

Date: September 22, 2010
W.I.: 1254
Referred by: BATA Oversight

ABSTRACT

BATA Resolution No. 95

This resolution authorizes issuing a portion of the fixed interest rate bonds previously authorized by the Authority as variable interest rate bonds and also authorizes refunding outstanding bonds.

Discussion of this action is contained in the Executive Director's accompanying memorandum.

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BAY AREA TOLL AUTHORITY
RESOLUTION NO. 95

WHEREAS, the Bay Area Toll Authority (the “Authority”) authorized the issuance of additional toll bridge revenue bonds in the aggregate principal amount of up to \$4.0 billion (the “bonds”) in Resolution No. 92 adopted on April 28, 2010, and such bonds in the aggregate principal amount of \$1.5 billion have been issued as fixed interest rate Build America Bonds; and

WHEREAS, Resolution No. 92 authorized the issuance of all of the bonds as fixed interest rate bonds; and

WHEREAS, it may be in the best interests of the Authority to issue some or all of the remaining bonds authorized in Resolution No. 92 as variable interest rate bonds, and the Authority has decided to authorize those bonds to be issued as either fixed interest rate or variable interest rate bonds; and

WHEREAS, it may be in the best interests of the Authority to refund certain outstanding bonds; now, therefore, be it

RESOLVED, that the Authority finds that the foregoing recitals are true and correct; and be it further

RESOLVED, that in the event the Executive Director or the Chief Financial Officer (each, an “Authorized Representative”) determines that it is in the best interests of the Authority to issue some or all of the remaining bonds authorized by Resolution No. 92 as variable interest rate bonds instead of fixed interest rate bonds, the Authority hereby authorizes the issuance of such bonds as variable interest rate bonds (provided the interest rate or rates thereon may not exceed 12% per annum except with respect to any variable interest rate bonds that are held

pursuant to a Credit Support Instrument, as defined in the Authority's Subordinate Indenture dated June 1, 2010, as amended and supplemented (the "Subordinate Indenture") or as defined in the Authority's Master Indenture dated as of May 1, 2001, as amended and supplemented (the "Master Indenture"), for 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 such variable interest rate bonds, the terms of redemption, the terms of tender and purchase, and the other terms of the 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 Authority's Master Indenture, with such additions thereto and changes therein (including additional put bond or other structures, with or without liquidity or credit support) as the Authorized Representative executing the same, with the advice of General Counsel to the Authority and Orrick, Herrington & Sutcliffe LLP, bond counsel to the Authority ("Bond Counsel"), may approve (approval to be conclusively evidenced by the execution and delivery of the supplemental indenture); and be it further

RESOLVED, that the Authority hereby authorizes executing one or more new, extended or amended Credit Support Instruments supporting the variable rate bonds authorized in this Resolution and one or more new, extended or amended Credit Support Instruments (as defined in the Master Indenture) supporting variable rate bonds outstanding under the Master Indenture, in substantially the form of the Authority's existing Credit Support Instruments with such changes therein, including changes to provide for credit support in the form of one or more letters of credit, as the Authorized Representative executing the same, with the advice of General Counsel to the Authority and Bond Counsel, may approve (approval to be conclusively evidenced by the execution and delivery of each Credit Support Instrument); and be it further

RESOLVED, that the Authority hereby authorizes each of the Authorized Representatives to purchase, from time to time, for and on behalf of the Authority, any of the variable rate bonds authorized in this Resolution at a price equal to the principal amount of such bonds (plus accrued interest) on a date or dates selected by the Authority if the Authorized Representative determines that it is in the best interests of the Authority to so purchase such bonds; and be it further

RESOLVED, that in addition to the strategies authorized by Resolution No. 85 to be pursued by the Authority with respect to the Authority's variable rate demand bonds that are outstanding under the Master Indenture, the Authority authorizes refunding any such variable rate demand bonds and any fixed interest rate bonds that are outstanding under the Master Indenture with fixed interest rate bonds or variable interest rate bonds issued in accordance with Section 3.02 of the Master Indenture or Section 3.02 of the Subordinate Indenture or a combination thereof, provided that: (1) the net present value economic benefit threshold of 3% in Resolution No. 51 shall apply to each such refunding unless an Authorized Representative determines (with the advice of the Authority's financial advisor) that it is in the best interests of the Authority to proceed with the refunding with a lower threshold to achieve other project objectives such as changes in covenants by using subordinate bonds to refund senior bonds, or changing call provisions, or changing the Authority's debt service profile; (2) the principal amount of bonds authorized in Resolution No. 92 is hereby increased by the aggregate principal amount of such refunding bonds that an Authorized Representative approves, such approval to be conclusively evidenced by the execution of Authority documents delivered to the trustee under Section 3.02 of the Master Indenture or Section 3.02 of the Subordinate Indenture, as the case may be; and (3) the bond terms and other provisions and limitations set forth in Resolution No. 92 as supplemented hereby shall apply to the refunding bonds; and be it further

RESOLVED, that the Authority hereby authorizes an Authorized Representative to select the parties to and execute and deliver (and the Secretary is authorized to countersign, if necessary) each other document that is necessary or appropriate to effect each of the transactions

contemplated hereby, including, without limitation, remarketing agreements, in addition to the documents authorized in Resolution No. 92, in substantially the forms approved hereby or executed by the Authority in the past, as applicable, with such additions thereto or changes therein or in such other form as the Authorized Representative executing the same, with the advice of General Counsel to the Authority and Bond Counsel, 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 such 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, 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 (including updating the Authority's Information Statement with audited financial statements for the fiscal year ended June 30, 2010 when those audited financial statements are publicly available) to effectuate the actions that the Authority has approved in this Resolution and Resolution No. 92; and be it further

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

BAY AREA TOLL AUTHORITY

Scott Haggerty, Chair

The above resolution was entered into by the Bay Area Toll Authority at a regular meeting of the Authority held in Oakland, California, on September 22, 2010.