

**AMENDED AND RESTATED**  
**COOPERATIVE AGREEMENT BETWEEN**  
**THE CALIFORNIA DEPARTMENT OF TRANSPORTATION**  
**AND THE BAY AREA TOLL AUTHORITY**  
**RELATING TO THE BRIDGES**

THIS AGREEMENT, IS MADE ENTERED INTO AND EFFECTIVE ON July 1, 2026, between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, hereinafter referred to as “DEPARTMENT,” and the BAY AREA TOLL AUTHORITY (BATA), hereinafter referred to as “AUTHORITY.” DEPARTMENT and the AUTHORITY may collectively be referred to herein as “PARTIES”

**DEFINITIONS**

- i. **10 TO 20 YEAR PLAN** is a comprehensive document developed by DEPARTMENT that outlines anticipated needs and projects over a 20-year period, with detailed focus on the first ten years, and updated annually. It includes non-financially constrained projects, initial high-level schedules, and cost estimates, aiming to align with the TOLL BRIDGE ASSET MANAGEMENT PLAN.
- ii. **ANNUAL BUDGET** is the AUTHORITY’S approved fiscal year operations and capital budget.
- iii. **APPROVED PROJECTS** are AUTHORITY approved projects from the list of ELIGIBLE PROJECTS that are included in the ANNUAL BUDGET. Each of such projects shall be referred to as an APPROVED PROJECT.
- iv. **APPROACHES** is that stretch of roadway between the outermost abutment and the nearest highway that is not for the exclusive use of TOLL BRIDGE traffic located within the region under the jurisdiction of the Metropolitan Transportation Commission (MTC) consistent with Streets and Highways Code section 30885.
- v. **CAPITAL IMPROVEMENT PLAN (CIP)**, developed by AUTHORITY in collaboration with DEPARTMENT, outlines and prioritizes key infrastructure projects for the BRIDGES, focusing on maintenance, upgrades, and modernization to foster safety and resilience. It provides timelines and funding needs, helping to allocate resources effectively to meet current and future demands through the operations and capital budget process.
- vi. **ELIGIBLE PROJECTS** are those projects listed in the TOLL BRIDGE PLANs that include but are not limited to capital improvements, emergency repairs, restorations, rehabilitation, and maintenance projects, affecting the TOLL BRIDGES.

- vii. **MANUAL** is the Toll Bridge Procedures Manual, which documents guidelines for CALTRANS and the AUTHORITY, jointly developed by PARTIES to define the procedures to implement/fulfil the terms of this AGREEMENT. The MANUAL will be approved by the executive director of each PARTY and will be updated from time to time as needed. The contents shall include those subjects specifically referenced within this AGREEMENT as well as others deemed necessary by the executive directors.
- viii. **TOLL BRIDGES** means the state-owned toll bridges identified in Streets and Highways Code section 30910—namely, the Antioch Bridge, Benicia-Martinez Bridges, Carquinez Bridges, Dumbarton Bridge, Richmond-San Rafael Bridge, San Francisco-Oakland Bay Bridge, and San Mateo-Hayward Bridge. “TOLL BRIDGES” also includes the APPROACHES. Each of the foregoing bridges is individually referred to as a “TOLL BRIDGE,” and collectively as “TOLL BRIDGES.”
- ix. **TOLL BRIDGE ASSET MANAGEMENT PLAN (TBAMP)** is jointly developed by the AUTHORITY and DEPARTMENT and provides a strategic guide for maintaining and operating BRIDGES. It informs stakeholders about bridge conditions, prioritizes maintenance needs, and outlines funding requirements to foster long-term safety. With inspection schedules, budgeting, and risk management strategies, it shows how resources are used to sustain bridge reliability. The TBAMP is updated every 4-6 years to reflect changing conditions and priorities.
- x. **TOLL BRIDGE PLANS** collectively refers to the TOLL BRIDGE ASSET MANAGEMENT PLAN, the 10 TO 20 YEAR PLAN, and the CAPITAL IMPROVEMENT PLAN
- xi. **TOLL COLLECTION SYSTEM** is defined as toll lane, plaza, and host toll collection equipment and systems for the TOLL BRIDGES which shall include but are not limited to software, hardware, computer equipment, lane readers, violation enforcement system, automatic vehicle classification (AVC) system, and telecommunications for these systems.
- xii. **LONG RANGE PLAN** as defined and required by SHC section 30950.3 is prepared from time to time by AUTHORITY to provide a framework for completion of projects within the jurisdiction of MTC, including but not limited to voter-approved regional measures that fund bridge rehabilitation, congestion-relief projects, seismic retrofit programs, and other regional mobility initiatives.

## RECITALS

1. AUTHORITY was created pursuant to Section 30950, *et seq.* of the California Streets and Highways Code (SHC), which transferred certain California Transportation Commission (CTC) and DEPARTMENT responsibilities for the disposition of toll revenues collected from toll bridges owned and operated by DEPARTMENT in the San Francisco Bay Area. Section 30950.4 transferred all CTC responsibilities related to the TOLL BRIDGES to AUTHORITY.
2. The respective statutory geographic limits of certain of the TOLL BRIDGES and their APPROACHES to the TOLL BRIDGES are found in the SHC and others are established by post mile or other locators as defined in original project documents. The extent of the San Francisco-Oakland Bay Bridge is defined in SHC section 30600 as the bridge and its APPROACHES; the limits of the Carquinez and Benicia-Martinez Bridges are found in SHC section 30750; the extent of the Antioch Bridge is defined in SHC section 30760; the limits of the San Mateo-Hayward and Dumbarton Bridges are defined in SHC section 30790 (the Dumbarton Bridge limits are redefined in SHC section 30792.2); and the limits of the Richmond-San Rafael Bridge are not statutorily defined. The respective statutory geographic limits of certain of the TOLL BRIDGES, and those limits established by agreement as to the Richmond-San Rafael Bridge, are delineated in Exhibit "A", attached hereto and made an express part of this AGREEMENT.
3. SHC sections 30150, 30152 and 30952 provide that DEPARTMENT shall collect tolls, operate, maintain, and provide rehabilitation of the TOLL BRIDGES, including all related toll facilities, and shall be responsible for the design, right of way acquisition, construction, and implementation of ELIGIBLE PROJECTS which may include, without limitation, capital improvements, emergency repairs and restorations, rehabilitation, and TOLL BRIDGE maintenance projects,
4. SHC section 30952 further provides that DEPARTMENT and AUTHORITY shall enter into a cooperative agreement, upon mutually agreed terms and conditions, setting forth the methodology by which DEPARTMENT will operate the TOLL BRIDGES and be responsible for the planning, design, and construction of improvements, repairs or alterations to the TOLL BRIDGES to be funded from the AUTHORITY'S toll bridge revenues. DEPARTMENT may delegate responsibility for toll collection to the AUTHORITY in the cooperative agreement.
5. DEPARTMENT and AUTHORITY first entered into a cooperative agreement pursuant to SHC section 30952 in 1998, which agreement was subsequently superseded by a new cooperative agreement on July 1, 2003, and amended on December 15, 2004, which was subsequently superseded by a new cooperative agreement on April 25, 2006, as restated and amended on June 13, 2011, July 1, 2015, July 1, 2020, and June 30, 2025 hereinafter referred to as "OLD MASTER." DEPARTMENT and AUTHORITY have agreed to replace the OLD MASTER with this AGREEMENT. Upon execution of AGREEMENT, the terms of the OLD MASTER shall be replaced by terms of the AGREEMENT, setting forth the PARTIES' respective obligations for all prospective maintenance, operational, and capital project work on the TOLL BRIDGES.

6. Under this AGREEMENT, PARTIES intend to define the terms and conditions under which an APPROVED PROJECT is developed and implemented by DEPARTMENT and reimbursed by AUTHORITY using toll revenues.
7. Pursuant to the statutory authority vested in the DEPARTMENT, including but not limited to Streets and Highways Code sections 30952, 30150, and 30152, the DEPARTMENT shall retain full responsibility for the collection of tolls, and for the operation, maintenance, repair, and rehabilitation of the TOLL BRIDGES. The DEPARTMENT shall further retain responsibility for the design, right of way acquisition, construction, and implementation of projects on the TOLL BRIDGES, other toll highway crossings, transportation facilities, and additional transportation facilities on TOLL BRIDGES. If the PARTIES mutually agree that the DEPARTMENT will delegate specific responsibilities related to the TOLL BRIDGES to the AUTHORITY, the PARTIES shall execute separate agreements. Each such agreement shall establish the terms and conditions under which the AUTHORITY shall perform the delegated responsibility to ensure that the DEPARTMENT continues to satisfy all statutory obligations assigned to it under applicable law
8. The Toll Bridge Seismic Retrofit Program was completed as of December 2019.
9. All sections of this AGREEMENT, including Recitals, Definitions and Exhibits, are enforceable.
10. This AGREEMENT supersedes and replaces the OLD MASTER and any prior agreements or memoranda of understanding between the parties relating to the TOLL BRIDGES.

## **SECTION I - ELECTRONIC TOLL COLLECTION**

### **DEPARTMENT AGREES:**

1. To cooperate with the AUTHORITY and its vendors, consultants and contractors regarding oversight and management of the operations of the electronic toll collection system customer service center (CSC) for the TOLL BRIDGES.

### **AUTHORITY AGREES:**

2. To operate, manage and maintain the operations of the electronic toll collection CSC, including, but not limited to, maintenance of the electronic toll collection customer accounts, administering service contracts in relation to these operations, identification of toll violators and the processing of toll violations, processing of customer and violation disputes, financial management including procurement of credit card processing services, reciprocal relationships with other California toll operators, the procurement of electronic toll collection transponders, and the integration of these operations with other transportation related operations.

## **SECTION II - TOLL ACCOUNTING**

### **DEPARTMENT AGREES:**

1. To cooperate with the AUTHORITY and its vendors, consultants and contractors in the AUTHORITY'S financial oversight and management of the toll revenues collected on the TOLL BRIDGES, including, but not limited to, toll accounting services.

### **AUTHORITY AGREES:**

2. To provide toll accounting services, including, but not limited to, accounting for toll revenues, preparing toll revenue and traffic reports, reconciliation of electronic toll revenues, and toll auditing.

## **SECTION III - TOLL BRIDGES OPERATIONS AND MAINTENANCE**

### **DEPARTMENT AGREES:**

1. To maintain and operate TOLL BRIDGES, including the bridge structures; the toll plaza buildings and facilities in a safe and efficient manner in accordance with applicable DEPARTMENT policies and standards for the TOLL BRIDGES, except for the TOLL COLLECTION SYSTEM which the AUTHORITY will own, maintain, repair, and operate. Operational and maintenance tasks shall include but are not limited to managing maintenance staff and all related personnel and contracts and contract employees, maintaining bridge infrastructure and equipment, obtaining necessary permits for the operation and maintenance of the TOLL BRIDGES, and generating and maintaining proper records relating to the TOLL BRIDGES. Excepting tasks related to emergency repairs performed pursuant to Article 7 of Section III, all tasks will be planned to be consistent with the ANNUAL BUDGET and the LONG RANGE PLAN for toll related costs to be reimbursed to DEPARTMENT from the Bay Area Toll Account by AUTHORITY.
2. To cooperate with the AUTHORITY and its vendors in the AUTHORITY'S maintenance, repair and replacement services for the toll lane, plaza and host toll collection equipment and systems for the TOLL BRIDGES, including, but not limited to, providing the AUTHORITY staff and its contractors (a) access to toll lane, plaza and host toll collection equipment and systems; (b) processing requests for all necessary encroachment permits; (c) administering or facilitating the transfer of any service or equipment contracts related to the maintenance of the toll lane, plaza and host toll collection equipment and systems; (d) assisting the AUTHORITY or its contractors with the closure of lanes and management of traffic to carry out maintenance activities for the toll lane, toll plaza and host toll collection equipment and systems; and (e) assisting the AUTHORITY and its contractors in the development of processes and procedures for the reporting of problems related to toll lane, plaza and host toll collection equipment and systems.

3. To provide AUTHORITY with a detailed anticipated fiscal year operations and capital budget request for the ANNUAL BUDGET; including a description of work activities and charges for Category A and Category B Maintenance expenditures as defined in SHC section 188.4; and an annual report of actual expenditures upon completion of each fiscal year; As part of the budget request, DEPARTMENT will provide AUTHORITY a description of its planned use of all toll plaza facilities for both tolled and non-tolled uses in the upcoming fiscal year. The details of this annual submittal are detailed in the MANUAL.
4. To provide AUTHORITY consistent with the MANUAL complete monthly reports of costs incurred by DEPARTMENT for bridge operations and toll collections affecting the TOLL BRIDGES for which subsequent reimbursement will be requested by DEPARTMENT. These reports will be prepared for each BRIDGE listed in SHC section 30910.
5. To inform AUTHORITY of any non-emergency activities undertaken by DEPARTMENT that may affect the operation, appearance or safety of the TOLL BRIDGES, and to provide advance notice to AUTHORITY of any DEPARTMENT activities that would require amendment to the ANNUAL BUDGET, the LONG RANGE and/or TOLL BRIDGE PLANS.
6. To take whatever actions are necessary for emergency repairs to any of the TOLL BRIDGES which have been damaged or are in immediate need and report consistent with the MANUAL to AUTHORITY as soon as possible, but not later than ten (10) working days, after any occurrence requiring the expenditure of toll funds for emergency repair on the BRIDGES.
7. Consistent with the procedure defined in the MANUAL, to request the purchase of equipment for use on the TOLL BRIDGES. The procedure will define how the cost of equipment would be shared between PARTIES where use is intended, in part, for non-tolling purposes.
8. To provide tow truck services on the TOLL BRIDGES from the State Highway Account.

AUTHORITY AGREES:

9. To allocate toll revenues consistent with AUTHORITY's ANNUAL BUDGET for TOLL BRIDGES operations and maintenance conforming with the CIP and LONG RANGE PLAN.
10. To own, operate, and provide maintenance services for the TOLL COLLECION SYSTEM. These systems shall be maintained in such a manner as to provide consistent and functional interface to the CSC system.
11. To give first priority to projects and expenditures that are deemed necessary by DEPARTMENT and AUTHORITY to preserve and protect the bridge structures of the TOLL BRIDGES as provided by SHC section 30950.3 (b).
12. To pay the DEPARTMENT's TOLL BRIDGE costs approved by the DEPARTMENT and the AUTHORITY, incurred for toll operations maintenance and support. Costs will be

compiled and computed in accordance with the DEPARTMENT's standard accounting practices and the State Administrative Manual. Such costs include, but are not limited to: maintenance of the TOLL BRIDGES and related structures, roadbeds, pavement, drainage, debris removal, landscaping, traffic guidance systems, ice control, dedicated bridge maintenance stations, maintenance training, electrical maintenance and energy.

#### **SECTION IV - TOLL BRIDGES CAPITAL IMPROVEMENT PROGRAM/PROJECTS**

##### **DEPARTMENT AGREES:**

1. To provide capital improvement recommendations and assist AUTHORITY in connection with AUTHORITY's preparation and adoption of the LONG RANGE PLAN, as required by SHC section 30950.3, and the CIP and TOLL BRIDGE ASSET MANAGEMENT PLAN, along with any subsequent amendments to said plans.
2. To prepare and update the 10 TO 20 YEAR PLAN. A description of the 10 TO 20 YEAR PLAN is included in the MANUAL.
3. To plan, design and construct APPROVED PROJECTS for the TOLL BRIDGES consistent with AUTHORITY's approved ANNUAL BUDGET.
4. To develop APPROVED PROJECT contract specifications and bid documents, invite bids and award contracts for capital improvements to the TOLL BRIDGES.
5. To provide, subject to annual State Budget Act authorization, sufficient staff resources within DEPARTMENT to assure timely implementation of APPROVED PROJECTS.
6. To maintain and provide, on a monthly basis, a current schedule of APPROVED PROJECTS funded from the Bay Area Toll Account.
7. To provide AUTHORITY with complete monthly reports of costs incurred by DEPARTMENT for APPROVED PROJECTS affecting the TOLL BRIDGES for which subsequent reimbursement will be made to DEPARTMENT by AUTHORITY. These reports will be prepared for each TOLL BRIDGE listed in SHC section 30910.
8. To provide AUTHORITY access to all project development information regarding the projects identified in the LONG RANGE and CAPITAL IMPROVEMENT PLANS including, but not limited to, project files kept in accordance with project development procedures and manuals, project initiation documents, environmental technical studies, environmental documents and plans, and specifications and estimates for the identified projects in the CAPITAL IMPROVEMENT PLAN .
9. To acquire property essential to complete APPROVED PROJECTS. Any subsequent sale of excess land, property, equipment or any other assets that were purchased with toll funds shall be reverted to the Bay Area Toll Account. Any sale of excess land requires the approval of the CTC and may be subject to reimbursing the federal government its proportional contribution, if any.

10. To perform all other activities necessary for the extended operation, maintenance, and protection of the TOLL BRIDGES, including, but not limited to, obtaining and maintaining all regulatory permits necessary to authorize those maintenance and construction activities.
11. DEPARTMENT will inform AUTHORITY of any anticipated unique or unusual DEPARTMENT activities affecting the TOLL BRIDGES as they arise.

AUTHORITY AGREES:

12. To allocate toll revenues consistent with the ANNUAL BUDGET for APPROVED PROJECTS conforming with the CIP and LONG RANGE PLAN, and to pay for the DEPARTMENT's toll-related APPROVED PROJECT costs incurred pursuant to this AGREEMENT consistent with the ANNUAL BUDGET.
13. To review, and concur with as necessary and appropriate, all project initiation documents, environmental documents, right of way agreements and project bid documents for all APPROVED PROJECTS.
14. To update the LONG RANGE PLAN, as specified in SHC section 30950.3, and when necessary other plans described in the MANUAL.
15. To give first priority to projects and expenditures that are deemed necessary by DEPARTMENT and the AUTHORITY to repair or rehabilitate the TOLL BRIDGES as provided by SHC section 30950.3 (b).
16. To assist DEPARTMENT in connection with DEPARTMENT's preparation and adoption of the Caltrans 10-20 Year Plan.
17. To collaborate with the DEPARTMENT on developing the TOLL BRIDGE ASSET MANAGEMENT PLAN, along with any subsequent amendments to said plan.

IT IS MUTUALLY AGREED:

18. Upon project completion, ownership or title to all materials and equipment constructed or installed for the operations or maintenance of the State Highway System (SHS) within SHS right-of-way, with the exception of the AUTHORITY'S TOLL COLLECTION SYSTEM, becomes the property of DEPARTMENT. The procedures to transfer ownership to the DEPARTMENT of work performed by AUTHORITY shall be included in the MANUAL.
19. To describe in the MANUAL, the PARTIES' respective roles and responsibilities for asset management along with objectives and procedures to protect and preserve TOLL BRIDGES, consistent with the TOLL BRIDGE ASSET MANAGEMENT PLAN.
20. Where an APPROVED PROJECT cannot be completed within the funding allocated in ANNUAL BUDGET, the PARTIES agree to collaborate in efforts to either

rescope the project in accordance with Caltrans Project Development Procedure Manual, or secure additional funds, when necessary to complete the APPROVED PROJECT.

## **SECTION V – PROGRAM/PROJECT FINANCIAL MANAGEMENT AND FINANCING**

### **DEPARTMENT AGREES:**

1. To cooperate with the AUTHORITY in the issuance of new or replacement bonds by AUTHORITY, including, but not limited to, developing and updating project schedules, projected cash flows and risk management plans for each of the ELIGIBLE PROJECTS identified in the CIP and LONG RANGE PLANS.

### **AUTHORITY AGREES:**

2. To manage all toll revenues, including, but not limited to, keeping full and complete accounts for toll revenues and expenses and preparing balance sheets on an annual fiscal year basis showing the financial condition of the TOLL BRIDGES. If and when necessary and at the AUTHORITY's discretion: (1) to issue toll bridge revenue bonds pursuant to SHC section 30920; and, (2) pursuant to SHC 30916(d), to increase the base toll in order to meet its obligations on any bonds or to satisfy bond covenants.
3. To maintain self-insurance of not less than \$50 million as an extraordinary loss account solely for the purpose of funding major emergency reconstruction, repair and operations of any of the TOLL BRIDGES.

### **IT IS MUTUALLY AGREED:**

4. The DEPARTMENT has a set of statutorily prescribed responsibilities, the AUTHORITY has its set of statutorily prescribed responsibilities, and, subject to delegation by DEPARTMENT pursuant to Article 5 of Section 7 of this AGREEMENT, no actions assigned herein permit either PARTY to usurp the responsibility(ies) of the other. Such responsibilities require coordination between the PARTIES to collaboratively manage financial risks. The procedures to facilitate the necessary coordination of actions involving the expenditure of toll bridge funds are documented in the MANUAL.

## **SECTION VI – PROGRAM/PROJECT BUDGETING AND INVOICING**

### **DEPARTMENT AGREES:**

1. To provide AUTHORITY, consistent with the schedule for developing DEPARTMENT's annual fiscal year budget, information necessary for AUTHORITY to adopt its ANNUAL BUDGET for operations, maintenance, repairs and construction of APPROVED PROJECTS on the TOLL BRIDGES in accord with

DEPARTMENT's statutory and contractual obligations assumed herein and AUTHORITY's approved CIP and LONG RANGE PLAN.

2. To report to the AUTHORITY the level of services that the DEPARTMENT will be able to provide if, in the judgment of the DEPARTMENT, the ANNUAL BUDGET does not provide funding adequate for the DEPARTMENT's services as defined in this AGREEMENT.
3. To cooperate fully with AUTHORITY in the annual auditing and reporting process, as well as any other audit, financial, or internal control reports that may be undertaken by AUTHORITY or DEPARTMENT relating to the Bay Area Toll Account and the TOLL BRIDGES. AUTHORITY shall issue these audit reports relative to the Bay Area Toll Account and the TOLL BRIDGES to AUTHORITY and DEPARTMENT.
4. To provide AUTHORITY a monthly request for thirty (30) days advance funding based upon the DEPARTMENT's estimate of the anticipated costs that it will incur in performance of this AGREEMENT. DEPARTMENT will provide the AUTHORITY, along with the estimate, the DEPARTMENT's published electronic fund transfer (EFT) invoice schedule. The DEPARTMENT will submit, within thirty (30) days after submission of each funding advance request, a detailed expenditure report for the charges contained therein, including project closeout adjustments within the adopted budget. Each succeeding monthly estimate will be adjusted to reflect actual costs expended and any reallocation or additional costs anticipated over that succeeding month.
5. Upon receipt of a notice of invoice discrepancy from AUTHORITY, DEPARTMENT shall review the notice and credit undisputed claims to AUTHORITY in its following invoice. If DEPARTMENT disputes any discrepancy claim, in whole, or in part, DEPARTMENT shall endeavor to notify AUTHORITY in writing within seven (7) working days of receipt of the notice of invoice discrepancy. Upon final resolution of a disputed claim, DEPARTMENT shall make the appropriate credit or debit to AUTHORITY's account and notify AUTHORITY in writing of any such action.
6. To provide to AUTHORITY a detailed fiscal year-end accounting of expended and accrued costs within sixty (60) days of the end of the fiscal year with supporting information.
7. To submit invoices for maintenance and operations expenditures within the timeframe of the fiscal year in which the charges were incurred. However, this excludes those expenditures incurred due to the actions of 3<sup>rd</sup> parties and those expenditures incurred beyond DEPARTMENT'S control, fault or negligence. AUTHORITY request for documentation for such late invoices, as called for in the MANUAL, will duly be honored by DEPARTMENT.
8. Invoices for all APPROVED PROJECT costs shall be submitted within 6 months of the project close-out date.

AUTHORITY AGREES:

9. To adopt ANNUAL BUDGET by July 1st of each fiscal year, which includes

DEPARTMENT's costs associated with operations, maintenance, toll collection, and the support and capital costs of APPROVED PROJECTS relating to the TOLL BRIDGES, which costs are funded from the Bay Area Toll Account and consistent with AUTHORITY approved CIP and the LONG RANGE PLAN. Costs are defined as including all documented direct and indirect charges together with functional and administrative overhead charges authorized by the State Administrative Manual as part of DEPARTMENT's standard accounting practice. Each budget shall be subject to regular review and revision during the year as appropriate and shall contain funds to cover unanticipated efforts to be undertaken by DEPARTMENT as may be required for the continued operation, maintenance, repair, protection and improvement of the TOLL BRIDGES.

10. To act promptly on requests by DEPARTMENT for actions necessary to implement ELIGIBLE PROJECTS contained in the Long Range and TOLL BRIDGE PLANS and for urgent unbudgeted operating or maintenance requirements affecting the ANNUAL BUDGET
11. On a monthly basis, and within four (4) working days of the receipt of DEPARTMENT's request for advance funding as described in Article 4 of this Section VI above, to electronically transfer (wire) to DEPARTMENT funds equal to the amount of eligible costs incurred or anticipated, subject to provisions of Articles 12 and 13 of Section VI of this AGREEMENT below.
12. Upon receipt of DEPARTMENT's detailed expenditure report, AUTHORITY will endeavor to notify DEPARTMENT in writing within thirty (30) days of those charges with which AUTHORITY disagrees by issuing a specific notice of discrepancy.
13. To adopt formal resolutions and any supplemental documents necessary to implement the requirements of SHC section 30950 *et seq.* and to establish detailed AUTHORITY policies and procedures applicable to the TOLL BRIDGES and the Bay Area Toll Account consistent with the terms and conditions of this AGREEMENT.
14. To act promptly on requests by DEPARTMENT for the expenditure of Bay Area Toll Account funds by DEPARTMENT in response to emergency occurrences, subject to the notification requirements of Article 5 in Section III of this AGREEMENT above.
15. To contract for annual financial audits, to be conducted by an outside independent auditor, of the financial statements of the AUTHORITY in accordance with SHC section 30961(b).

## **SECTION VII – GENERAL PROVISIONS**

1. All DEPARTMENT'S obligations and commitments under this AGREEMENT are subject to the appropriation of resources by the Legislature under the State Budget Act.
2. Nothing in this AGREEMENT is intended to create third party beneficiaries, define duties, obligations, or rights for entities not signatory to this AGREEMENT or affect

the legal liability of either PARTY to the AGREEMENT by imposing any standard of care with respect to the TOLL BRIDGES different from the standard of care imposed by law.

3. A PARTY shall not assign or attempt to assign obligations to entities not signatory to this AGREEMENT without the prior written approval of the other PARTY.
4. No failure or delay on the part of any PARTY to exercise any right under this Agreement shall be construed to be a waiver of, or acquiescence in, any breach of this AGREEMENT, nor shall it be construed as further or continuing acquiescence to any breach.
5. Pursuant to the statutory authority vested in the DEPARTMENT, including but not limited to Streets and Highways Code sections 30952, 30150, and 30152, the DEPARTMENT shall retain responsibility for the operation, maintenance, repair, and rehabilitation of the TOLL BRIDGES. This includes responsibility for the design, right of way acquisition, construction, and implementation of projects on the TOLL BRIDGES, other toll highway crossings, transportation facilities, and additional transportation facilities on TOLL BRIDGES. If the PARTIES mutually agree, the DEPARTMENT may delegate specific responsibilities for the TOLL BRIDGES to the AUTHORITY. In such case, the PARTIES shall execute separate agreements establishing the terms and conditions under which the AUTHORITY shall perform the delegated responsibility to ensure that the DEPARTMENT continues to satisfy all statutory obligations assigned to it under applicable law. Upon execution of such separate agreement(s), this AGREEMENT shall no longer govern or apply to the delegated TOLL BRIDGE project.

### **MUTUAL INDEMNITY**

- a. Neither DEPARTMENT nor any officer or employee thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by AUTHORITY under or in connection with any work, authority or jurisdiction delegated to AUTHORITY under this AGREEMENT. It is understood and agreed that AUTHORITY shall fully defend, indemnify and save harmless DEPARTMENT, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury, or any other damage sustained by a third party, occurring by reason of anything done or omitted to be done by AUTHORITY under or in connection with any work, authority or jurisdiction delegated to AUTHORITY under this AGREEMENT.
- b. Neither AUTHORITY nor any Commissioner, officer or employee thereof is responsible for any damage or liability occurring by reason of anything done or omitted to be done by DEPARTMENT under or in connection with any work, authority or jurisdiction delegated to DEPARTMENT under this AGREEMENT. It is understood and agreed that, DEPARTMENT shall defend, indemnify and save harmless AUTHORITY, its Commissioners,

officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury, or any other damage sustained by a third party, occurring by reason of anything done or omitted to be done by DEPARTMENT under or in connection with any work, authority or jurisdiction delegated to DEPARTMENT under this AGREEMENT.

6. This AGREEMENT may be amended or superseded by another agreement as necessary by mutual agreement.
7. Regular meetings will be held to fulfill the intent of this AGREEMENT. In addition, procedures for successful fulfillment of terms included in this AGREEMENT shall be jointly developed and documented by PARTIES in the MANUAL. In the event of a conflict or inconsistency between the terms of this AGREEMENT and the MANUAL, the terms of this AGREEMENT shall govern and prevail.
8. This AGREEMENT shall be subject to re-adoption as amended by the parties effective July 1, 2027, and every five (5) years thereafter. This AGREEMENT may also be amended in writing at any time by mutual consent. Each amendment must be in writing and no alteration or variation to the terms of this AGREEMENT shall be valid unless made in writing and signed by both parties. No oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.
9. No State, DEPARTMENT, or AUTHORITY funds are encumbered or allocated under this AGREEMENT.
10. The transfer of funds by AUTHORITY to DEPARTMENT as advance payments for support and capital outlay for the TOLL BRIDGES shall in no way be construed as an unconditional acceptance of such actual and proposed charges. Approval of DEPARTMENT charges by AUTHORITY will occur only after complete review of detailed program and project expenditure information in a format mutually acceptable to both DEPARTMENT and AUTHORITY.
11. **RECOVERY FROM 3<sup>RD</sup> PARTY DAMAGES**
  - a. DEPARTMENT shall pursue cost recovery in the event that a third party causes damage to state property within the TOLL BRIDGE limits. In doing so, DEPARTMENT will coordinate with AUTHORITY to ensure that recovery efforts are aligned, collaborative, and do not compromise the DEPARTMENT'S fiscal accountability or public trust.
  - b. DEPARTMENT shall reimburse AUTHORITY from the recovered costs, for any expenses incurred by AUTHORITY for repairing damage caused by third party(s).
  - c. If the DEPARTMENT elects not to pursue compensation for third party damages, the AUTHORITY may request delegation of the DEPARTMENT'S authority to seek reimbursement directly.
  - d. AUTHORITY reserves the right to pursue reimbursement from the responsible party or their insurer for any third-party incident that causes damage to the

TOLL COLLECTION SYSTEM. In doing so, AUTHORITY will coordinate with DEPARTMENT to ensure that recovery efforts are not duplicative or misaligned, and do not compromise the DEPARTMENT's fiscal accountability or public trust.

12. When disputes arise between PARTIES, they will be addressed in accordance with the dispute resolution process detailed in the MANUAL.

IN WITNESS WHEREOF, the Agreement has been executed by the parties hereto as of the day and year first written above.

STATE OF CALIFORNIA  
DEPARTMENT OF TRANSPORTATION

BAY AREA TOLL AUTHORITY

By: \_\_\_\_\_  
David Ambuehl, Acting District Director

By: \_\_\_\_\_  
Andrew B. Fremier, Executive Director

**Approved as to form and procedure:**

**Approved as to form and procedure:**

\_\_\_\_\_  
Meera Danday, Deputy Attorney  
Department of Transportation

\_\_\_\_\_  
Kathleen Kane, General Counsel  
Bay Area Toll Authority

**Certified as to budgeting of funds:**

\_\_\_\_\_  
District Budget Manager  
Department of Transportation

**Certified as to financial terms and  
Conditions:**

\_\_\_\_\_  
HQ Accounting Administrator  
Department of Transportation

Exhibit A

