeavor Agreement; and providing for other matters in connection with the foregoing.

WHEREAS, the Louisiana Transportation Authority (the "Authority") issued its (i) \$78,350,000 of LA 1 Project Senior Lien Toll Revenue Bonds, Series 2005A; (ii) \$16,313,286.35 of LA 1 Project Senior Lien Toll Revenue Capital Appreciation Bonds, Series 2005B; (iii) \$66,000,000 of LA 1 Project Subordinate Lien Toll Revenue Bond Anticipation Notes, Series 2005; and (iv) \$66,000,000 of Louisiana Transportation Authority LA 1 Project Subordinate Lien Toll Revenue Bonds (TIFIA - No. 2005-002) TIFIA Bond (collectively, the "Series 2005 Obligations") under a Master Indenture of Trust dated as of April 1, 2005, as amended and supplemented to the date hereof (the "Indenture"), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as Trustee; and

WHEREAS, capitalized terms used in this resolution and not specifically defined herein shall have the meanings assigned thereto in the Indenture; and

WHEREAS, the Series 2005 Obligations are secured by the Trust Estate, which includes, among other things, the Tolls for the use of the two-lane bridge over Bayou Lafourche with interchanges and connection roads immediately north and south of Leesville, Louisiana, and including a two-lane elevated highway from Leesville south to Port Fourchon (the "LA1 Toll Road"); and

WHEREAS, Section 6.3 of the Indenture requires the Authority to collect Tolls in each calendar year in sufficient amounts so that debt service coverage on the Series 2005 Obligations is equal to at least (i) 120% of the debt service due on the Senior Lien Bonds in such calendar year and (ii) 110% of the debt service due on the Series 2005 Obligations due in such calendar year (the "Rate Covenant"); and

WHEREAS, the Indenture further requires that a Toll Road Consultant be engaged to deliver a written report to the Authority and the Trustee containing the results of the study, and recommendations as to the actions required in order to comply with the Rate Covenant; and

WHEREAS, due to issues with the electronic toll collection system, sufficient Tolls have not been collected in order to meet the debt service coverage requirements of the Indenture for the Series 2005 Obligations in prior years; and

WHEREAS, in compliance with Section 6.3 of the Indenture, URS (the "Toll Road Consultant") was engaged as the Toll Road Consultant, and the Authority accepted the LA 1 Toll Road Consultant Report on May 19, 2011; and

WHEREAS, the Department of Transportation and Development ("DOTD") and the Authority entered into the DOTD Cooperative Endeavor Agreement dated as of April 1, 2005, as supplemented, under which the DOTD is responsible for, among other things, providing the systems for the collection of tolls and operating and maintaining the LA 1 Toll Road, and the DOTD is the appropriate entity to carry out the recommendations

of the Toll Road Consultant; and

WHEREAS, the DOTD and the Authority entered into Supplement No. 2 to Cooperative Endeavor Agreement dated May 19, 2011 ("Supplement No. 2"); and

WHEREAS, pursuant to such Supplement No. 2, DOTD agreed to make payments from the State's Transportation Trust Fund to supplement the Tolls by depositing before June 1 and December 1, 2011, into the Revenue Fund created under the Indenture an amount of monies equal to the uncollected Tolls due to the failure of the toll collection system to meet industry standards, which monies, together with the collected Tolls, are expected to be sufficient to enable the Authority to meet the aforesaid Rate Covenant; and

WHEREAS, DOTD made a transfer of \$1,413,890.29 on May 20, 2011 to the Authority for the lost Tolls for calendar years 2009 and 2010; and

WHEREAS, DOTD made a transfer of \$830,235.89 on January 10, 2012 to the Authority for the lost Tolls for calendar year 2011; and

WHEREAS, as a result of such transfers and expected improved toll collections, the Rate Covenant was met for calendar year 2011, and the Authority expects that the Rate Covenant will be met for calendar year 2012; and

WHEREAS, the Toll Road Consultant has completed the LA 1 Toll Consultant Report 2012 Update dated July 27, 2012 wherein the Toll Consultant has stated that a eighty-eight percent (88%) increase in the toll schedule above the already built-in twenty percent (20%) increase must be implemented on January 1, 2013 in order for toll revenue collections to be sufficient to meet the debt service requirements; and

WHEREAS, the economic impact study in the Toll Consultant Report has forecasted that for every \$1,000,000 increase in toll revenue there will be a resulting \$450,000 for forty-five percent (45%) decrease in the personal and sales tax collections from Grand Isle and Port Fourchon; and

WHEREAS, the Toll Road Consultant has recommended that the proposed schedule of toll rates not be implemented until after exploring all options and the other recommendations in the Toll Consultant Report have been completed; and

WHEREAS, DOTD, on behalf of the Authority, submitted a Letter of Interest (LOI) to the USDOT Transportation Infrastructure Finance Innovation Act (TIFIA) Program Office on October 12, 2012 for a new TIFIA loan that would consolidate the senior lien bonds and the existing TIFIA loan into a single TIFIA loan (the "Consolidated TIFIA Loan") whereby the toll revenue generated by the existing toll schedule would be sufficient to pay the debt service and provide sufficient coverage; and

WHEREAS, even if the Consolidated TIFIA Loan is not approved, the Authority desires to continue to evaluate all options regarding a restructuring of the Series 2005 Obligations, explore alternative revenue sources that could supplement the Tolls and continue to monitor improved Toll collections to determine more realistically the need for additional revenue and during such time, the DOTD desires to make up any shortfalls in the Tolls needed to assure compliance with the Rate Covenant and therefore, the Authority desires to execute Supplement No. 3 to the Cooperative Endeavor Agreement with the DOTD;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Louisiana Transportation

Authority (the "Authority") as follows:

SECTION 1. That the Authority will delay the January 1, 2013 implementation of the LA 1 Toll Road Consultant recommended schedule of toll rates that raises tolls above the already built-in increase until after the recommendations in the LA 1 Toll Consultant Report have been completed, including the long-term refinancing of the debt or until January 1, 2015 whichever is earlier.

SECTION 2. That the Authority further directs the DOTD to seek non-Transportation Trust Funds through the legislative process to pay to the Trustee any shortfall in toll revenue for calendar year 2013 or 2014 in the event that there is insufficient toll revenue to achieve the debt service requirements as specified in the Rate Covenant. Accordingly, Supplement No. 3 to the Cooperative Endeavor Agreement is hereby authorized to be executed by the Chairman and the Secretary-Treasurer of this Board of Directors substantially in the form presented at this meeting, and the signatures of said Chairman and Secretary-Treasurer on Supplement No. 3 are deemed to be conclusive evidence of the due exercise of the authority vested in them hereunder.

SECTION 3. That the Authority directs the DOTD to communicate to the public through the appropriate media that the already built-in increase in the toll schedule will take effect on January 1, 2013.

SECTION 4. That this resolution shall be placed on file in the office of the Authority and shall be available for public inspection immediately upon adoption in accordance with State law.

SECTION 5. That this resolution shall take effect immediately.

And the resolution was declared adopted by the Authority on this 21 day of December, 2012.

  
Secretary-Treasurer

  
Chairman

STATE OF LOUISIANA

PARISH OF EAST BATON ROUGE

I, the undersigned Secretary-Treasurer of the Board of Directors of the Louisiana Transportation Authority (the "Authority"), do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by said Board of Directors on December 21, 2012 directing the Department of Transportation and Development and the Toll Road Consultant to continue to develop recommendations for the LA1 Toll Road Project; providing for certain payments and authorizing the execution of Supplement No. 3 to the Cooperative Endeavor Agreement; and providing for other matters in connection with the foregoing.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said Authority at Baton Rouge, Louisiana, on this 21 day of December, 2012.

  
Secretary-Treasurer

[SEAL]