

Date: January 24, 2024
W.I.: 1254
Referred by: BATA Oversight

ABSTRACT

BATA Resolution No. 174

This resolution authorizes the issuance of up to seven hundred fifty million dollars (\$750,000,000) in additional bonds, in one or more series, to finance Authority projects and purposes, the issuance of refunding bonds, in one or more series, the development, update and publication from time-to-time of one or more official statements relating to the Authority and its bonds, the taking of various actions in connection with the Authority's outstanding bonds, swaps, reimbursement agreements, escrow agreements and indentures, including approving certain indenture amendments and the seeking of any required bondholder consent, the execution and delivery of related bond, swap, credit, liquidity and disclosure documents, the reimbursement of certain expenditures in connection with Regional Measure 2 Projects, Regional Measure 3 Projects, and the Bridge Rehabilitation Program, and all necessary actions in connection therewith.

Discussion of this action is contained in the Executive Director's accompanying Memorandum, dated January 10, 2024.

Date: January 24, 2024
W.I.: 1254
Referred by: BATA Oversight

BAY AREA TOLL AUTHORITY
RESOLUTION NO. 174

WHEREAS, pursuant to a Master Indenture, dated as of May 1, 2001, as amended and supplemented (the “Master Indenture”), the Bay Area Toll Authority (the “Authority”) has outstanding \$5,896,461,000 principal amount of toll bridge revenue bonds (together with any bonds subsequently issued pursuant to the Master Indenture as authorized under this Resolution, the “Senior Bonds”) and, pursuant to its Subordinate Indenture, dated as of June 1, 2010, as amended and supplemented (the “Subordinate Indenture”), the Authority has outstanding \$3,569,855,000 principal amount of subordinate toll bridge revenue bonds (together with any bonds subsequently issued pursuant to the Subordinate Indenture as authorized under this Resolution, the “Subordinate Bonds”); and

WHEREAS, the Authority has determined to authorize the issuance of up to an additional seven hundred fifty million dollars (\$750,000,000) principal amount of toll bridge revenue bonds, as additional Senior Bonds, additional Subordinate Bonds or any combination thereof (collectively, the “Additional Bonds”), bearing either taxable or tax-exempt, fixed or variable interest rates, or any combination thereof; and

WHEREAS, the Authority desires now to authorize the issuance, sale, execution and delivery of such Additional Bonds in one or more series from time-to-time on a current delivery or on a forward delivery or delayed delivery basis as set forth herein to (i) provide funding for the Authority’s authorized projects and purposes, including as authorized pursuant to Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code and the provisions of the Revenue Bond Law of 1941 applicable to the Authority, or (ii) refund any outstanding Subordinate Bonds as Senior Bonds; and

WHEREAS, the Authority has entered into a Reimbursement Agreement dated as of October 16, 2014, as amended from time to time (the “2014 Reimbursement Agreement”) under which certain banks provide credit and/or liquidity support for a portion of the Authority’s variable rate demand Senior Bonds, and it may be in the best interests of the Authority to amend, restructure, replace or terminate the 2014 Reimbursement Agreement; and

WHEREAS, the Authority has entered into certain Reimbursement Agreements dated March 21, 2023 (the “2023 Reimbursement Agreements” and, together with the 2014 Reimbursement Agreement, the “Reimbursement Agreements”) under which Barclays Bank PLC provides credit and/or liquidity support for a portion of the Authority’s variable rate demand Senior Bonds, and it may be in the best interests of the Authority to amend, restructure, replace or terminate the 2023 Reimbursement Agreements; and

WHEREAS, it may be in the best interests of the Authority from time to time to issue (i) refunding Senior Bonds (the “Senior Refunding Bonds”) to refund outstanding Senior Bonds and related obligations, or (ii) refunding Subordinate Bonds (the “Subordinate Refunding Bonds” and together with the Senior Refunding Bonds, the “Refunding Bonds”) to refund outstanding Senior Bonds or Subordinate Bonds and related obligations, in each case pursuant to Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code and Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 et seq.), as applicable; and

WHEREAS, the Authority desires now to authorize the issuance, sale, execution and delivery, on a current delivery or forward delivery or delayed delivery basis, of Refunding Bonds in one or more series from time to time as set forth herein; and

WHEREAS, it may be in the best interests of the Authority to convert outstanding Bonds that are variable rate demand bonds to another interest rate mode or modes; and

WHEREAS, the Authority has outstanding interest rate swaps in the aggregate notional amount of \$1,440,000,000 (the “Outstanding Notional Amount”), and it may be in the best interests of the Authority to amend, novate, restructure, replace or terminate any or all of the related

interest rate swap agreements, in whole or in part, or adhere to industry protocols, including for purposes of the transition to an alternative reference rate, including a tenor spread adjustment; and

WHEREAS, it may be in the best interests of the Authority to enter into additional reimbursement agreements, credit or liquidity support agreements or interest, and asset or other swap agreements; and

WHEREAS, it may be in the best interests of the Authority to purchase outstanding Senior Bonds and/or Subordinate Bonds, including in connection with a tender offer or bond exchange (“Tender or Exchange”); and

WHEREAS, in connection with any Tender or Exchange, the Authority desires to authorize the use of one or more dealer manager agreements (the “Dealer Manager Agreement”) with one or more dealer managers; and

WHEREAS, the Authority has entered into, and may in the future enter into, escrow agreements (“Escrow Agreements”) relating to Senior Bonds or Subordinate Bonds; and

WHEREAS, it may be in the best interests of the Authority to cause the investment or reinvestment of funds deposited pursuant to the Escrow Agreements; and

WHEREAS, the Authority has deposited cash into each Reserve Fund (and the subaccounts created therein), established under the Senior Indenture and the Subordinate Indenture, respectively; and

WHEREAS, it may be in the best interests of the Authority to obtain one or more Reserve Facilities in accordance with the Senior Indenture and the Subordinate Indenture, respectively, and to deposit such Reserve Facilities into each Reserve Fund to replace all or a portion of such cash deposits; and

WHEREAS, it may be in the best interests of the Authority to seek bondholder consent for certain amendments to the Senior Indenture or the Subordinate Indenture and to undertake certain amendments to the Senior Indenture or the Subordinate Indenture that do not require bondholder consent; and

WHEREAS, in connection with certain amendments to the Senior Indenture, the Authority desires to authorize the execution and delivery of one or more supplemental indentures (the “Amendments”), a form of which has been prepared and presented to the Authority; and

WHEREAS, the Authority expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with Regional Measure 2 Projects, Regional Measure 3 Projects, and the Bridge Rehabilitation Program (collectively, the “Projects”) prior to the issuance from time to time of bonds and other obligations for the purpose of financing such expenditures associated with the Projects on a long-term basis; and

WHEREAS, Section 1.150-2 of the U.S. Treasury Regulations requires the Authority to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent borrowing; and

WHEREAS, pursuant to Resolution No. 145, adopted on February 22, 2023, the Authority declared its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent borrowing consisting of bonds or other obligations issued after February 22, 2023, in an aggregate principal amount not expected to exceed two billion dollars (\$2,000,000,000) for the Projects and that proceeds of such bonds and other obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, to facilitate the offering and sale of Additional Bonds and Refunding Bonds (which are hereinafter referred to collectively as the “Bonds”) and the remarketing of Bonds that are variable rate bonds, there has been prepared and presented to the Authority proposed forms of official statements or reoffering circulars together with a proposed form of Appendix A to the official statements or reoffering circulars relating to the Authority (collectively, the “Official Statement”), and, in compliance with federal securities laws, the Authority expects to update the Official Statement in connection with, and to reflect the terms and conditions of, the issuance of the Bonds, or the remarketing of Bonds, including any Bonds, that are variable rate bonds being converted to a new interest rate period, mode or modes, or due to a change in credit or liquidity facility; and

WHEREAS, in compliance with California Government Code Section 5852.1, the Authority has obtained from its financial advisor good faith estimates with respect to the Bonds which are attached as part of the staff report provided in connection with this Resolution and available to the public at this meeting; now therefore be it

RESOLVED, that the Authority finds that the foregoing recitals are true and correct and that capitalized terms defined in the Master Indenture or the Subordinate Indenture that are used but not otherwise defined in this Resolution shall have the meanings assigned to such terms therein, as applicable; and be it further

RESOLVED, that the Authority hereby authorizes the issuance, sale, execution and delivery (including by bond exchange), from time-to-time, of Additional Bonds in one or more series and in one or more public offerings or private placements in accordance with the terms of the Master Indenture, the Subordinate Indenture and Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code, and Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 et seq.), as applicable, bearing either taxable or tax-exempt fixed interest rates or variable interest rates, including interest rates that change over the life of such bonds according to a schedule or the tax status of the bonds, or any combination thereof, to:

- (1) fund Authority projects and permitted reserves, including without limitation, constructing, improving or equipping any of the bridges, or any of the purposes authorized by Chapters 4, 4.3 or 4.5 of Division 17 of the California Streets and Highways Code, and to reimburse the Authority for its prior payment of such costs and to refund any outstanding Subordinate Bonds with Senior Bonds;
- (2) increase the amount on deposit in the reserve fund under the Master Indenture as necessary to meet the requirements of the Master Indenture or fund any reserve fund contribution under the Subordinate Indenture;
- (3) pay the costs of issuance of the Additional Bonds (including, without limitation, dealer manager fees, information agent and tender agent fees, DTC fees, retail broker solicitation fees, and surety, insurance, liquidity and credit enhancements costs, such

as reserve fund deposits, and swap-related payments), provided that the underwriters' discount (excluding any original issue discount) shall not exceed 0.75% of the aggregate principal amount of tax-exempt Additional Bonds issued and 0.75% of the aggregate principal amount of taxable Additional Bonds issued and other costs of issuance (excluding surety, insurance, liquidity and credit enhancements costs, such as reserve fund deposits, and any costs relating to swaps) shall not exceed 2.00% of the aggregate principal amount of the Additional Bonds issued; and

- (4) pay any swap-related costs, legal or financial advisor fees, credit or liquidity support costs or other costs or payments as are determined to be necessary or desirable by the Executive Director or the Chief Financial Officer in carrying out the purposes of this Resolution;

provided, however, that

- (A) the aggregate principal amount of Additional Bonds issued pursuant to the foregoing authorization shall not exceed seven hundred fifty million dollars (\$750,000,000); and

- (B) the Additional Bonds authorized hereby shall not be issued after April 1, 2025 without further authorization by the Authority; provided that, Additional Bonds issued on a forward delivery or delayed delivery basis are permitted to be issued and delivered after April 1, 2025 so long as the forward delivery or delayed delivery purchase contract or other sale agreement is executed prior to April 1, 2025; and be it further

RESOLVED, that the Authority hereby authorizes the issuance, sale, execution and delivery (including by bond exchange), from time-to-time, of Refunding Bonds to refund from time to time outstanding Senior Bonds, outstanding Subordinate Bonds and related obligations, as applicable, in one or more series and in one or more public offerings or private placements in accordance with the terms of the Master Indenture, the Subordinate Indenture, Chapter 4, Chapter 4.3 and Chapter 4.5 of Division 17 of the California Streets and Highways Code, and Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 et seq.), as applicable, bearing either taxable or tax-exempt fixed interest rates or

variable interest rates, including interest rates that change over the life of such bonds according to a schedule or the tax status of the bonds, or any combination thereof, to pay (collectively, the “Bond Refunding Costs”):

- (1) the principal or redemption price of outstanding Senior Bonds, outstanding Subordinate Bonds and related obligations to be refunded, as applicable;
- (2) all expenses incident to the calling, retiring or paying of such Senior Bonds, Subordinate Bonds and related obligations, as applicable, and the costs of issuance of such Refunding Bonds (including, without limitation, dealer manager fees, information agent and tender agent fees, DTC fees, retail broker solicitation fees, and surety, insurance, liquidity and credit enhancements costs, such as reserve fund deposits, and swap-related payments), provided that the underwriters’ discount (excluding any original issue discount) or underwriting fee shall not exceed 0.75% of the aggregate principal amount of tax-exempt Refunding Bonds issued and 0.75% of the aggregate principal amount of taxable Refunding Bonds issued, and other costs of issuance (excluding surety, insurance, liquidity and credit enhancements costs, such as reserve fund deposits, and any costs relating to swaps) shall not exceed 2.00% of the aggregate principal amount of Refunding Bonds issued; and
- (3) interest on all outstanding Senior Bonds, outstanding Subordinate Bonds and related obligations, as applicable, to be refunded to the date such Senior Bonds, Subordinate Bonds and related obligations will be called for redemption or paid at maturity; and
- (4) interest on the Refunding Bonds from the date thereof to the date of payment or redemption of the Senior Bonds, Subordinate Bonds and related obligations, as applicable, to be refunded;

provided, however, that:

- (A) the net present value economic benefit threshold of 3% set forth in MTC Resolution No. 4265 (as it may be amended, supplemented or replaced from time to time, the “Debt

Policy”) shall apply to such refundings unless the Chief Financial Officer and the Executive Director (all references herein to the Executive Director shall be deemed to include any interim or acting executive director and any Deputy Executive Director designated by the Executive Director should the Executive Director not be available) determine (with the advice of the Authority’s financial advisor) that it is in the best interests of the Authority to proceed with one or more refundings with a lower threshold to achieve other Authority objectives, including, without limitation, improving the Authority’s debt service profile in light of the Authority’s overall portfolio of debt and invested assets, reducing exposure to liquidity costs or other variable rate risks, or making changes in covenants, redemption or conversion provisions applicable to such bonds or related credit or liquidity support agreements or swaps, such as the refunding of outstanding Senior Bonds or Subordinate Bonds becoming subject to mandatory or optional redemption or tender in connection with the expiration of any interest rate period; and

(B) the maximum principal amount of Refunding Bonds authorized in this Resolution shall not exceed the amount necessary to pay the Bond Refunding Costs; and

(C) the Refunding Bonds authorized hereby shall not be issued after April 1, 2025 without further authorization by the Authority; provided that, Refunding Bonds issued on a forward delivery or delayed delivery basis are permitted to be issued and delivered after April 1, 2025 so long as the forward delivery or delayed delivery purchase contract or other sale agreement is executed prior to April 1, 2025; and be it further

RESOLVED, that subject to the foregoing, the series designations, dates, maturity date or dates (not to exceed 40 years from their date of issuance in the case of tax-exempt Bonds and 50 years from their date of issuance in the case of taxable Bonds), interest rate or rates, denominations, terms of redemption, and other terms of each series of Bonds shall be as provided in one or more supplemental indentures to the Master Indenture or the Subordinate Indenture providing for the issuance of such series of Bonds as executed and delivered by the Executive Director or the Chief Financial Officer, provided that the true interest cost for fixed interest rate Bonds may not exceed 5.50% per annum for additional tax-exempt Senior Bonds, 5.50% per annum for additional tax-

exempt Subordinate Bonds, and 6.25% per annum for additional taxable Bonds, and the interest rate for variable interest rate Bonds may not exceed 12% per annum except with respect to any variable interest rate Bonds that are held pursuant to a letter of credit, line of credit, standby purchase agreement, revolving credit agreement or other credit arrangement pursuant to which credit or liquidity support is provided for Bonds, pursuant to which the interest rate or rates shall not exceed 15% per annum; and be it further

RESOLVED, that the method of determining the interest rate or rates on variable interest rate Bonds, the terms of tender and purchase of Bonds, and the other terms of variable interest rate Bonds shall be as specified in a supplemental indenture to the Authority's Master Indenture or Subordinate Indenture, in substantially the form of a supplemental indenture executed by the Authority in the past pursuant to the Master Indenture or the Subordinate Indenture, in each case with such additions thereto and changes therein (including, without limitation, additions or changes necessary or desirable to accommodate private placements of such Bonds on parity with the Senior Bonds or the Subordinate Bonds or to establish terms and conditions relating to the issuance of fixed interest rate Bonds having interest rates that change over the life of the bonds according to a schedule or the tax status of the bonds, or additional put or index bond or other structures, with or without liquidity or credit support) as the Executive Director or Chief Financial Officer executing the same, with the advice of General Counsel to the Authority and bond counsel to the Authority, may approve (such approval to be conclusively evidenced by the execution and delivery of the supplemental indenture); and be it further

RESOLVED, that with respect to the issuance of Additional Bonds the Authority hereby determines, pursuant to Section 3.01(B)(2) of the Master Indenture, based on the calculations in Attachment A to this Resolution, that the ratio of (A) projected Net Revenue for each of the next three Fiscal Years, commencing with the Fiscal Year ending June 30, 2025, to (B) Maximum Annual Debt Service on the Senior Bonds (and Parity Obligations), including such Additional Bonds that are authorized to be issued pursuant to this Resolution as Senior Bonds (or Parity Obligations), in the aggregate principal amount of seven hundred fifty million dollars (\$750,000,000) will not be less than 1.50:1, and the Authority hereby directs an Authorized Representative (as defined in the Master Indenture) to update such calculation as of the actual date

of sale of each series of the Additional Bonds that are issued as Senior Bonds to reflect the actual amount of Additional Bonds being sold, and to proceed with the issuance pursuant to the Master Indenture only if the ratio of (A) projected Net Revenue for each of the next three Fiscal Years, to (B) Maximum Annual Debt Service on the Senior Bonds (and Parity Obligations), including the actual amount of Additional Bonds (or Parity Obligations) being sold as Senior Bonds (or Parity Obligations), is not less than 1.50:1 as of said date of sale; and be it further

RESOLVED, that the Authority hereby authorizes the Executive Director or the Chief Financial Officer to purchase, from time-to-time, for and on behalf of the Authority, including through broker dealers or other financial institutions to be appointed by the Executive Director or the Chief Financial Officer, any of the Authority's variable interest rate bonds on a date or dates selected by the Authority if such officer determines that it is in the best interests of the Authority to so purchase such bonds; and be it further

RESOLVED, that the Authority hereby authorizes the Executive Director or the Chief Financial Officer to purchase, from time-to-time, for and on behalf of the Authority, including through broker dealers or other financial institutions to be appointed by the Executive Director or the Chief Financial Officer, any of the Authority's outstanding fixed interest rate bonds, including without limitation in connection with an offer to tender or exchange bonds undertaken by the Authority, on a date or dates selected by the Authority, provided that the Executive Director or the Chief Financial Officer determines (with the advice of the Authority's financial advisor) that it is in the best interests of the Authority to proceed with such purchase to achieve Authority objectives, including, without limitation, improving the Authority's debt service profile in light of the Authority's overall portfolio of debt and invested assets, reducing exposure to liquidity costs or other variable rate risks, or making changes in covenants, redemption or conversion provisions applicable to such bonds or related credit or liquidity support agreements or swaps; and be it further

RESOLVED, that the Authority hereby authorizes the execution of one or more additional reimbursement, credit or liquidity support agreements (collectively, the "Credit Support Agreements"), in substantially the form of the Authority's existing Reimbursement Agreements, with such additions thereto or changes therein, including without limitation certain cross-defaults,

as the Executive Director or the Chief Financial Officer executing the same, with the advice of General Counsel to the Authority and bond counsel to the Authority, may require or approve (the approval of such additions or changes to be conclusively evidenced by the execution and delivery of each Credit Support Agreement); and be it further

RESOLVED, that the Authority hereby authorizes each of the Executive Director and the Chief Financial Officer to amend, restructure, replace, or terminate the Authority's Reimbursement Agreements, including, but not limited to, replacing one or more of the banks that issue letters of credit pursuant thereto or converting one or more series of bonds to interest rates that do not require credit or liquidity support; and be it further

RESOLVED, that the Authority hereby authorizes each Authorized Representative (as defined in the Master Indenture) to cause any variable rate Senior Bonds to be remarketed or converted to a new interest rate period or another interest rate mode or modes, including new interest rate modes not currently found in the Master Indenture and to pay related costs, including with respect to credit or liquidity support or swaps, remarketing costs, or other costs, fees or payments as are determined to be necessary or desirable by the Executive Director or the Chief Financial Officer, with the advice of the Authority's financial advisor and bond counsel, in carrying out the purposes of this Resolution; and be it further

RESOLVED, that, because the Authority's cost of funds to pay interest on Senior Bonds and Subordinate Bonds will be affected by changes in interest rates, each of the Executive Director and the Chief Financial Officer is hereby authorized, for and on behalf of the Authority, to select counterparties for and prepare, enter into, and perform contracts and arrangements permitted by California Government Code Sections 5920 through 5923 in connection with or incidental to the issuance or carrying of Senior Bonds or Subordinate Bonds, including without limitation for purposes of transitioning to alternative reference rates and making related adjustments and conforming changes and, as applicable, making amendments on a multilateral basis using industry standard methods, and the Authority hereby finds and determines that such contracts and arrangements are designed to reduce the amount or duration of payment, currency, rate, spread, or similar risk or result in a lower cost of borrowing when used in combination with the issuance or

remarketing of the Senior Bonds or the Subordinate Bonds or to enhance the relationship between risk and return with respect to the investment or program of investment in connection with, or incidental to, the contract or arrangement which is to be entered into, and each of the Executive Director and the Chief Financial Officer is hereby authorized:

- (1) to amend, restructure, replace or terminate, in whole or in part, including to replace or enter into one or more novations with respect to, existing swap agreements related to Senior Bonds and any Bonds, including for purposes of adjusting or converting any applicable index to a new or modified index;
- (2) to hedge the Authority's exposure to interest rate risk on all or any portion of the Bonds issued bearing fixed interest rates or the outstanding fixed interest rate Senior Bonds or Subordinate Bonds (including in all cases term rates and fixed interest rate spreads) by means of new interest hedging instruments, including but not limited to interest rate swaps, caps, collars and floors, provided that (i) the aggregate notional amount of such instruments shall not exceed the Outstanding Notional Amount, and (ii) the resulting variable payment obligations of the Authority shall not exceed a contractual ceiling (which may be based on an index) approved by such officer;
- (3) to hedge the Authority's exposure to interest rate risk on all or any portion of any Senior Bonds or Subordinate Bonds issued bearing variable interest rates by means of one or more new interest hedging instruments, including but not limited to interest rate swaps, caps, collars and floors, provided that (i) the aggregate notional amount of such instruments shall not exceed the Outstanding Notional Amount and (ii) the resulting fixed payment obligations of the Authority shall not exceed 4.00% per annum if the related Senior Bonds, including any Bonds, bear tax-exempt interest rates, 4.25% per annum if the related Bonds are Subordinate Bonds and bear tax-exempt interest rates, and 5.50% per annum if the related Senior Bonds or Subordinate Bonds bear taxable interest rates;
- (4) provided, that all such contracts and arrangements referred to in (1) through (3) above shall be entered into in accordance with the Authority's Debt Policy, as amended from time-to-time, after giving due consideration to the creditworthiness of the counterparties, and in accordance with previously-utilized forms of swap

documentation as guidelines for documentation, with such changes in swap documentation as shall be approved by such officer (and the amendments described in numbered paragraphs (1) and (2) above are hereby determined to be in accordance with the Authority's Debt Policy);

- (5) provided further, that each such contract or arrangement with respect to a Senior Bond heretofore or hereafter issued shall be a Qualified Swap Agreement if the Authority has received a Rating Confirmation from each Rating Agency with respect thereto and if such officer determines, for and on behalf of the Authority, that (a) the notional amount of the contract or arrangement does not exceed the principal amount of the related series of Senior Bonds or portion thereof as applicable (and in making such a determination, such officer is hereby directed to calculate notional amounts as net amounts by taking into account and giving effect to all contracts and arrangements referred to above and rounding amounts as necessary to establish that each such agreement is a Qualified Swap Agreement), (b) the contract or arrangement is intended to place the Senior Bonds on the interest rate basis desired by the Authority, that payments (other than payments of fees and expenses and termination payments, which shall be paid as set forth in the Master Indenture) thereunder shall be payable from Revenue on parity with the payment of Senior Bonds, and (c) the contract or arrangement is designed to reduce the amount or duration of payment, rate, spread, or similar risk or result in a lower cost of borrowing when used in combination with the issuance or conversion of Senior Bonds of the Authority;
- (6) provided further, that each such contract or arrangement with respect to a Subordinate Bond heretofore or hereafter issued shall be a Parity Obligation (under and as defined in the Subordinate Indenture) if such contract or arrangement is designated as a Parity Obligation in the certificate of the Authority required by Section 3.02(b) of the Subordinate Indenture; and be it further

RESOLVED, that the Authority hereby approves development and use of the Official Statement, relating to the Authority and the Senior Bonds and Subordinate Bonds that are publicly offered or remarketed, and authorizes the Executive Director and the Chief Financial Officer, and

each of them, to publish, post or disseminate (and deem final for purposes of Securities and Exchange Commission Rule 15c2-12) the Official Statement; and be it further

RESOLVED, that through the period ending April 1, 2025, the Authority hereby authorizes and delegates authority to each Authorized Representative (as defined in the Maser Indenture) to update, as required from time-to-time, the Official Statement, including without limitation Appendix A thereto, with such changes, amendments and supplements therein as are required by federal securities laws or are otherwise appropriate or desirable and approved by either of them, including changes to reflect the Authority's audited financial statements for Fiscal Years ending June 30, 2024, once they have been finalized, delivered to and accepted by the Authority, as the Authority's Official Statement and to authorize the distribution of each such Official Statement by underwriters, broker dealers, placement agents, dealer managers, information agents and tender agents, as applicable, through April 1, 2025; and be it further

RESOLVED, that the Authority hereby authorizes and delegates authority to each Authorized Representative (as defined in the Master Indenture) to update the Official Statement for any Bonds issued on a forward delivery or delayed delivery basis, including updates after April 1, 2025 if such an update is are required by federal securities laws or is a requirement under the applicable forward delivery or delayed delivery purchase contract or other sale agreement and such agreement is executed prior to April 1, 2025; and be it further

RESOLVED, that the Authority hereby authorizes and delegates authority to each Authorized Representative (as defined in the Master Indenture) to execute the Dealer Manager Agreement in substantially the form of the Dealer Manager Agreement previously executed by the Authority, with such additions thereto or changes therein as any Authorized Representative, with the advice of General Counsel to the Authority and bond counsel to the Authority, may require or approve (the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Dealer Manager Agreement; and be it further

RESOLVED, that the Authority hereby authorizes and delegates authority to each Authorized Representative (as defined in the Master Indenture) to direct the escrow agent under the Authority's Escrow Agreements to invest or reinvest any funds deposited pursuant to the

Authority's Escrow Agreements, and to amend any of the Authority's Escrow Agreements to allow for such investment or reinvestment, as applicable; and be it further

RESOLVED, that the Authority hereby authorizes and delegates authority to each Authorized Representative (as defined in the Master Indenture) to obtain one or more Reserve Facilities and to deposit such Reserve Facilities into the Reserve Fund established under the Senior Indenture or the Subordinate Indenture, respectively, in order to replace all or a portion of the cash balances therein; and be it further

RESOLVED, that the Authority hereby authorizes the execution of one or more Amendments in substantially the form presented to the Authority, with such additions thereto or changes therein as the Chief Financial Officer, with the advice of General Counsel to the Authority, bond counsel to the Authority, and the Authority's financial advisor may require or approve (the approval of such additions or changes to be conclusively evidenced by the execution and delivery of such Amendments, and delegates authority to the Chief Financial Officer to obtain consent from the owners of the Authority's Senior Bonds or Subordinate Bonds in connection with any amendments to the Senior Indenture or the Subordinate Indenture contained in the form of Amendments or otherwise, that the Chief Financial Officer, with the advice of General Counsel to the Authority, bond counsel to the Authority, and the Authority's financial advisor, determines are in the best interests of the Authority; and be it further

RESOLVED, that solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the U.S. Treasury Regulations, the Authority hereby confirms its official intent to use proceeds of bonds and other obligations issued after February 22, 2023 to reimburse itself for Reimbursement Expenditures; and be it further

RESOLVED, that the Authority hereby authorizes the Executive Director and the Chief Financial Officer, and each of them, to select the parties to and execute and deliver (and the Secretary is authorized to countersign, if necessary) each of the documents that is necessary or appropriate to effect each of the transactions contemplated hereby, including, without limitation, supplemental indentures, official statements, reoffering circulars, remarketing agreements, pricing notices, offers to tender or exchange bonds, offers to purchase bonds, tender agent agreements,

dealer manager agreements, purchase/repurchase agreements, exchange agreements, credit or liquidity support agreements, reimbursement agreements, swap agreements, escrow agreements, continuing disclosure agreements and purchase contracts, including purchase contracts on a standard delivery basis or on a forward or delayed delivery basis (all such documents are collectively the “Bond Documents”) in substantially the forms approved hereby or executed by the Authority in the past, as applicable, with such additions thereto or changes therein, including, without limitation, additions or changes necessary or desirable to accommodate forward delivery or delayed delivery bonds or the tender or exchange of bonds or private placements of bonds, or to establish terms and conditions related to the issuance of fixed interest rate Bonds having interest rates that change over the life of the bonds according to a schedule or by tax status of such Bonds, or in such other form as the officer executing the same, with the advice of General Counsel to the Authority and bond counsel to the Authority, may require or approve, the approval of such additions or changes or the approval of such other form to be conclusively evidenced by the execution and delivery of each Bond Document; and be it further

RESOLVED, that the Chair of the Authority, the Vice Chair of the Authority, the Executive Director, the Chief Financial Officer and other appropriate officers of the Authority, be and they are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all certificates, documents (including, without limitation, fee agreements), amendments, instructions, orders, representations and requests and to do any and all things and take any and all actions that may be necessary or advisable, in their discretion, to effectuate the actions that the Authority has approved in this Resolution and to carry out, consummate and perform the duties of the Authority set forth in the Bond Documents and all other documents executed in connection with the Bonds; and be it further

RESOLVED, that this Resolution shall take effect from and after its adoption.

BAY AREA TOLL AUTHORITY

Alfredo Pedroza, Chair

The above resolution was entered into by the Bay Area Toll Authority at a regular meeting of the Authority held in San Francisco, California, on January 24, 2024

Date: January 24, 2024
W.I.: 1254
Referred by: BATA Oversight

Attachment A
Resolution No. 174

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ATTACHMENT A TO BATA RESOLUTION NO. 174

Additional Senior Bonds Certificate Pursuant To Section 3.01(B) Of The Master Indenture* Additional Bonds Test calculation for proposed \$750 million of Additional Senior Bonds

		Historical ABT (\$ in 000)	Projected ABT (\$ in 000)		
Fiscal Year Ending		6/30/2023	6/30/2025	6/30/2026	6/30/2027
A	Bridge Toll Revenues ⁽¹⁾	\$807,419	\$870,770	\$929,973	\$989,832
B	Interest Earnings ⁽¹⁾	73,195	37,603	24,946	23,858
C	Other Operating Revenues ⁽¹⁾	25,562	25,818	25,947	26,077
D	Less: Operating & Maintenance Expenses ⁽¹⁾⁽²⁾	<u>3,049</u>	<u>3,801</u>	<u>3,915</u>	<u>4,032</u>
E	NET REVENUE (A + B + C)- D	\$903,127	\$930,391	\$976,951	\$1,035,734
F	Maximum Annual Debt Service after \$750 million of additional Senior Bonds issued ⁽³⁾⁽⁴⁾	\$412,243	\$412,243	\$412,243	\$412,243
G	Maximum Annual Debt Service Coverage (E / F)	2.19	2.26	2.37	2.51

(*)This table has been prepared in accordance with the requirements of the Master Indenture, dated as of May 1, 2001, as amended and supplemented (the “Senior Indenture”).

(1) BATA Financial Model Proforma.

(2) Includes payments to Caltrans for operations and maintenance expenses of the toll facilities, defined as Category B Expenses. Also includes salaries and benefits, professional fees, and miscellaneous expenses.

(3) Interest Rates as of December 6, 2023 calculated according to the Master Indenture.

(4) Maximum Annual Debt Service occurs in Fiscal Year ending June 30, 2048.