

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

Resolution No. _____

**RESOLUTION OF THE SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT DECLARING
OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF
INDEBTEDNESS.**

WHEREAS, the San Francisco Bay Area Rapid Transit District (the “District”) anticipates issuing debt to help finance the Project described in Exhibit A hereto (the “Project”), and the District (and for purposes of this resolution and the Treasury Regulations referenced herein, the “Issuer”) expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project prior to the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis;

WHEREAS, the Issuer reasonably expects that debt obligations in an amount not expected to exceed \$950 million will be issued in order to finance the Project, and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures;

WHEREAS, Section 1.150-2 of the regulations promulgated by the United States Department of the Treasury (the “Treasury Regulations”) requires the Issuer to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing, if such proceeds are to be deemed spent upon the reimbursement allocation, for purposes of federal tax law;

BE IT RESOLVED by the Board of Directors of the San Francisco Bay Area Rapid Transit District, as follows:

Section 1. Recitals. All of the above recitals are true and correct and this Board of Directors so finds.

Section 2. Compliance with the Requirements of Section 1.150-2 of the Treasury Regulations. For purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations, this Board of Directors hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures. This declaration does not bind the Issuer to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. Effective Date. This resolution shall take effect immediately.

Adopted: _____ SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
CERTIFIED A TRUE COPY

District Secretary

EXHIBIT A

DESCRIPTION OF PROJECT

The Safe, Reliable and Accessible BART Capital Infrastructure Investment Program (the Project) attracts riders, stimulates transit-oriented development (TOD) and enhances the safety, security and reliability of the BART system by acquiring, renovating, replacing and upgrading critical capital infrastructure. The Project is comprised of several elements:

- Security investments, such as the acquisition and construction of a new BART Police Department Administrative Headquarters
- Communications and train control improvements, such as the implementation of a new communications-based train control system to replace BART's 50-year old fixed block system, improving service reliability and enabling more frequent trains
- Rail car procurement to expand BART's fleet
- Traction power renovation, replacement and expansion, such as new traction power substations as part of the Core Capacity Program and traction power cable replacement
- Station safety, reliability, access and accessibility improvements, such as the replacement of existing fare gates with Next Generation fare gates to deter fare evasion; the modernization of station elevators to improve reliability and availability of elevators for riders with disabilities, families, cyclists and travelers with luggage; and improvements that support the construction of transit-oriented development near BART stations
- Shop, yard and facility improvements, such as the construction of a new Fleet of the Future Maintenance Facility to maintain and overhaul rail car components on a regular schedule, rather than running rail cars to failure, and thereby avoiding potential service reliability impacts and preserving the life of the new rail cars
- Electrical and mechanical improvements, such as replacement and installation of uninterruptible power supply
- Track and structures improvements, such as interlocking replacements