



Metro

Metropolitan Transportation Authority

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JULY 11, 2012

TO: BOARD OF DIRECTORS (Distributed by Email)

THROUGH: ARTHUR T. LEAHY *by [signature]*
CHIEF EXECUTIVE OFFICER

FROM: TERRY MATSUMOTO *[signature]*
CHIEF FINANCIAL SERVICES OFFICER AND TREASURER

SUBJECT: REFUNDING OF PROP A BONDS

ISSUE

Bond counsel requires that the preliminary official statement ("POS") and the Invitation to Tender Bonds for the refunding of Prop A bonds be provided to Board members so that they may review the documents to ensure they provide an accurate and complete description of Metro.

DISCUSSION

At the July 2012 meeting, the Board will be requested to authorize the refunding of the Prop A 2003-A and Prop A 2003-B Bonds. Two refunding strategies are proposed to optimize the savings, a tender process and forward delivery bonds. As part of the authorization, the Board will be approving documents for the refunding. A full set of the documents being approved will be available with the Board Secretary for review.

NEXT STEPS

- Distribute the Invitation to Tender Bonds to current bondholders
- Distribute the POS to potential investors
- Initiate the pre-marketing efforts for the tender and forward bond sales.
- Obtain credit ratings on the bonds.
- Price tender solicitation, price and deliver current refunding bonds.
- Price and have document closing for sale of forward refunding bonds to be delivered in April 2013

ATTACHMENTS

- A. Draft Preliminary Official Statement
- B. Invitation to Tender Bonds

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