



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:		DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...		GENERAL MANAGER ACTION REQ'D:	
DATE: 1/25/2022		4/20/2022		BOARD INITIATED ITEM: No	
Originator/Prepared by: Michaela Morales Dept: Finance Administration DocuSigned by: <i>Michaela Morales</i> A4260ED7FFD24F8... Signature/Date: 4/19/2022		General Counsel DocuSigned by: <i>Jana Belan</i> F8FD7B3A73E74E8... 4/19/2022 []		Controller/Treasurer DocuSigned by: <i>Chris Gan</i> EE11C8CEEEA04FD... 4/19/2022 []	
		District Secretary []		BARC DocuSigned by: <i>Pamela Herhold</i> 3BB24D65B8724F5... 4/19/2022 []	

AUTHORIZE THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS (ELECTION OF 2016), 2022 SERIES D (Green Bonds)

PURPOSE:

To request Board adoption of a resolution, which authorize the issuance and sale of not to exceed \$700 million in General Obligation Bonds (Election of 2016), 2022 Series D-1 (Green Bonds) and 2022 Series D-2 (Federally Taxable) (Green Bonds) (the "Bonds"). Furthermore, to seek Board authorization for the Interim Controller-Treasurer to (1) enter into a Bond Purchase Agreement with the Underwriters selected from the District's Underwriters Pool to provide the District with underwriting services in the issuance of the Bonds, (2) to implement the preparation, execution and delivery of the necessary documents including the Preliminary Official Statement, the Official Statement, Supplemental Trust Agreement, Bond Purchase Agreement, Continuing Disclosure Agreement and related agreements and, (3) to attend rating agency meetings and to execute "Green Bonds" certification agreements in connection with the issuance of the Bonds

DISCUSSION:

In 2022, the District intends to issue not to exceed \$700 million of voter approved General Obligation Bonds. Proceeds of the Bonds will be used to fund projects authorized by Measure RR and to pay costs of issuance of the bonds.

The proposed resolution will authorize the Interim Controller-Treasurer to negotiate the structure, financing terms and cost of issuance of the Bonds. In addition, the resolution



AUTHORIZE THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS (ELECTION OF 2016), 2022
SERIES D (Green Bonds)

authorizes the preparation, execution, and delivery of the necessary documents including the Preliminary Official Statement, Official Statement, Supplemental Trust Agreement, Bond Purchase Agreement, Continuing Disclosure Agreement and related agreements, and payment to cover the costs of issuance as well as the execution of green bond certification agreements in connection with issuance of the Bonds.

The District advertised the RFP for underwriting services to the nine members of the District's Underwriting Pool on December 9, 2021, and received nine proposals on January 6, 2022. The Selection Committee performed a technical evaluation of the proposals. The Selection Committee ranked these proposals and recommended Stifel, Nicolaus and Company, Incorporated as Senior Manager, Barclays Capital Inc. and Siebert Williams Shank & Co., LLC as Co-Senior Managers, and Citigroup Global Markets Inc. and J.P. Morgan Securities LLC as Co-Managers.

Consistent with BART Debt Policy, BART anticipates issuing the Bonds as "Green Bonds" that are "Climate Bond Certified" by the Climate Bonds Initiative under the low carbon land transport criteria established by the Climate Bonds Standard & Certification Scheme. Green Bonds typically finance projects that have positive environmental and/or climate benefits. The projects financed by the Bonds and the use of the proceeds of the Bonds to finance such projects will assist BART in providing mass transit services which are electrically powered and thus reduce the amount of carbon dioxide that would otherwise be released if BART riders used automobiles.

FISCAL IMPACT:

The District proposes to issue the Bonds, in the total principal amount not to exceed \$700 million. The cost of issuance for underwriting, legal counsel, financial advisors, rating agencies, trustee services, and other auxiliary fees is estimated not to exceed 1% of principal amount of Bonds issued and will be paid out of the proceeds.

Interest and principal on the General Obligation Bonds will be paid through ad valorem taxes assessed on all property in the three BART District counties. No General Obligation Bond debt service will be borne by District general fund revenues.

ALTERNATIVES:

The District may elect not to issue the Bonds, at this time which would mean no bond funds would be available to fund projects under Measure RR.

RECOMMENDATION:

AUTHORIZE THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS (ELECTION OF 2016), 2022
SERIES D (Green Bonds)

To authorize the issuance of the Bonds and for the Interim Controller-Treasurer to negotiate the structure, financing and cost of issuance for the Bonds and execute and deliver all documents necessary for their issuance.

MOTION:

The Board adopts the attached resolution, incorporated herein as if set forth in full, authorizing and approving the issuance and sale of not to exceed \$700 million aggregate principal amount of the Bonds, and authorizing the preparation, execution and delivery of agreements and documents in connection therewith.