



Memorandum

To: Derek Hansel, Chief Financial Officer, Bay Area Toll Authority
Natalie Perkins, Director of Treasury, Bay Area Toll Authority

From: Montague DeRose and Associates, LLC

Date: April 7, 2026

Subject: **Bay Area Toll Authority Good Faith Estimates for Bonds Authorized by Resolution 197**

In January 2026, the Bay Area Toll Authority (“BATA”) Board approved Resolution 194 authorizing the 2026 Plan of Finance. A portion of this authorization included the issuance of \$750 million in new money bonds to fund bridge repair and rehabilitation and Regional Measure 3 (“RM3”) projects and to potentially allow for subordinate or second subordinate lien bonds to be refinanced on the senior lien, if that would be the most efficient refunding structure. Resolution 194 also authorized the maintenance of the current variable rate portfolio and the issuance of refunding bonds to take advantage of refunding opportunities through April 1, 2027. In February and March 2026, the Authority priced and closed on five series of bonds, including a refunding of subordinate bonds to the senior lien. This refunding required the use of \$384.51 million in new money capacity. On April 22, 2026, the BATA Board is expected to consider Resolution 197 (the “Resolution”) which will authorize BATA to issue up to \$384.51 million in additional new money bonds, allowing BATA to issue a total of \$750 million of “net” new money bonds, including the remaining authorization from Resolution 194. In accordance with Resolution 194, BATA continues to contemplate additional refundings as market conditions permit.

The Good Faith Estimates herein consist of \$450 million of Senior Lien new money green bonds to fund RM3 projects, \$150 million of Second Subordinate Lien new money bonds to finance bridge repair and rehabilitation projects and \$150 million of Second Subordinate Lien self-liquidity new money bonds to finance bridge repair and rehabilitation projects. It also consists of \$130.8 million of Senior Lien fixed rate bonds to refinance outstanding SIFMA-index bonds, and \$241.0 million of Senior Lien fixed rate bonds to refinance outstanding Build America Bonds.

Montague DeRose and Associates (“MDA”), as municipal advisor to BATA, has been asked to provide certain Good Faith Estimates related to this financing pursuant to California Government Code Section 5852.1, which requires that BATA obtain and disclose the following information:

- True Interest Cost of the bonds;
- Finance Charge of the bonds (all fees and charges paid to third parties);
- Amount of proceeds received by BATA for the sale of the bonds, less the finance charge of the bonds and any reserves and capitalized interest funded with bond proceeds; and

- Total payment amount to the final maturity of the bonds, including debt service and any fees and charges not paid with bond proceeds.

The estimates provided herein are based on the best available data to MDA and BATA as of April 6, 2026. Actual results of the contemplated transactions will be determined by market conditions at the time of pricing and other factors.

Series 2026 New Money Bonds

BATA is authorized to issue up to \$750 million of new money bonds to finance repair and rehabilitation projects and RM3 projects. Currently, BATA expects to issue \$450 million as Senior Lien fixed rate bonds, \$150 million as Second Subordinate Lien fixed rate bonds and \$150 million as Second Subordinate Lien self-liquidity bonds. The Good Faith Estimates assume estimated costs of issuance for the new money transactions of approximately \$1.1 million as well as a total underwriter’s discount of approximately \$3.00 per bond for the fixed rate bonds or approximately \$1.8 million and \$1.25 per bond for the self-liquidity bonds or approximately \$0.2 million.

Good Faith Estimates - 2026 New Money Bonds			
	Senior Lien Fixed Rate Bonds	Second Subordinate Lien Fixed Rate Bonds	Second Subordinate Lien Self-Liquidity Bonds
Par Amount	\$450 million	\$150 million	\$150 million
True Interest Cost	3.95%	4.76%	2.96%
Fees and Charges	\$2.0 million	\$0.7 million	\$0.4 million
Net Proceeds	\$495.2 million	\$154.8 million	\$149.6 million
Total Payment Amount	\$774.2 million	\$328.5 million	\$268.1 million

Series 2026 Refunding Bonds

BATA has a series of SIFMA index rate notes (Series 2001A) which is due for mandatory purchase on April 1, 2027. The Series 2001A SIFMA index rate notes become callable on October 1, 2026 and bear interest at a rate of SIFMA plus 1.25%. BATA is considering refunding the outstanding Series 2001A notes with Senior Lien fixed rate bonds. Additionally, if market conditions allow for a refunding for savings or at no cost, BATA plans to refund a portion of its outstanding Series 2009F-2 Build America Bonds to remove federal sequestration risk. The Good Faith Estimates assume estimated costs of issuance for the refunding transactions of approximately \$0.5 million as well as a total underwriter’s discount of approximately \$3.00 per bond or approximately \$1.1 million.

Good Faith Estimates - 2026 Refunding Bonds		
	Series 2001A Refunding	Series 2009F-2 Refunding
Par Amount	\$130.8 million	\$241.0 million
True Interest Cost	2.65%	3.80%
Fees and Charges	\$0.6 million	\$1.1 million
Net Proceeds	\$150 million	\$277.7 million
Total Payment Amount	\$176.5 million	\$432.3 million

Should you have any questions regarding these estimates, please contact Corey McCullough at (805) 372-0613.