Transportation Committee Agenda

Friday, June 2, 2023
9 a.m.

Welcome to SANDAG. The Transportation Committee meeting scheduled for Friday, June 2, 2023, will be held in person in the SANDAG Board Room. While Committee members will attend in person, members of the public will have the option of participating either in person or virtually.

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Public Comments: Members of the public may speak to the Transportation Committee on any item at the time the Committee is considering the item. Public speakers are generally limited to three minutes or less per person.

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Vision Statement: *Pursuing a brighter future for all*

Mission Statement: *We are the regional agency that connects people, places, and innovative ideas by implementing solutions with our unique and diverse communities.*

Our Commitment to Equity: *We hold ourselves accountable to the communities we serve. We acknowledge we have much to learn and much to change; and we firmly uphold equity and inclusion for every person in the San Diego region. This includes historically underserved, systemically marginalized groups impacted by actions and inactions at all levels of our government and society.*

We have an obligation to eliminate disparities and ensure that safe, healthy, accessible, and inclusive opportunities are available to everyone. The SANDAG equity action plan will inform how we plan, prioritize, fund, and build projects and programs; frame how we work with our communities; define how we recruit and develop our employees; guide our efforts to conduct unbiased research and interpret data; and set expectations for companies and stakeholders that work with us.

We are committed to creating a San Diego region where every person who visits, works, and lives can thrive.

Transportation Committee

Friday, June 2, 2023

Comments and Communications

1. Public Comments/Communications/Member Comments

Public comments under this agenda item will be limited to five public speakers. Members of the public shall have the opportunity to address the Transportation Committee on any issue within the jurisdiction of the Transportation Committee that is not on this agenda. Public speakers are limited to three minutes or less per person. If the number of public comments under this agenda item exceeds five, additional public comments will be taken at the end of the agenda. Subjects of previous agenda items may not again be addressed under public comment. Transportation Committee members also may provide information and announcements under this agenda item.

2. Agency Report — Discussion

Coleen Clementson, SANDAG

Deputy Chief Executive Officer Coleen Clementson will present an update on key programs, projects, and agency initiatives.

Reports

+3. Approval of Meeting Minutes — Approve

The Transportation Committee is asked to review and approve the minutes from its May 19, 2023, meeting.

May 19, 2023, Meeting Minutes.pdf

+4. TransNet Proposed 2023 Series Bond Issuance: Refunding and Swap Termination Documents for Approval — Recommend

Andre Douzdjian, SANDAG Peter Shellenberger, Public Financial Management Victor Hsu, Norton Rose Fulbright LLP Brian Forbath, Stradling Yocca Carlson and Rauth

The Transportation Committee is asked to recommend that the Board of Directors, acting as the Regional Transportation Commission (RTC), adopt Resolution No. RTC-2023-06, authorizing up to $820 million of refunding of certain outstanding bonds, termination of fixed-payer and basis swaps, and execution and distribution of the documents.

TransNet Prop 2023 Srs Bond Iss Refund and Swap Term Docs For App.pdf
Att. 1 - Memo from Public Financial Mgmt.pdf
Att. 2 - Resolution No. RTC-2023-06.pdf
Att. 3 - Draft Thirteenth Supplemental Indenture.pdf
Att. 4 - Draft Bond Purchase Agreement.pdf
Att. 5 - Draft Preliminary Official Statement.pdf
Att. 6 - Draft Continuing Disclosure Agreement.pdf
Att. 7 - Draft Dealer Manager Agreement.pdf
Att. 8 - Draft Invitation to Tender Bonds.pdf
Supporting Materials.pdf

+5. Transportation Development Act: FY 2023 Productivity Improvement Program and FY 2024 Allocations — Recommend

Ashley Wiley, SANDAG

The Transportation Committee is asked to recommend that the Board of Directors approve the eligibility of the Metropolitan Transit System and North County Transit District to receive their FY 2024 Transportation Development Act allocations of funds.

TDA Trans Dev Act FY 2023 Prod Imp Prgm and FY 2024 Alloc.pdf
Att. 1 - FY 2023 Prod Improv Perf Measures Sum.pdf
Att. 2 - FY 2023 Prod Imp Perf Measure Rslts.pdf
Att. 3 - MTS Annual TDA Claim Form (Form B).pdf
Att. 4 - NCTD Ann TDA Claim Form (Form B).pdf
Att. 5 -CTSA Perf Mon Rprt FY 2023, Quarter 2.pdf
Supporting Materials.pdf

+6. North Coast Corridor Status Update — Information

Allan Kosup, Caltrans

Caltrans Corridor Director Allan Kosup will present an update on the North Coast Corridor program.

North Coast Corridor Status Update.pdf
Att. 1 - Build NCC Project Fact Sheet.pdf
Att. 2 -Discussion Memo NCC Prgm Update May 2023.pdf
Supporting Materials.pdf

+7. Regional Medium and Heavy Duty Zero Emission Vehicle Blueprint — Information

Jeff Hoyos, SANDAG

Staff will present an update on the Blueprint and seek input on draft near- and long-term implementation strategies.

Reg Med and Heavy Dty Zero Emiss Veh Blueprnt.pdf
Supporting Materials.pdf

8. Upcoming Meetings

The next meeting of the Transportation Committee is scheduled for Friday, June 16, 2023, at 9 a.m.

9. Adjournment

+ next to an agenda item indicates an attachment

SANDAG

Transportation Committee

Item: **3**

June 2, 2023

May 19, 2023, Meeting Minutes

View Meeting Video

Chair Jack Shu (East County) called the meeting of the Transportation Committee to order at 9:06 a.m.

1. Public Comments / Communications / Member Comments

Tim Bilash, member of the public, spoke regarding public street safety and health concerns.

Alex Wong, member of the public, spoke regarding improvements to public transit infrastructure and investment in Rapid transit to improve frequency, travel times, and number of riders.

The Original Dra, member of the public, spoke regarding needed improvements to public transit including sanitation and safety.

Executive Director Gustavo Dallarda, Caltrans, spoke regarding Bike Anywhere day and opportunities for active transit.

2. Agency Report

Director of Regional Planning Antoinette Meier presented an update on key programs, projects, and agency initiatives.

The Original Dra spoke in opposition to collaboration with the United Nations.

Action: Discussion only.

Consent

3. Approval of Meeting Minutes

There were no public comments on this item.

Action: Upon a motion by Councilmember Vivian Moreno (Metropolitan Transit System), and a second by Councilmember John Duncan (South County), the Transportation Committee voted to approve the minutes from its May 5, 2023, meeting.

The motion passed.

Yes: Chair Shu, Vice Chair Raul Campillo (City of San Diego), Councilmember Moreno, Mayor Tony Kranz (North County Coastal), Port Chairman Rafael Castellanos (Port of San Diego), and Councilmember Duncan.

No: None.

Abstain: NCTD Chair Jewel Edson (North County Transit District).

Absent: San Diego County Regional Airport Authority, County of San Diego, and North County Inland.

Reports

4. Access for All Cycle 2 Call for Projects

Associate Grants Program Analyst Benjamin Gembler presented the item.

Abdi Kareem Hussein, Elite Medical Transport, spoke in support of Facilitating Access to Coordinated Transportation (FACT).

Firas Hasim, SD Med Transport, spoke in support of FACT.

Arun Prem, FACT, spoke regarding FACT funding and services.

Dan Totah, member of the public, spoke in support of FACT.

George Mavrick, member of the public, spoke in support of FACT.

Lily Irani, member of the public, spoke in support of Funding Option No. 1 and on-demand transportation options for wheelchair users that arrives within 3 hours.

The Original Dra spoke regarding the impact of sustainability and climate goals on transportation service providers and members of the public who rely on those services.

Tony San Nicholas, member of the public, spoke in support of FACT.

Blair Beekman, member of the public, spoke regarding funding of rideshare options.

Action: Upon a motion by Vice Chair Campillo and a second by Councilmember Moreno, the Transportation Committee voted to recommend that the Board of Directors approve the evaluation criteria for the Cycle 2 Access for All Grant Program Call for Projects.

The motion passed.

Yes: Chair Shu, Vice Chair Raul Campillo, Councilmember Moreno, Mayor Kranz, NCTD Chair Edson, Port Chairman Castellanos, and Councilmember Duncan.

No: None.

Abstain: None.

Absent: San Diego County Regional Airport Authority, County of San Diego, and North County Inland.

A motion was made by Vice Chair Campillo and seconded by Councilmember Moreno, to recommend that the Board of Directors approve Funding Option No. 3.

Upon a substitute motion by Councilmember Duncan and a second by Councilmember Moreno, the Transportation Committee voted to recommend that the Board of Directors approve Funding Option No. 4.

The motion passed.

Yes: Chair Shu, Vice Chair Raul Campillo, Councilmember Moreno, Mayor Kranz, NCTD Chair Edson, Port Chairman Castellanos, and Councilmember Duncan.

No: None.

Abstain: None.

Absent: San Diego County Regional Airport Authority, County of San Diego, and North County Inland.

5. TransNet Proposed 2023 Series Bond Issuance: Overview

Chief Financial Officer Andre Douzdjian and Peter Shellenberger, Public Financial Management, presented the item.

The Transportation Committee was asked to discuss the refunding of the 2008 Series A, B, C, and D variable rate debt obligations and a portion of the 2019A bonds, and termination of the swap portfolio (fixed payer and basis swaps).

Blair Beekman spoke regarding stop-gap measures to ensure continuation of service.

The Original Dra commented on the presentation and spoke regarding the cost of paratransit service vehicles.

Action: Discussion only.

6. Facilitating Access to Coordinated Transportation Update

Arun Prem, FACT presented an overview of FACT's services for the San Diego Region, asking the Transportation Committee to discuss funding options for specialized transportation.

Tim Bilash spoke suggested visual aids to assist with understanding the process, as well as options to supplement grant funding and services for rural communities.

Abdi Kareem Hussein spoke in support of FACT and ensuring that there is no disruption of services.

George Maverick spoke in support of FACT.

Dan Totah spoke in support of FACT.

Blair Beekman spoke in support of FACT and the exploration of other rideshare options.

The Original Dra in support of increased funding for FACT to allow for expanded services.

Firas Hasim spoke in support of FACT.

Action: Upon a motion by Chair Shu and a second by NCTD Chair Edson, the Transportation Committee directed staff to return with options to bridge FACT's funding gap.

Yes: Chair Shu, Vice Chair Raul Campillo, Councilmember Moreno, Mayor Kranz, NCTD Chair Edson, Port Chairman Castellanos, and Councilmember Duncan.

No: None.

Abstain: None.

Absent: San Diego County Regional Airport Authority, County of San Diego, and North County Inland.

7. Regional Plan Implementation: Advancing Blue Line and Purple Line Studies

7A. Blue Line Express Study

Associate Regional Planner Zach Hernandez presented an update on the Blue Line Express Study.

7B. Purple Line Conceptual Planning

Senior Regional Planner Cecily Taylor presented an update on the Purple Line Conceptual Planning Study.

Steve Gelb, member of the public, spoke regarding vehicle miles travelled (VMT) reduction goals and air quality improvements in communities of concern.

Jesse Ramirez, City Heights CDC, spoke in support of the studies.

Alex Wong, member of the public, spoke regarding transit frequencies and speeds.

Carolina, Environmental Health Coalition, spoke in support of the studies and regarding the urgent need for completion of both projects.

Blair Beekman spoke in support of the studies, as well as regarding the frequency of service, consideration for transit service providers such as drivers, and responsible management of technology.

The Orignal Dra spoke regarding the timeline of projects and their impact on reduction of VMT.

Action: Information only.

8. North Coast Corridor Status Update

Due to time constraints, this item was postponed to the next meeting.

9. Upcoming Meetings

The next scheduled Transportation Committee meeting is Friday, June 2, 2023, at 9 a.m.

10. Adjournment

Chair Shu adjourned the meeting at 12:13 p.m.

Attendance at Transportation Committee Meeting

Jurisdiction	Name	Member/ Alternate	Attend
San Diego County Regional Airport Authority	Mayor Esther Sanchez	Member	No
	Rafael Perez	Alternate	No
City of San Diego	Vice Chair Raul Campillo	Member	Yes
	Councilmember Marni von Wilpert	Alternate	No
County of San Diego	Supervisor Terra Lawson-Remer	Member	No
	Supervisor Joel Anderson	Alternate	No
	Supervisor Nora Vargas	Alternate	No
East County	Chair Jack Shu	Member	Yes
	Councilmember Jennifer Mendoza	Alternate	Yes
Metropolitan Transit System	Councilmember Vivian Moreno	Member	Yes
	Councilmember Marcus Bush	Alternate	No
North County Coastal	Mayor Tony Kranz	Member	Yes
	Councilmember David Zito	Alternate	No
North County Inland	Mayor John Franklin	Member	No
	Mayor Steve Vaus	Alternate	No
North County Transit District	Councilmember Priya Bhat-Patel	Member	No
	Councilmember Jewel Edson	Alternate	Yes
	Councilmember Corinna Contreras	Alternate	No
Port of San Diego	Commissioner Sandy Naranjo	Member	No
	Vice Port Chairman Rafael Castellanos	Alternate	Yes
South County	Councilmember John Duncan	Member	Yes
	Councilmember Jose Rodriguez	Alternate	No
Advisory Members			
Caltrans	Gustavo Dallarda	Member	Yes
	Ann Fox	Alternate	Yes
	Mario Orso	Alternate	No
Southern California Tribal Chairmen's Association	Erica Pinto	Member	Yes
	James Hill	Member	No

SANDAG

Transportation Committee Item: **4**

June 2, 2023

TransNet Proposed 2023 Series Bond Issuance: Refunding and Swap Termination Documents for Approval

Action: **Recommend**

The Transportation Committee is asked to recommend that the Board of Directors, acting as the Regional Transportation Commission (RTC), adopt Resolution No. RTC-2023-06, authorizing up to $820 million of refunding of certain outstanding bonds, termination of fixed-payer and basis swaps, and execution and distribution of the documents.

Fiscal Impact:

Potential Net Present Value (NPV) savings of approximately $22 million to $35 million

Schedule/Scope Impact:

The transactions are expected to close in early July.

Overview

At the May 19, 2023, Transportation Committee meeting and the May 26, 2023, Board of Directors meeting, along with SANDAG's financial advisors, staff presented a proposed refunding of all of its Series 2008 A, B, C and D variable rate demand obligations (VRDOs) with new fixed rate bonds and refunding of a portion of the Series 2019A bonds. The VRDOs are currently outstanding in the amount of $383.7 million and the 2019A bonds are outstanding in the amount of $436.2 million.

Staff also presented a proposal to terminate the existing swap portfolio that provides a qualified hedge for the variable rate debt. The swap portfolio effectively modified the variable rate debt into a "synthetic" fixed rate to protect the portfolio from potential rising interest rates. SANDAG's swap portfolio consists of three separate fixed-payer interest rate swaps totaling $383.7 million, and one basis swap (i.e., index conversion swap) totaling $255.8 million. The swaps are to be terminated on the same day the new fixed rate bonds close, with the termination costs determined on the day of bond pricing.

Key Considerations

As presented to the Transportation Committee and the Board of Directors previously, the current markets are very favorable for swap termination, enabling SANDAG to unwind the swap structure and de-risk its debt portfolio. The April 20 estimated termination cost is near its lowest point in 10 years making this an opportune time to consider a swap termination combined with a fix-out of the variable rate bonds. Furthermore, the prevailing and beneficial relationship between swap valuation rates (SIFMA and LIBOR) and tax-exempt borrowing rates make it quite possible to lower annual debt service costs through 2038. Finally, terminating the swaps also avoids the uncertainty caused by the cessation of the LIBOR index on June 30 and conversion to a replacement index based on the Secured Overnight Financing Rate (SOFR).

SANDAG has about $436.2 million outstanding on its Series 2019A bonds. The 2019A bonds refunded the Series 2012A bonds and a portion of Series 2014A bonds. Certain unique market dynamics have created a unique situation where SANDAG may be able to refund a portion of the non-callable and callable Series 2019A bonds. The strategies available include a tax-exempt tender and a refunding with an escrow to maturity for bonds that are not yet callable. The yield curve inversion and the coupling with the swap termination provide this unique opportunity to realize refunding savings on Series 2019A.

Currently, the index conversion swap would result in a payment from the counterparty to SANDAG, while the fixed payer swaps would require a payment from SANDAG to the counterparties. Taken together, there is a combined net termination cost of approximately $7.2 million as of May 23, 2023, that is expected to be offset by savings captured through the refunding itself, resulting in estimated net present value savings of $22 million to $35 million. SANDAG intends to use tax exempt proceeds to fund any termination payment, should there be a net cost to terminating the swap portfolio. It is SANDAG's objective to reduce or at least avoid any increase in post-refunding debt service costs when compared to current baseline costs including all ancillary fees.

Although savings may be modest, this strategy would allow SANDAG to lock savings that might not otherwise have ever been available. Lastly, swap termination transactions have high arbitrage yields due to the inclusion of swap termination payments in their calculation. SANDAG may be able to blend up its eligible arbitrage yield by combining the Series 2019A refunding with the swap termination under a "common plan of finance". These strategies are outlined in greater detail in Attachment 1, the memorandum from SANDAG's municipal advisor, PFM.

SANDAG has debt obligations on three separate lien levels, providing different priority of sales tax payment to investors based on their respective lien level. The Series 2008A through 2021A Bonds are senior lien obligations and are paid first. The 2021B Bonds, commercial paper and revolving credit agreement obligations are paid second as subordinate lien obligations. SANDAG's TIFIA loan is a third lien, junior subordinate lien obligation. SANDAG's potential refunding candidates discussed are the senior lien obligations. Specifically, we have identified the SANDAG Series 2008A-D and Series 2019A Bonds to refund based on current market conditions. The memo provided by PFM (Attachment 1) details the economics and refunding recommendations, which may change depending on market conditions when the Series 2023A Bonds are priced.

Responsibilities for Review

Attached to this report for review and information are the preliminary bond documents for the proposed Series 2023 Bond issuance (Attachments 3 through 8).

The Board of Directors, in its role as the San Diego County Regional Transportation Commission, has the ultimate responsibility for approving the 2023 transaction. Before making a decision regarding the Bond issuance, Board members will be asked to review all of the documents to become familiar with their contents. Board members should pay particular attention to the information contained in the Preliminary Official Statement (Attachment 5) to ensure there are no inaccuracies concerning SANDAG.

Board members also will be asked to ensure that to the best of their knowledge all of the factual statements are true and correct in all material respects and that the information does not contain any untrue or misleading statement of a material fact or omit to state any material fact that would make the information in any of the documents regarding SANDAG misleading. When carrying out their fiduciary responsibilities, public officials may rely upon employees, bond counsel, disclosure counsel, and other professionals to assure that they are in compliance with the antifraud provisions of the federal securities laws, as long as the reliance is reasonable. In order for the reliance to be considered reasonable, the public official must: (1) make complete disclosure to the appropriate professional of any potentially material mistake or omission in the documents; (2) request the professional's advice as to what disclosure is proper; (3) receive advice regarding the appropriate disclosure; and (4) rely in good faith on that advice.

SANDAG Bond Counsel (Stradling Yocca Carlson & Rauth), Disclosure Counsel (Norton Rose Fulbright US LLP), and municipal advisor (PFM) will be present at the June 9, 2023, Board meeting to provide information to the Board regarding proper disclosure. The Chief Executive Officer (Hasan Ikhrata), Chief Financial Officer (André Douzdjian), Deputy Executive Director of Business Operations (Ray Major), General Counsel (John Kirk), and Innovative Finance Director (Dawn Vettese) have all reviewed the draft Bond documents, and to the best of the staffs' knowledge, all of the statements are true and correct in all material respects, and the information does not contain any untrue or misleading statement of a material fact or omit to state any material fact that would make the information in those documents regarding SANDAG misleading.

Next Steps

Upon approval by the Board of Directors, the expected schedule for the planned Series 2023 Bond issuance is as follows:

- Week of June 12: Post Preliminary Official Statement and Invitation to Tender; commence marketing of 2023 Bonds and solicitation of tenders for 2019A bonds
- Week of June 26: Anticipated pricing date
- Week of July 10: Anticipated closing date

Andre Douzdjian, Chief Financial Officer

Key Staff Contact: Dawn Vettese, (619) 595-5346, dawn.vettese@sandag.org

Attachments:
1. Memorandum from Public Financial Management
2. Resolution No. RTC-2023-06
3. Draft Thirteenth Supplemental Indenture
4. Draft Bond Purchase Agreement
5. Draft Preliminary Official Statement
6. Draft Continuing Disclosure Agreement
7. Draft Dealer Manager Agreement
8. Draft Invitation to Tender Bonds

April 26, 2023

Memorandum

To: SANDAG Board of Directors

From: PFM Financial Advisors LLC

RE: 2023 Swap Termination and Bond Refunding Opportunities

INTRODUCTION

PFM Financial Advisors LLC ("PFM"), as the financial advisor to SANDAG, works with SANDAG staff to monitor the financial markets and identify opportunities to improve and enhance its debt portfolio by reducing debt cost and/or reducing underlying risks. While a majority of SANDAG's debt is traditional fixed-rate bonds, it has $383.7 million Series 2008 variable rate bonds and associated swaps that hedge these bonds to create a synthetic fixed-rate structure. This synthetic fixed-rate structure with the Series 2008 bonds provided relatively low-rate debt and provided budget certainty in 2005 when the interest rate swaps were entered into. The related swaps have served their purpose well in providing an efficient hedge for the variable rate bonds over the last two decades. However, the structure comes with some complexity and risks and SANDAG and PFM have been monitoring the markets for an opportunity to exit the structure and rebalance the debt portfolio.

The current market conditions and interest rate dynamics provide a unique opportunity to unwind this synthetic fixed-rate structure by terminating the swaps on the one hand and refunding the Series 2008 variable rate bonds with traditional fixed-rate debt ("fix out") on the other. This strategy can be executed with no cost to SANDAG, and with the potential for modest debt service savings. This would enable SANDAG to exit the swaps entirely, de-risk its debt portfolio and improve its credit strength without incurring incremental costs.

SANDAG'S OUTSTANDING DEBT OVERVIEW

SANDAG, serving as the San Diego County Regional Transportation Commission, has $2.33 billion of outstanding long-term debt. Of the total debt portfolio, 16% consists of synthetic, fixed-rate bonds (Series 2008 variable rate bonds hedged with fixed-payer interest rate swaps), and the remaining 84% are fixed-rate bonds. A summary of the outstanding bonds is tabulated and graphically presented below.

Summary of Outstanding Debt							
Series	**Lien**	**Tax Status**	**Coupon Type**	**Original Issue Size**	**Outstanding Par**	**Call Option**	**Final Maturity**
2008A	Senior	Tax-Exempt	Synthetic Fixed Rate	$150,000,000	95,925,000	Current	4/1/2038
2008B	Senior	Tax-Exempt	Synthetic Fixed Rate	$150,000,000	95,925,000	Current	4/1/2038
2008C	Senior	Tax-Exempt	Synthetic Fixed Rate	$150,000,000	95,925,000	Current	4/1/2038
2008D	Senior	Tax-Exempt	Synthetic Fixed Rate	$150,000,000	95,925,000	Current	4/1/2038
2010A	Senior	Taxable	Fixed Rate	$338,960,000	338,960,000	Make-Whole	4/1/2048
2014A	Senior	Tax-Exempt	Fixed Rate	$350,000,000	6,460,000	4/1/2024	4/1/2024

2016A	Senior	Tax-Exempt	Fixed Rate	$325,000,000	291,265,000	4/1/2026	4/1/2048
2019A	Senior	Taxable	Fixed Rate	$442,620,000	436,185,000	4/1/2030	4/1/2048
2020A	Senior	Tax-Exempt	Fixed Rate	$74,820,000	69,955,000	4/1/2030	4/1/2048
2021A	Senior	Taxable	Fixed Rate	$149,840,000	149,840,000	4/1/2031	4/1/2048
2021B	Subordinate	Tax-Exempt	Fixed Rate	$116,150,000	116,150,000	4/1/2031	4/1/2039
TIFIA	Junior Sub.	Taxable	Fixed Rate	$537,484,439	537,484,439	Anytime	10/1/2045
Total				**$2,934,874,439**	**$2,329,999,439**		

Three Lien Structure. SANDAG has debt obligations on three separate lien levels, providing different priority of sales tax payment to investors based on their respective lien level. Senior lien obligations are paid first, followed by subordinate lien obligations and then junior subordinate lien obligations (i.e., TIFIA loan). The TIFIA loan is repayable from a third lien that is subordinate to the senior lien bonds, the 2021B Bonds, the commercial paper notes, and SANDAG's revolving credit facility. This three-tiered lien structure has been developed by SANDAG to maximize program capacity, keep senior lien ratings as high as possible, and minimize borrowing costs.

Annual Debt Service. Excluding the TIFIA loan, SANDAG has a level debt service profile with senior lien annual debt service ranging from $102.4 million to $106.7 million per year through FY 2048. The aggregate senior and subordinate lien debt service ranges from $108.2 million to $114.1 million. With the draw on the TIFIA loan as planned, SANDAG's aggregate debt service is ascending, with peak debt service of $161.2 million in FY 2045.

Debt Service Coverage. Senior lien debt service coverage, using sales tax receipts of $430.22 million for the 12 months ending March 31, 2023, is 4.03 times. Meaning, for every $1 of senior lien debt service, SANDAG received $4.03 of sales tax revenue providing ample coverage, supporting SANDAG senior lien triple-A ratings. Total coverage, when comparing the annual revenues for the 12 months ending March 31, 2023, to peak debt service in FY 2045, is 2.46 times.

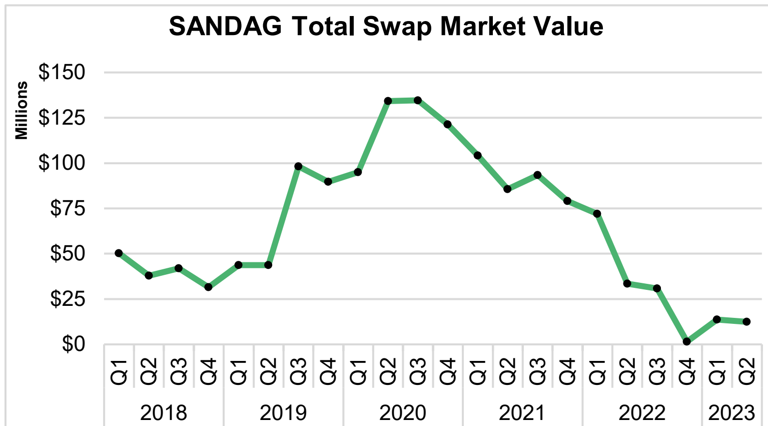
Variable-Rate Demand Bonds and Swap Portfolio Overview

SANDAG has $383.7 million of outstanding variable-rate demand bonds (VRDBs) (Series 2008A, B, C, and D), as seen in table above. These VRDBs are backed by standby bond purchase agreements (SBPAs) from certain financial institutions. The interest rates on these bonds reset weekly through a remarketing process. As a performance measure, the bonds are compared to the Securities Industry and Financial Markets Association (SIFMA) benchmark index. SIFMA is a variable rate index that resets weekly and, as such, can be volatile reacting to near-term market conditions. SANDAG VRDBs trade very well compared to SIFMA.

Swap Portfolio Overview						
Associated Series	**SANDAG Pays**	**SANDAG Receives**	**Maturity Date**	**MTM Value *(04/20/2023)***	**Notional Outstanding**	**Bank Counterparty**
Series 2008	3.8165%	SIFMA Swap Index	4/1/2038	($8,986,337)	$127,900,000	Bank of America, N.A.
Series 2008	3.8165%	SIFMA Swap Index	4/1/2038	($8,986,337)	$127,900,000	Goldman Sachs
Series 2008	3.4100%	65% of 1M-LIBOR	4/1/2038	($10,960,704)	$127,900,000	Bank of America, N.A.
Total Fixed-Payer Swaps				**($28,933,378)**	**$383,700,000**	
Series 2008	SIFMA Swap Index	107.4% of 3M-LIBOR	4/1/2038	$8,689,360	$127,900,000	Barclays Bank PLC

Series 2008	SIFMA Swap Index	107.4% of 3M-LIBOR	4/1/2038	$8,689,360	$127,900,000	Barclays Bank PLC
Total Basis Swaps				**$17,378,680**	**$255,800,000**	
Total Combined				**($11,554,698)**	**$639,500,000**	

SANDAG also has $383.7 million of **fixed-payer interest rate swaps** outstanding, the purpose of which is to hedge the interest rate variability associated with the $383.7 million of Series 2008 VRDBs. As the name suggests, under these swaps, SANDAG pays a fixed rate shown in the table above and receives SIFMA on two of the swaps and 65% of 1-month LIBOR on the third. Additionally, SANDAG has $255.8 million of **basis swaps** outstanding. Under the basis swaps, which became effective on April 1, 2018, SANDAG pays its counterparty a floating interest rate payment based on the SIFMA index and receives a floating payment based on 107.4% of three-month LIBOR. The mark-to-market value (MTM value or market value) of the SANDAG swap portfolio changes with interest rate fluctuations as seen in the chart. We track the market value as it serves as a proxy for the swap termination cost, that is, the amount SANDAG would have to *pay* the swap counterparties in order to terminate and unwind the swaps. The swap termination value has been very high historically as depicted in the chart. It was higher than $125 million as recently as 2020 but it declined dramatically in late 2022. In fact, it was even positive (approx. $5.0 million) for a brief period in October 2022, meaning SANDAG would *receive* a sum from the swap counterparties upon termination. While the market value is not positive today, the current termination cost is near its lowest point in 10 years making this an opportune time to consider a swap termination combined with a fix-out of the variable rate bonds.

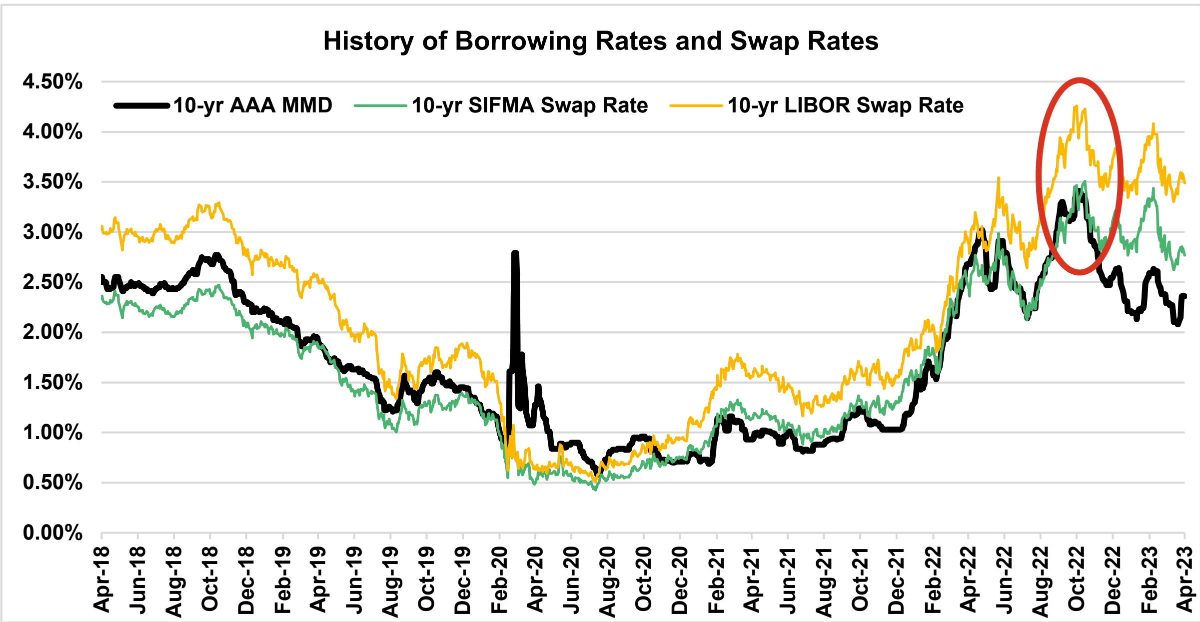


The market value as of April 20, 2023, was negative $11,554,698 meaning SANDAG would need to pay approximately $11.6 million to terminate the entire swap portfolio in the current market. Even with this termination cost, there may be the opportunity for SANDAG to terminate the swap portfolio and convert the VRDBs to fixed-rate bonds and lower annual debt service costs through 2038. This is due to the prevailing and beneficial relationship between swap valuation rates (SIFMA and LIBOR) and tax-exempt borrowing rates as described in more detail in the next section.

MARKET CONDITIONS SUPPORTING THE PROPOSED STRATEGY

The economics of the swap termination and fix-out strategy are driven primarily by the relationship between tax-exempt **borrowing rate** (AAA Municipal Market Data Index or AAA MMD) and the **swap rates** (SIFMA and LIBOR) driving the termination value.

Higher SIFMA and LIBOR rates result in a lower swap termination value. As seen in the chart both 10-yr SIFMA swap rate and the 10-yr LIBOR swap rate were at their highest in October 2022 resulting in the most favorable swap termination value for SANDAG's swaps at those points in time. At the time, the swap market value was positive wherein SANDAG would have *received* a termination payment. However, in October 2022 the borrowing rates for tax-exempt fixed-rate debt needed to refund and replace the 2008 VRDBs were also at the highest, as represented by the **10-yr AAA MMD** in the chart. The benefit of positive swap termination value was somewhat offset by relatively high borrowing rates which worsens the refunding economics. The best way to track the refunding economics for this strategy is to track the ratio of MMD (i.e., tax-exempt borrowing rates) to SIFMA swap rate (or LIBOR swap rate). The most favorable refunding economics arise when borrowing costs are low and swap rates are high. Therefore, the lower the MMD/SIFMA ratio or MMD/LIBOR ratio the better the refunding/fix-out economics.



The SIFMA and LIBOR swap rates have declined from their October 2022 peak so swap termination value is no longer positive but swap termination values are still close to the lowest they have been in years – under $25 million. The MMD rates have declined by a greater degree since October resulting in a more favorable ratio and better refunding savings at this time. The results of the swap termination and fix-out refunding analysis at current market rates are presented in the next section.

SWAP TERMINATION AND FIXED-RATE REFUNDING OPPORTUNITY

As described previously, SANDAG has four series of VRDBs totaling $383.7 million that are hedged by three fixed-payer swaps. In addition, SANDAG also has two basis swaps which do not hedge any debt but were entered into purely for investment purposes to augment the overall swap cash flows.

For simplicity we have performed the analysis on the aggregate VRDB portfolio and swap portfolio. In other words, we assume all the Series 2008 VRDBs are refunded with fixed-rate debt and all the interest rate swaps, including the basis swaps, are terminated, thereby eliminating the entire swap portfolio. Since the basis swap has a positive market value it helps improve the refunding economics of the transaction. As of April 20, 2023, the net market value for all five swaps in aggregate is $12.5 million. SANDAG will have to fund this estimated $12.5 million swap termination payment as well as $383.7 million to refund the VRDBs from the proceeds of fixed-rate bond issuance. The borrowing rates assumed for that purpose are also as of April 20, 2023. Other bonding assumptions include:

1) Coupons: Standard 5%

2) Call option: 10-year par call
3) Cost of issuance: $700,000 average cost of issuance plus $1.5 underwriter takedown and estimated expenses.
4) Structure: Uniform savings or matched-maturity refunding without any restructuring wherein the maturities on the new bonds are “matched” to those being refunded with final maturity in 2038.

A key input in this refunding analysis is the estimated “refunded rate” on the VRDBs – this is the rate that SANDAG currently pays on the synthetic fixed rate portfolio. It is computed as shown in the table. We start with a base rate equal to the weighted average fixed swap rate payable on the swap agreements. In addition to that, SANDAG pays annual SBPA fees and remarketing agent fees on the VRDBs. The analysis incorporates the current fees that SANDAG pays on these. Finally, the rate is adjusted for basis differential and the VRDB spread, reflecting the fact that SANDAG VRDBs trade approximately 0.09% below the market average. This results in a “refunded rate” of 4.0% that SANDAG needs to improve upon (or reduce) with its fixed-rate bond issuance.

Refunded Rate	
Weighted Avg. Fixed Swap Rate	3.68%
Plus: SBPA Fees	0.35%
Plus: Remarketing Fees	0.06%
Plus: Basis Differential/VRDB Spread	-0.09%
Net Refunded Rate	**4.00%**

Summary of the Swap Termination and Fix-out Transaction

Sources and Uses	
Par	340,840,000
Premium	55,686,540
Total Sources	**396,526,540**
Refunding Deposit	383,700,000
Swap Termination	11,554,698
COI	1,271,843
Total Uses	**396,526,540**

Bond Statistics	
CF Savings	27,024,802
NPV Savings ($)	**22,156,364**
NPV Savings (%)	**5.77%**
Refunded Rate	4.00%
All-in TIC (%)	3.26%
Arb Yield (%)	
- w/ Basis	2.99%
- w/o Basis	3.74%

Savings				
FY	**Prior Debt Service**	**Refunding Debt Service**	**Gross Savings**	**PV Savings @ Arb. Yield**
2024	30,617,167	29,249,806	1,367,361	1,387,458
2025	34,716,148	32,881,750	1,834,398	1,817,342
2026	34,845,834	33,013,000	1,832,834	1,758,887
2027	34,306,149	32,476,000	1,830,149	1,700,689
2028	34,682,138	32,851,750	1,830,388	1,646,965
2029	34,629,198	32,798,750	1,830,448	1,594,146
2030	34,619,157	32,785,250	1,833,907	1,546,404
2031	34,547,521	32,712,000	1,835,521	1,498,197
2032	34,458,831	32,624,500	1,834,331	1,449,263
2033	34,579,750	32,746,000	1,833,750	1,402,003
2034	34,404,701	32,573,500	1,831,201	1,355,129
2035	34,477,124	32,643,500	1,833,624	1,313,048
2036	34,510,330	32,676,250	1,834,080	1,270,828
2037	34,472,061	32,640,250	1,831,811	1,227,947
2038	34,706,500	32,875,500	1,831,000	1,187,474
Total	**514,572,608**	**487,547,806**	**27,024,802**	**22,155,782**

Currently the all-in true interest cost (TIC) on the fixed rate bonds is 3.26% which is lower than the estimated 4.0% that SANDAG pays on the synthetic fixed-rate structure. Despite having to fund the termination payment, the lower interest rate of 3.26% that SANDAG can obtain in the current market results in debt service savings of about $1.8 million annually through 2038. On a present value (PV) basis the savings equal $22.2 million or 5.77% of refunded par. The current markets are very favorable for swap termination enabling SANDAG to unwind the swap structure and de-risk its debt portfolio.` SANDAG can do so while locking in modest refunding savings and no additional costs out of pocket.

OTHER OPPORTUNITIES

Series 2019A: SANDAG has about $436.2 million outstanding on its Series 2019A bonds. They were issued to advance refund Series 2012A bonds and a portion of Series 2014A bonds. Roughly 60% is attributable to the refunding of Series 2012A bonds. These bonds have a call date of April 1, 2030. They were issued on a taxable basis and were structured with low coupon rates. Low coupon bonds typically do not make good refunding candidates. In many cases even a current refunding is not viable much less an advance refunding with a long-dated escrow as would be the case with Series 2019A bonds as they are not callable until 2030. Here again, certain unique market dynamics have created a unique situation where SANDAG may be able to refund a portion of the non-callable and callable Series 2019A bonds for some debt service savings. Below are a couple of strategies that SANDAG's financial team is considering in order to extract those savings.

1) **Escrow-to-Maturity (ETM):** The IRS allows a tax-exempt current refunding of taxable refunding bonds once the original escrow purchased with taxable proceeds has been fully retired (as one tax-exempt issuance can be outstanding at a time). The Series 2019A Bonds refunded the Series 2012A Bonds, callable April 1, 2022. Since we are past the call date, SANDAG can *advance* refund that portion (about 60% of the total) of the taxable Series 2019As attributable to the Series 2012A refunding with tax-exempt debt.

   Unlike a traditional refunding where savings are derived by replacing higher coupon debt with lower rate debt, savings here are generated through "positive carry" of borrowing rate and the allowable escrow investment rate. This positive carry can be further amplified to improve refunding savings by setting up an escrow to the *maturity dates* instead of the *call date*, thus allowing the positive carry to accumulate for a longer period.

   There is significant "inversion" in the yield curve (short-term rates higher than long-term rates) at the moment that makes it possible to achieve high escrow yields that equal borrowing rates. The IRS limits the escrow yield at the borrowing rate, or more specifically the arbitrage yield for the refunding bonds. But if somehow the arbitrage yield of the transaction can be raised, the escrow can be invested up to that higher rate. As it turns out swap termination transactions have high arbitrage yields due to the inclusion of swap termination payments in its calculation. SANDAG may be able to *blend up* its eligible arbitrage yield by combining the Series 2019A refunding with the swap termination under a "common plan of finance". The yield curve inversion and the coupling with the swap termination provide this unique opportunity to realize refunding savings on Series 2019A. Although savings may be modest, this strategy would allow SANDAG to lock savings that might not otherwise have ever been available.

2) **Tender Refunding:** SANDAG can achieve slightly better savings with a "tender" instead of a traditional refunding wherein current bondholders are invited to tender, or sell back, their bonds by offering them a premium over current market price of the bonds. The tender can be funded from tax-exempt proceeds. There are some benefits and consideration for the tender strategy vis-a-vis the escrow-to-maturity refunding described above. It is more complex and requires additional costs, steps and time to execute. Typically, only 20%-40% of bondholders participate (versus a 100% with a traditional refunding) and there is no way to predict the success rate. It also limits SANDAG's timing flexibility needed for the swap termination which is the most important component of the proposed transaction.

Financial Impact. The estimated savings for the Series 2019A refunding at current market rates ranges from $2.7 million to $13.0 million (assuming a 40% success rate on a tender): or approximately4.0%-7.0% of refunded par. These are modest savings but only available due to unique circumstances.

SANDAG does not have to decide on a particular strategy for Series 2019A refunding just yet and has the option to continue to monitor the markets and make a decision closer to pricing in June. There is the possibility to execute both the escrow-to-maturity strategy and the tender but for different maturities of the Series 2019A bonds. There is also the option to not do anything with the Series 2019A bonds if it slows down the execution of the swap termination and fix-out. SANDAG can keep its options open at the moment.

RECOMMENDATION

Our recommendation is to refund all VRDBs with fixed-rate debt and terminate all swaps including the basis swaps. The swap termination cost is at the lowest it has been in over a decade. Borrowing rates, although higher than 2021 timeframe, are still fairly low on a historical basis. A few different rate dynamics are allowing SANDAG to unwind the swap structure while also generating some debt service savings. These conditions may not prevail in the long run. This may be the best time to execute the swap termination and rebalancing SANDAG's debt portfolio. This will also allow SANDAG to exit the swap before LIBOR cessation on June 30, 2023.

A partial refunding of the Series 2019A bonds can provide some additional debt service savings. We recommend maintaining the flexibility in the documents and schedule for now and make a final decision closer to pricing.

Derisking the debt portfolio is the more important goal for SANDAG and should be the "guiding star" for future decisions. It is also more time-sensitive given the desire to execute before LIBOR cessation and market-sensitive to the MMD/LIBOR ratios. For those reasons, SANDAG may want to prioritize that over the Series 2019A refunding which may be viewed as optional.

NEXT STEPS FOR TRANSACTION EXECUTION

Team Selection: SANDAG has selected their underwriting team as well as their bond counsel and disclosure team through a competitive RFP process. SANDAG has also engaged a financial advisor and swap advisor to round out the team. All team members are engaged and working on the potential transaction.

Size and Structure: The proposed refunding will be executed first and foremost to replace variable rate debt with fixed-rate bonds while terminating all the swaps. The main objective is to de-risk and simplify the debt portfolio while also generating modest debt service savings. The basic structure of the refunding bonds will be "matched" to the refunded bonds, except for slightly lower debt service costs. The final maturity of the bonds will not be extended. The bonds will be issued as senior lien securities with a 10-year par call feature and will not be required to fund a debt service reserve fund. The financing team will continue to work with SANDAG as we approach pricing to evaluate any structural adjustments that would benefit SANDAG.

Rating Agency Strategy: SANDAG currently maintains senior lien long-term ratings of "AAA" from S&P and Fitch, and a rating of "Aa2" from Moody's. SANDAG staff and the financing team will meet with S&P and Fitch to emphasize the benefits of the strategy that allows SANDAG to de-risk it is debt portfolio by unwinding the swaps and converting all variable rate debt to traditional fixed-rate bonds at no cost to SANDAG. This is viewed very positively by rating agencies as it reduces SANDAG's exposure to counterparty risk, remarketing risk, liquidity renewal risk, and basis and credit risk associated with synthetic fixed rate debt. Apart from the transaction, more broadly, the team will highlight SANDAG's credit strengths to the rating analysts including the strength of San Diego's regional economy, recent growth in sales tax revenues, strong debt service coverage, and the well-managed TransNet program. Ratings should be received by end of May.

Documents and Schedule: Staff and the financing team are preparing documents for the Board's consideration at their June 9, 2023, Board meeting. With Board approval, documents will be distributed to potential investors with a targeted swap termination and sale date in June 2023. If there are adverse changes in the market, SANDAG preserves the ability to delay the bond sale and monitor conditions until they are favorable and support SANDAG's objective with the swap termination.

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Regional Transportation Commission
***Resolution No.* 2023-06**

Authorizing the Issuance of not to Exceed $820,000,000 Aggregate Principal Amount of Additional San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), the Refunding of Certain Outstanding Bonds, and the Execution and Delivery of Related Documents and Taking of All Necessary Actions

WHEREAS, the San Diego County Regional Transportation Commission (the "Commission") adopted the San Diego Transportation Improvement Program Ordinance and Expenditure Plan on July 31, 1987 (as amended, the "1987 Ordinance"), pursuant to the provisions of Sections 132000 through 132314, inclusive, of the Public Utilities Code of the State of California (the "San Diego County Regional Transportation Commission Act" or "Act"), which 1987 Ordinance provided for the imposition of a retail transactions and use tax (the "retail transactions and use tax") applicable in the incorporated and unincorporated territory of the County of San Diego (the "County") in accordance with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code of the State of California at the rate of one-half of one percent (1/2%) for a period not to exceed twenty (20) years;

WHEREAS, by its terms the 1987 Ordinance became effective at the close of the polls on November 3, 1987, the day of the election at which the proposition imposing the retail transactions and use tax was adopted by a majority vote of the electors voting on such proposition;

WHEREAS, in order to provide for the extension of the initial term of the retail transactions and use tax for a period of forty (40) years, the Commission adopted the San Diego Transportation Improvement Program Ordinance and Expenditure Plan on May 28, 2004 (the "Sales Tax Extension Ordinance," and, together with any amendments thereto and the 1987 Ordinance, hereinafter collectively referred to as the "Ordinance");

WHEREAS, by its terms the Sales Tax Extension Ordinance became effective on November 3, 2004, the day following the date of the election at which the proposition providing for the extension of the retail transactions and use tax was approved by at least two-thirds of the electors voting on such proposition;

WHEREAS, the Board of Directors (the "Board") of the Commission, pursuant to the San Diego County Regional Transportation Commission Act (constituting Chapter 2 of Division 12.7 of the California Public Utilities Code) and Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code, as referenced in said Act, and Article 10 and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (Section 53570 et seq.), and other applicable provisions of the laws of the State of California (collectively, the "Law"), is authorized to issue bonds payable from the proceeds of the retail transactions and use tax levied by the Commission, including refunding bonds;

WHEREAS, the Commission has heretofore issued $600,000,000 in aggregate principal amount of its Sales Tax Revenue Bonds (Limited Tax Bonds), 2008 Series A, 2008 Series B, 2008 Series C and 2008 Series D (the "2008 Bonds"), pursuant to an Indenture dated as of March 1, 2008 (the "Indenture"), as amended and supplemented, including as amended and supplemented by a First

Supplemental Indenture and a Second Supplemental Indenture thereto, each entered into by the Commission and U.S. Bank Trust Company, National Association, as successor trustee (the “Trustee”);

WHEREAS, the Commission has heretofore authorized the issuance of up to $100,000,000 in aggregate principal amount to be outstanding at any one time of its Subordinate Sales Tax Revenue Revolving Notes (Limited Tax Bonds), Series I (the “Revolving Notes”), pursuant to the Subordinate Indenture, as amended and supplemented, including as amended and supplemented by a Fourth Supplemental Indenture thereto, entered into by the Commission and the Subordinate Trustee (such Revolving Notes, together with the CP Notes, any outstanding 2018 Subordinate Notes and 2021 Subordinate Notes, and the outstanding 2021 Subordinate Bonds being collectively referred to herein as the “Existing Subordinate Debt”),

WHEREAS, the Commission hereby determines to take advantage of market opportunities to (i) refund at fixed rates the 2008 Bonds and to terminate certain interest rate swaps, including the interest rate swaps entered into by the Commission for the purpose of hedging interest rate changes with respect to the variable rate 2008 Bonds, on conditions favorable to the Commission, thereby reducing the risks of the Commission to future liquidity costs and counterparty weaknesses, and (ii) refund or purchase, including to refund and/or purchase in connection with a tender offer, a portion of the outstanding 2019 Bonds, by the issuance of one or more series or subseries as tax-exempt refunding bonds in an aggregate principal amount of not to exceed eight hundred twenty million dollars ($820,000,000) (the “2023 Bonds”), to be secured by a lien on the retail transactions and use tax on parity with the lien on such tax that secures the Existing Senior Bonds, as permitted by the Law and the Ordinance;

WHEREAS, the Commission has determined that the 2023 Bonds shall be designated, with such additional designations as may be convenient or beneficial to the issuance or marketing of such Bonds, “San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds);”

WHEREAS, the Commission hereby further determines that the 2023 Bonds may be issued pursuant to the Indenture and one or more indentures supplemental thereto (collectively, the “Senior Supplemental Indenture”), each supplemental indenture to be entered into between the Commission and the Trustee, and the proposed form of the Senior Supplemental Indenture has been prepared and presented to the Commission;

WHEREAS, in order to set forth the terms of sale of the 2023 Bonds, the Commission proposes to enter into one or more bond purchase agreements (collectively, the “Bond Purchase Agreement”) with Wells Fargo Bank, N.A., as representative of its underwriters, being Wells Fargo Bank, N.A., Goldman Sachs & Co. LLC, BofA Securities, Inc., J.P. Morgan Securities LLC, and Samuel A. Ramirez & Co., Inc. (collectively, the “Underwriters”) and the proposed form of the Bond Purchase Agreement has been prepared and submitted to the Commission;

WHEREAS, in order to provide information about the 2023 Bonds and related matters to purchasers and potential purchasers of the 2023 Bonds, the Commission proposes to execute and deliver one or more official statements, a proposed form of which has been prepared and presented to the Commission in preliminary form (the “Preliminary Official Statement”);

WHEREAS, in connection with any tender offer for the Commission’s 2019 Bonds, the Commission proposes to enter into one or more dealer/manager agreements with Wells Fargo Bank, National Association and Goldman Sachs & Co. LLC, as dealer managers (the “Dealer/Manager Agreement”), a proposed form of which has been prepared and presented to the Commission;

WHEREAS, in order to set forth the terms upon which holders of the Commission's 2019 Bonds may be invited to tender certain 2019 Bonds for purchase by the Commission, the Commission proposes to authorize the distribution of an invitation to tender bonds (the "Invitation to Tender Bonds"), a proposed form of which has been prepared and presented to the Commission;

WHEREAS, the Commission has been presented with the form(s) of the Senior Supplemental Indenture, the Bond Purchase Agreement, the Preliminary Official Statement, the Continuing Disclosure Agreement, the Dealer/Manager Agreement, and the Invitation to Tender Bonds relating to the financing described herein (collectively, the "Financing") and the Commission has examined and approved each document and desires to authorize and direct the execution of such documents as are specified herein and such other documents as are necessary in connection with the Financing and to authorize and direct the consummation of the Financing;

WHEREAS, Stradling Yocca Carlson & Rauth, a Professional Corporation, is representing the Commission as bond counsel ("Bond Counsel") and Norton Rose Fulbright US LLP is representing the Commission as disclosure counsel ("Disclosure Counsel"), PFM Financial Advisors LLC is serving as municipal advisor (the "Municipal Advisor") and PFM Swap Advisors LLC is serving as swap advisor (the "Swap Advisor") to the Commission, in connection with the Bonds;

WHEREAS, the Commission has previously adopted a local debt policy (the "Debt Management Policy") that complies with California Government Code Section 8855(i), and the Commission's sale and issuance of the Bonds as contemplated by this Resolution is in compliance with the Debt Management Policy;

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Commission has received certain representations and good faith estimates from the Municipal Advisor and the Underwriters, including: (a) the true interest cost of the 2023 Bonds, (b) the sum of all fees and charges paid to third parties with respect to the 2023 Bonds, (c) the amount of proceeds of the 2023 Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the 2023 Bonds, and (d) the sum total of all debt service payments on the 2023 Bonds calculated to the final maturity thereof plus the fees and charges paid to third parties not paid with the proceeds of the 2023 Bonds, and such good faith estimates are attached as Exhibit A to this resolution; and

WHEREAS, all acts, conditions and things required by the Law and the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the Financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Commission is now duly authorized and empowered, pursuant to each and every requirement of law, to authorize such Financing and to authorize the execution of the Senior Supplemental Indenture, the Bond Purchase Agreement, the official statement in final form and the Continuing Disclosure Agreement for the purposes, in the manner and upon the terms provided; NOW THEREFORE

BE IT RESOLVED that the SANDAG Board of Directors, ALSO ACTING AS THE SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Commission finds and determines that the foregoing recitals are true and correct and makes them an effective part of this Resolution by incorporating them herein by reference.

SECTION 2. The issuance by the Commission of not to exceed $820,000,000 aggregate principal amount of 2023 Bonds, in accordance with the provisions of the Indenture, in one or more series or subseries, as tax-exempt bonds and with such additional designations as may be convenient or beneficial to the issuance or marketing of such bonds, in order to (i) refund all of the outstanding 2008 Bonds, (ii) pay any termination payments on any interest rate swaps to be terminated, including the interest rate swaps entered into by the Commission for the purpose of hedging interest rate changes with respect to the variable rate 2008 Bonds, (iii) refund or purchase a portion of the outstanding 2019 Bonds, including in connection with a tender offer and purchase, and (iv) pay of the costs of issuance incurred in connection with the 2023 Bonds, is hereby authorized and approved, including in connection with any such tender offer and purchase of the 2019 Bonds.

SECTION 3. The proposed form of Senior Supplemental Indenture, between the Commission and the Trustee, relating to the issuance of the 2023 Bonds submitted to the Commission, and the terms and conditions thereof, are hereby approved. The Secretary of the Board is directed to file a copy of said form of Senior Supplemental Indenture with the minutes of this meeting, and any one of the Chair of the Board, the Chief Executive Officer of the Commission or the Chief Financial Officer of the Commission or a designee of any such official (each an "Authorized Representative"), and the Secretary of the Board are authorized and directed to execute and deliver the Senior Supplemental Indenture to the Trustee, in substantially such form, and with such additions thereto or changes therein, as they, with the advice of Bond Counsel, shall approve, such approval to be conclusively evidenced by the execution and delivery of the Senior Supplemental Indenture. The structure, date, maturity date or dates (not to exceed April 1, 2048), interest rate or rates (not to exceed five and one half percent (5.50%) per annum, and with a not to exceed four and one half percent (4.50%) per annum true interest cost (not including costs of the termination of the interest rate swaps), original issue discounts (not to exceed five percent (5.00%) of the principal amount of the 2023 Bonds), interest payment dates, forms, registration privileges, place or places of payment, terms of redemption, mandatory tender and purchase, additional series designation and number or letter thereof and other terms of the 2023 Bonds shall be (subject to the foregoing limitations) as provided in the Senior Supplemental Indenture, as finally executed and delivered.

SECTION 4. The proposed form of the Preliminary Official Statement describing the 2023 Bonds, the bond features that may be selected in connection with the issuance of the 2023 Bonds, and related matters, submitted to the Commission, is hereby approved. The Authorized Representative is hereby authorized and directed to execute and deliver one or more Official Statements in substantially such form, and with such additions thereto or changes therein, as the Authorized Representative executing the same, with the advice of Disclosure Counsel, shall approve, such approval to be conclusively evidenced by the execution and delivery of the Official Statement; and the Authorized Representative is hereby authorized and directed to execute and deliver a certificate confirming that the Preliminary Official Statement is "deemed final" by the Commission for purposes of Securities and Exchange Commission Rule 15c2 12. The distribution by the Underwriters of copies of the Official Statement in final form to all actual purchasers of the 2023 Bonds and the distribution by the Underwriters of the Preliminary Official Statement to potential purchasers of the 2023 Bonds are hereby authorized and approved.

SECTION 5. The proposed forms of Bond Purchase Agreement, providing for the sale of the 2023 Bonds, submitted to the Commission, and the terms and conditions thereof, are hereby approved. The Secretary of the Board is directed to file a copy of said forms of the Bond Purchase Agreement with the minutes of this meeting. The sale of the 2023 Bonds to the Underwriters, on one or more sale dates, at the principal amount thereof (less any original issue discount thereon), less an underwriters' discount (or subject to an underwriters' fee payable by the Commission to the Underwriters) of not to exceed four-tenths of one percent (0.40%) of such principal amount (exclusive of any original issue discount) in accordance with said Bond Purchase Agreement and the costs of issuance (exclusive of underwriters' discount) to be financed with respect to any series of 2023 Bonds not to exceed three-fourths of one percent (0.75%) of the proceeds of the sale of such series of 2023 Bonds (exclusive of any original issue discount), be and is hereby authorized and approved, and the Authorized Representative is authorized and directed to complete, execute and deliver one or more Bond Purchase Agreements in substantially such form, providing for the sale of one or more series or subseries of 2023 Bonds not to exceed $820,000,000 in aggregate principal amount, such issue or issues to be, at such principal amounts, with such interest rates, maturities and discounts to be specified therein, and with such additions thereto or changes therein, as the Authorized Representative executing the same, with the advice of Bond Counsel, shall approve, such approval to be conclusively evidenced by the execution and delivery of one or more Bond Purchase Agreements.

SECTION 6. The Authorized Representative is hereby authorized and directed to execute and deliver one or more Continuing Disclosure Agreements in substantially the form before the Commission with such changes and additions as such officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 7. The Authorized Representative is hereby authorized to execute and deliver amendments to, or novations, confirmations, assignments or terminations of, or termination agreements or similar documents ("Swap Termination Documents") to provide for the termination of the Commission's existing interest rate swaps, in connection with the issuance of the 2023 Bonds and refunding of the 2008 Bonds, on such terms as the Authorized Representative shall, with the advice of the Commission's Swap Advisor, deem appropriate.

Each Swap Termination Document executed in connection with the issuance of the 2023 Bonds and refunding of the 2008 Bonds may provide that such interest rate swap termination is contingent upon the delivery of 2023 Bonds and/or provide for the reinstatement of the related interest rate swap upon such terms as the Authorized Representative executing the same shall approve, with the advice of the Commission's Swap Advisor, which may include provision for an adjustment in the fixed rate payable by the Commission under the related interest rate swap or the payment of a fixed payment equivalent thereto, to reflect intervening market movements between the trade date of the termination of such interest rate swap and the scheduled date of delivery of the 2023 Bonds in the unlikely event that, following the date of execution of the Bond Purchase Agreement for the 2023 Bonds and the execution of Swap Termination Documents, such 2023 Bonds are not issued on the scheduled delivery date therefor.

Pursuant to Section 5922(a) of the Government Code of the State of California, the Commission finds and determines that the interest rate swaps as modified by the Swap Termination Documents and the related financing arrangements in connection with the issuance of the 2023 Bonds and the refunding of the 2008 Bonds are designed to reduce the amount and duration of interest rate risk in connection with the Commission's Bonds.

SECTION 8. The proposed form of the Dealer/Manager Agreement together with the materials attached thereto relating to the tender described above, including the proposed form of the Invitation to Tender Bonds, is hereby approved, provided that the fee to be paid to the dealer managers thereunder does not exceed one-fourth of one percent (0.25%) of the aggregate principal amount of the target 2019 Bonds that are offered for tender and accepted by the Commission, plus out-of-pocket expenses. The dealer managers are authorized to conduct the tender offer described therein on behalf of the Commission. The Authorized Representative is hereby authorized and directed (a) to execute, acknowledge and deliver to the dealer managers the Dealer/Manager Agreement in substantially the form before the Commission, with such additions thereto, completions thereof and/or changes therein as such officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof and (b) to execute, if applicable, and distribute, or cause to be distributed, by electronic or printed means, the Invitation to Tender Bonds in substantially the form before the Commission, with such changes and additions as such officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 9. The Chair and the Secretary of the Board, the Chief Executive Officer, and the Chief Financial Officer of the Commission, and other appropriate officers of the Board or the Commission, are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Commission, to execute and deliver any and all documents, agreements, certificates and representations, including, without limitation, redemption or defeasance notices, tender agent agreements, purchase/repurchase agreements, exchange agreements, escrow agreements, including without limitation escrow agreements providing for the redemption and defeasance of all or a portion of the outstanding 2008 Bonds and/or the 2019 Bonds, credit documents, signature certificates, no-litigation certificates, tax certificates, letters of representation relating to book-entry registration, insurance agreements, reimbursement agreements, investment instructions, including without limitation bidding or other escrow security purchase agreements the terms of which comply with the Indenture, investments in State and Local Government Series (SLGs) treasury securities, certificates concerning the contents of the Official Statement and the representations and warranties in the Bond Purchase Agreement and related agreements, and other certificates and agreements, and to do any and all things and take any and all actions that may be necessary or advisable, in their discretion, to effectuate the actions that the Commission has approved in this Resolution.

SECTION 10. The Commission hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under SECTION 16.5 of the California Government Code using DocuSign.

SECTION 11. All approvals, consents, directions, instructions, notices, orders, requests, indemnifications and other actions permitted or required by any of the documents authorized by this Resolution or executed in connection with any of the Existing Senior Bonds, the Existing Subordinate Debt or the TIFIA Bond, including, without limitation, any amendment or substitution of any of the documents authorized by this Resolution or relating to any of the foregoing obligations that may be necessary or desirable in connection with any liquidity or credit facility, any reserve facility, any investment of proceeds of any series of bonds, or in connection with any disclosure document, any agreements with trustees, paying agents, credit providers, liquidity providers, swap or other counterparties, remarketing agents, escrow agents, calculation agents or verification agents, may be given or taken by an Authorized Representative, without further authorization or direction by the Commission, and any and all such actions heretofore taken by such officers are hereby ratified, confirmed, and approved, and the Authorized Representatives are each hereby authorized and directed to execute such documents and give any such approval, amendment, consent, direction, instruction, notice, order, request, indemnification or other action and to take any such action that such person, with the advice of Bond Counsel, may deem necessary or desirable to further the purposes of this Resolution.

SECTION 12. All actions heretofore taken by the officers and agents of the Board or the Commission with respect to the rating, issuance, purchase, execution and delivery of the 2023 Bonds are hereby ratified, confirmed and approved.

SECTION 13. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 9th of June 2023.

Ayes

Noes

Absent

____

Chair of the Board of Directors
of the San Diego County Regional
Transportation Commission

[Seal]

Attest

____

Secretary of the Board of Directors
of the San Diego County Regional
Transportation Commission

4891-9079-1781v2/200943-0003

EXHIBIT A
2023 BONDS - GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the 2023 Bonds in compliance with Section 5852.1 of the California Government Code. Such good faith estimates have been provided to the Commission by the Municipal Advisor and by the Underwriters.

Principal Amount. The Municipal Advisor and the Underwriters have informed the Commission that, based on the Commission's financing plan and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the aggregate principal amount of the 2023 Bonds to be sold in a public offering is $470,675,000 (the "Estimated Principal Amount").

True Interest Cost of the 2023 Bonds. The Municipal Advisor and the Underwriters have informed the Commission that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the 2023 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the 2023 Bonds, is 3.04%.

Finance Charge of the 2023 Bonds. The Municipal Advisor and the Underwriters have informed the Commission that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the 2023 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the 2023 Bonds), is $1,909,533.

Amount of Proceeds to be Received. The Municipal Advisor and the Underwriters have informed the Commission that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the Commission for sale of the 2023 Bonds, less the finance charge of the 2023 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the 2023 Bonds, is $548,344,742.

Total Payment Amount. The Municipal Advisor and the Underwriters have informed the Commission that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market conditions prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the Commission will make to pay debt service on the 2023 Bonds, plus the estimated finance charge for the 2023 Bonds, as described above, not paid with the proceeds of the 2023 Bonds, calculated to the final maturity of the 2023 Bonds, is $702,783,854.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the 2023 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates for a variety of reasons, including, without limitation, due to (a) the market conditions prevailing on the actual date of the sale of the 2023 Bonds being different than the market conditions prevailing at the time of preparation of the estimates contained herein, (b) the actual principal amount of 2023 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the 2023 Bonds being different than the amortization assumed for purposes of preparing the estimates contained herein, (d) the actual interest rates at which the 2023 Bonds are sold being different than those estimated for purposes of preparing the estimates contained herein, (e) other market conditions, or (f) alterations in the Commission's financing plan, or a combination of such factors. The actual date of sale of the 2023 Bonds and the actual principal amount of 2023 Bonds sold will be determined by the Commission based on various factors. The actual interest rates borne by the 2023 Bonds will depend on market conditions at the time of sale thereof. The actual amortization of the 2023 Bonds will also depend, in part, on market conditions at the time of sale thereof. Market conditions, including, without limitation, interest rates are affected by economic and other factors beyond the control of the Commission, the Municipal Advisor and the Underwriters.

SECRETARY'S CERTIFICATE

I, Hasan Ikhrata, Secretary of the Board of Directors of the San Diego County Regional Transportation Commission, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Commission duly and legally held at the regular meeting place of the Commission in San Diego, California, on June 9, 2023, of which meeting all of said directors of the Commission had due notice and at which a majority thereof were present and acting throughout; and

At said meeting said resolution was adopted by the following vote:

AYES:
NOES:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at a location in San Diego, California, freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda;

I have carefully compared the foregoing with the original minutes and recording of said meeting on file and of record in my office, and the foregoing is a full, true, and correct copy of the original resolution adopted at said meeting and entered in said minutes; and

Said original resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand and the seal of the San Diego County Regional Transportation Commission this 9th day of June 2023.

[Seal]

____
Secretary of the Board of Directors of the
San Diego County Regional Transportation
Commission

Stradling Yocca Carlson & Rauth
Draft dated 5/22/23

THIRTEENTH SUPPLEMENTAL INDENTURE

between

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

Dated as of July 1, 2023

Relating to

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS
(LIMITED TAX BONDS) 2023 SERIES A

(Supplementing the Indenture
Dated as of March 1, 2008)

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THIRTEENTH SUPPLEMENTAL INDENTURE

THIS THIRTEENTH SUPPLEMENTAL INDENTURE, dated as of July 1, 2023 (this "Thirteenth Supplemental Indenture"), between the SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION, a public entity duly established and existing under the laws of the State of California (the "Commission"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee and successor in interest to U.S. Bank National Association (the "Trustee"):

WITNESSETH:

WHEREAS, this Thirteenth Supplemental Indenture is supplemental to the Indenture, dated as of March 1, 2008 (as supplemented and amended from time to time pursuant to its terms, the "Indenture"), between the Commission and the Trustee;

WHEREAS, the Indenture provides that the Commission may issue Bonds from time to time as authorized by a Supplemental Indenture, which Bonds are to be payable from Revenues and from such other sources as may be specified with respect to a particular Series of Bonds in the Supplemental Indenture authorizing such Series; and

WHEREAS, the Commission desires to provide at this time for the issuance of a Series of Bonds to be designated "San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A" (the "2023 Series A Bonds") for the purpose of providing funds (i) to refund all of the 2008 Bonds previously issued under the Indenture, (ii) to terminate certain Interest Rate Swap Agreements, (iii) to purchase in connection with a tender offer a portion of the 2019 Series A Bonds, (iv) to refund a portion of the 2019 Series A Bonds and (v) to pay Costs of Issuance, all as provided in this Thirteenth Supplemental Indenture;

NOW, THEREFORE, the parties hereto hereby agree as follows:

ARTICLE LXVIII
DEFINITIONS

Section 68.01. Definitions.

(a) Definitions. Unless the context otherwise requires, or as otherwise provided in subsection (b) of this Section, all terms that are defined in Section 1.02 of the Indenture shall have the same meanings in this Thirteenth Supplemental Indenture.

(b) Additional Definitions. Unless the context otherwise requires, the following terms shall, for all purposes of this Thirteenth Supplemental Indenture, have the following meanings:

"**Authorized Denominations**" means, with respect to the 2023 Series A Bonds, $5,000 and any integral multiple thereof.

"**Continuing Disclosure Agreement**" means the Continuing Disclosure Agreement of the Commission relating to the 2023 Series A Bonds.

"**Interest Payment Date**" means for the 2023 Series A Bonds each April 1 and October 1, commencing October 1, 2023 and, in any event, the final maturity date or redemption date of each 2023 Series A Bond.

"**Issue Date**" means, with respect to the 2023 Series A Bonds, the date on which the 2023 Series A Bonds are first delivered to the purchasers thereof.

"**Purchased 2019A Bonds**" means the Commission's Sales Tax Revenue Bonds (Limited Tax Bonds), 2019 Series A (Taxable) purchased in connection with a tender offer as further described in Exhibit D attached hereto.

"**Record Date**" means, with respect to the 2023 Series A Bonds, the fifteenth (15th) day (whether or not a Business Day) of the month preceding the month in which such Interest Payment Date occurs.

"**Redemption Price**" means, with respect to any 2023 Series A Bond or a portion thereof, 100% of the principal amount thereof to be redeemed, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Thirteenth Supplemental Indenture.

"**Refunded 2019A Bonds**" means a portion of the San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2019 Series A (Taxable) shown on Exhibit C attached hereto.

"**Thirteenth Supplemental Indenture**" means this Thirteenth Supplemental Indenture, dated as of July 1, 2023, between the Commission and the Trustee, as amended and supplemented from time to time.

"**2019A Escrow Agent**" means U.S. Bank Trust Company, National Association, as escrow agent under the 2019A Escrow Agreement.

"**2019A Escrow Agreement**" means the Escrow Agreement (2019A), dated as of July 1, 2023, between the Commission and the 2019A Escrow Agent, providing for the refunding of the Refunded 2019A Bonds.

"**2019A Escrow Fund**" means the Escrow Fund established under the 2019A Escrow Agreement.

"**2023 Series A Bonds**" shall mean the San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A, authorized by Article LXX of the Indenture.

"**2023 Series A Bonds Purchase Fund**" means the 2023 Series A Bonds Purchase Fund established pursuant to Section 71.01(b) hereof.

"**2023 Series A Bonds Tax Certificate**" means the Tax Certificate executed on behalf of the Commission in connection with the issuance of the 2023 Series A Bonds.

"**2023 Series A Costs of Issuance Account**" means the 2023 Series A Costs of Issuance Account established pursuant to Section 71.01(a) hereof.

ARTICLE LXIX
FINDINGS, DETERMINATIONS AND DIRECTIONS

Section 69.01. Findings and Determinations. The Commission hereby finds and determines that the 2023 Series A Bonds shall be issued pursuant to Article III and upon the issuance of the 2023 Series A Bonds, any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the issuance thereof, will exist, will have happened and will have been performed, in due time, form and manner, as required by the Constitution and statutes of the State.

Section 69.02. Recital in 2023 Series A Bonds. There shall be included in each of the definitive 2023 Series A Bonds, and also in each of the temporary 2023 Series A Bonds, if any are issued, a certification and recital that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by that 2023 Series A Bond, and in the issuing of that 2023 Series A Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State and the Act, and that said 2023 Series A Bond, together with all other indebtedness of the Commission payable out of Revenues, is within every debt and other limit prescribed by the Constitution and statutes of the State and the Act, and that such certification and recital shall be in such form as is set forth in the form of the 2023 Series A Bond attached hereto as Exhibit A.

Section 69.03. Effect of Findings and Recital. From and after the issuance of the 2023 Series A Bonds, the findings and determinations herein shall be conclusive evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of the 2023 Series A Bonds is at issue.

ARTICLE LXX
AUTHORIZATION AND REDEMPTION OF 2023 SERIES A BONDS

Section 70.01. Principal Amount, Designation and Series. Pursuant to the provisions of the Indenture and the provisions of the Act, a Series of Bonds entitled to the benefit, protection and security of such provisions is hereby authorized in the aggregate principal amount of $______. Such Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A."

Section 70.02. Purpose and Application of Proceeds; Additional Transfers.

(a) The 2023 Series A Bonds are issued for the purpose of (i) refunding all of the Commission's 2008 Bonds, (ii) refunding the Refunded 2019A Bonds and (iii) purchasing in connection with a tender offer the Purchased 2019A Bonds. In addition, a portion of the proceeds will be applied to pay Costs of Issuance of the 2023 Series A Bonds, including costs related to the termination of certain Interest Rate Swap Agreements. On the Issue Date, the net proceeds from the sale of the 2023 Series A Bonds in the amount of $______ shall be received by the Trustee, and the Trustee shall transfer or deposit such funds as follows:

(i) $______ of the proceeds of the 2023 Series A Bonds shall be deposited in the Redemption Fund and used to redeem all of the 2008 Bonds on the redemption date for the 2008 Bonds;

(ii) $______ of the proceeds of the 2023 Series A Bonds shall be transferred to the 2019A Escrow Agent for deposit into the 2019A Escrow Fund;

(iii) $_______ of the proceeds of the 2023 Series A Bonds shall be deposited in the 2023 Series A Bonds Purchase Fund to be used for paying the purchase price of the Purchased 2019A Bonds; and

(iv) $______ of the proceeds of the 2023 Series A Bonds shall be deposited in the 2023 Series A Costs of Issuance Account.

The Trustee may establish a temporary fund or account to record and facilitate such deposits and transfers.

(b) On the Issue Date, upon deposit of the amounts specified in Section 70.02(a) hereof into the 2023 Series A Bonds Purchase Fund, the Trustee shall wire such amount to DTC to purchase the Purchased 2019A Bonds in accordance with Section 71.03 hereof.

Section 70.03. Form, Denomination, Numbers and Letters. Each Series of the 2023 Series A Bonds shall be issued as fully registered bonds without coupons in book-entry form and in Authorized Denominations and shall be numbered from one upward in consecutive numerical order preceded by the letter "R" prefixed to the number. Each maturity of the 2023 Series A Bonds and the certificate of authentication shall be substantially in the form attached hereto as Exhibit A, which form is hereby approved and adopted as the form of the 2023 Series A Bonds and as the form of the certificate of authentication as such form shall be completed based on the terms of each 2023 Series A Bond set forth herein.

Section 70.04. Execution of 2023 Series A Bonds. The 2023 Series A Bonds shall be executed in the name and on behalf of the Commission by the facsimile or manual signature of the Chair of the Board of Directors of the Commission and attested by the facsimile or manual signature of the Director of Finance of the Commission. For all purposes of Section 2.04 of the Indenture, the Chief Financial Officer of the Commission shall be deemed to be the Director of Finance of the Commission. The 2023 Series A Bonds shall be authenticated by the Trustee by the manual signature of an authorized officer.

If any of the officers who shall have signed any of the 2023 Series A Bonds or whose facsimile signature shall be upon the 2023 Series A Bonds shall cease to be such officer of the Commission before the 2023 Series A Bond so signed shall have been authenticated by the Trustee or delivered, such 2023 Series A Bonds nevertheless may be authenticated, issued and delivered with the same force and effect and shall be as binding on the Commission as though the person or persons who signed such

2023 Series A Bonds or whose facsimile signature shall be upon the 2023 Series A Bonds had not ceased to be such officer of the Commission; and any such 2023 Series A Bond may be signed on behalf of the Commission by those persons who, at the actual date of the execution of such 2023 Series A Bonds, shall be the proper officers of the Commission, although at the date of such 2023 Series A Bond any such person shall not have been such officer of the Commission.

Section 70.05. Date, Maturities and Interest Rates.

(a) 2023 Series A Bonds. The 2023 Series A Bonds shall be dated their Issue Date and shall bear interest from that date payable on each Interest Payment Date. The 2023 Series A Bonds shall be issued in the aggregate principal amount of $______ and shall mature on the following dates and in the following amounts, subject to the right of prior redemption set forth in Section 70.06 and the requirement of mandatory sinking fund redemption set forth in Section 70.07(a), and shall bear interest at the following rates per annum:

Maturity Date (April 1)	**Principal Amount**	**Interest Rate**

Each 2023 Series A Bond shall bear interest from the latest of: (i) its Issue Date; (ii) the most recent Interest Payment Date to which interest has been paid thereon or duly provided for, or (iii) if the date of authentication of such 2023 Series A Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication. Interest on the 2023 Series A Bonds shall be computed on the basis of a 360-day year composed of twelve 30-day months.

(b) Payment Provisions. Each 2023 Series A Bond shall be payable as provided in Section 2.10, including Section 2.10(E), or, in the event the use of the Securities Depository is discontinued, the principal of each 2023 Series A Bond shall be payable in lawful money of the United States of America upon surrender thereof at the Corporate Trust Office of the Trustee, and the interest on each 2023 Series A Bond shall be payable on each Interest Payment Date in lawful money of the United States of America by the Trustee to the Holder thereof as of the close of business on the Record

Date, such interest to be paid by the Trustee to such Holder in immediately available funds (by wire transfer or by deposit to the account of the Holder if such account is maintained with the Trustee), according to the instructions given by such Holder to the Trustee or, in the event no such instructions have been given, by check mailed by first class mail to the Holder at such Holder's address as it appears as of the Record Date on the bond registration books kept by the Trustee.

Section 70.06. Optional Redemption of the 2023 Series A Bonds.

(a) Optional Redemption of the 2023 Series A Bonds. The 2023 Series A Bonds maturing on and after April 1, 20__ are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, on any date on or after April 1, 20__, as a whole, or in part by such maturity or maturities as may be specified by Request of the Commission, in Authorized Denominations, at a Redemption Price equal to 100% of the aggregate principal amount thereof, plus interest accrued thereon to the date fixed for redemption, without premium.

(b) Selection of 2023 Series A Bonds for Optional Redemption. The Commission shall designate which maturities of any 2023 Series A Bonds are to be called for optional redemption pursuant to Section 70.06(a). If less than all 2023 Series A Bonds maturing by their terms on any one date and bearing the same rate of interest are to be redeemed at any one time, the Trustee shall select the 2023 Series A Bonds of such maturity date and rate to be redeemed by lot and shall promptly notify the Commission in writing of the numbers of the 2023 Series A Bonds so selected for redemption. For purposes of such selection, 2023 Series A Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event 2023 Series A Bonds that are Term Bonds are designated for optional redemption, the Commission may designate the Mandatory Sinking Account Payments under Section 70.07(a) or portions thereof, that are to be reduced as allocated to such redemption.

(c) Sufficient Funds Required for Optional Redemption. Pursuant to the provisions of Section 4.02 of the Indenture, unless, upon the giving of the notice of the optional redemption of any 2023 Series A Bonds such 2023 Series A Bonds shall be deemed to have been paid within the meaning of Article X, such redemption shall be conditional upon the receipt by the Trustee on or prior to the date fixed for redemption of amounts sufficient to pay in full on said date the principal of, interest, and any premium due on the 2023 Series A Bonds called for redemption, and if such amounts are not so received, the redemption shall not be made.

Section 70.07. Mandatory Redemption of 2023 Series A Bonds From Mandatory Sinking Account Payments.

(a) Mandatory Sinking Account Redemption of 2023 Series A Bonds. The 2023 Series A Bonds maturing on April 1, 20__ are Term Bonds and are subject to mandatory redemption from Mandatory Sinking Account Payments for such 2023 Series A Bonds, on each April 1 on and after April 1, 20___, and in the principal amount equal to the Mandatory Sinking Account Payment due on such date at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

Mandatory Sinking Account Payments for the 2023 Series A Bonds maturing on April 1, 20__ shall be due in such amounts and on such dates as follows:

Redemption Date (April 1)	*Mandatory Sinking Account Payment*

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* Final Maturity

(b) Selection of 2023 Series A Bonds for Mandatory Sinking Account Redemption. If less than all 2023 Series A Bonds of a Series maturing by their terms on any one date are to be redeemed at any one time with Mandatory Sinking Account Payments, the Trustee shall select the 2023 Series A Bonds of such Series and maturity date to be redeemed by lot, and the Trustee shall promptly notify the Commission in writing of the numbers of the 2023 Series A Bonds so selected for redemption. For purposes of such selection, 2023 Series A Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed.

Section 70.08. Notice of Redemption of 2023 Series A Bonds. Each notice of redemption of 2023 Series A Bonds shall be mailed by the Trustee, not less than twenty (20) nor more than ninety (90) days prior to the redemption date, to each Holder of 2023 Series A Bonds and each of the Repositories. A copy of such notice shall also be provided to each of the Notice Parties with respect to the 2023 Series A Bonds. Notice of redemption to the Holders of 2023 Series A Bonds, the Repositories and the applicable Notice Parties shall be given by first class mail or by Electric Means. Each notice of redemption shall state the date of such notice, the date of issue of the 2023 Series A Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity, the distinctive certificate numbers of the 2023 Series A Bonds of such maturity, if any, to be redeemed and, in the case of 2023 Series A Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said 2023 Series A Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a 2023 Series A Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such 2023 Series A Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice. Neither the Commission nor the Trustee shall have any responsibility for any defect in the CUSIP number that appears on any 2023 Series A Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Commission nor the Trustee shall be liable for any inaccuracy in such CUSIP numbers.

In connection with any optional redemption of the 2023 Series A Bonds, the Commission shall give the Trustee written notice at least 30 days (or such lesser time period acceptable to the Trustee) before any date fixed for redemption, designating the maturity or maturities of the 2023 Series A Bonds to be redeemed, the portions thereof to be redeemed and the fact and date of such redemption. Any notice of optional redemption of the 2023 Series A Bonds may be rescinded by written notice given to the Trustee by the Commission and the Trustee shall give notice of such rescission as provided in Section 4.02 of the Indenture.

Any notice of the conditional redemption of 2023 Series A Bonds as provided in Section 70.06(c) and Section 4.02 of the Indenture shall state that such redemption is conditional, and if such condition is not satisfied and such redemption is not made, the Trustee shall give notice to such effect as provided in Section 4.02 of the Indenture.

Failure by the Trustee to give notice to any Notice Party or any one or more of the Repositories, or failure of any Holder, any Notice Party or any Repository to receive notice, or any defect in any such notice, shall not affect the sufficiency or validity of the proceedings for redemption.

Section 70.09. No Reserve Fund for 2023 Series A Bonds. No reserve is established with respect to the 2023 Series A Bonds.

ARTICLE LXXI
ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF

Section 71.01. Funds and Accounts. The following funds and accounts are hereby established in connection with the 2023 Series A Bonds:

(a) To ensure the proper application of such portion of proceeds from the sale of the 2023 Series A Bonds to be applied to pay Costs of Issuance of the 2023 Series A Bonds, there is hereby established the 2023 Series A Costs of Issuance Account, such account to be held by the Trustee.

(b) To ensure the proper application of such portion of proceeds from the sale of the 2023 Series A Bonds to be applied to pay the purchase price of the Purchased 2019A Bonds, there is hereby established the 2023 Series A Bonds Purchase Fund, such fund to be held by the Trustee.

Section 71.02. 2023 Series A Costs of Issuance Account. The Trustee shall establish the 2023 Series A Costs of Issuance Account. All money on deposit in the 2023 Series A Costs of Issuance Account shall be applied solely for the payment of authorized Costs of Issuance relating to the 2023 Series A Bonds. Before any payment from the 2023 Series A Costs of Issuance Account shall be made by the Trustee, the Commission shall file or cause to be filed with the Trustee a Requisition of the Commission, such Requisition to be signed by an Authorized Representative and to include: (i) the item number of such payment; (ii) the name and address of the person to whom each such payment is due, which may be the Commission in the case of reimbursement for costs theretofore paid by the Commission; (iii) the respective amounts to be paid; (iv) the purpose by general classification for which each obligation to be paid was incurred; (v) that obligations in the stated amounts have been incurred by the Commission and are presently due and payable and that each item thereof is a proper charge against the 2023 Series A Costs of Issuance Account and has not been previously paid from said account.

Any amounts remaining in the 2023 Series A Costs of Issuance Account or any subaccount therein one hundred eighty (180) days after the Issue Date of the 2023 Series A Bonds shall be transferred to the Interest Fund and the 2023 Series A Costs of Issuance Account shall be closed.

Section 71.03. 2023 Series A Bonds Purchase Fund. The Trustee shall establish the 2023 Series A Bonds Purchase Fund. On the Issue Date, the monies set aside and placed within the 2023 Series A Bonds Purchase Fund pursuant to Section 70.02 hereof shall be applied solely to the payment of the purchase price of and accrued interest on the Purchased 2019A Bonds, as set forth in Exhibit D hereto. In accordance with Section 70.02(b), the Trustee shall wire the purchase price of and accrued interest on the Purchased 2019A Bonds, set forth on Exhibit D, to DTC for credit to the Purchased 2019A Bonds, as set forth in Exhibit D, through the Automated Tender Option Program ("ATOP"). The Commission directs the Trustee to cancel such Purchased Bonds 2019A Bonds. At such time as the Purchased 2019A Bonds have been purchased and cancelled, or at such time as no funds remain in the 2023 Series A Bond Purchase Fund, the Trustee may close and terminate the 2023 Series A Bonds Purchase Fund.

ARTICLE LXXII
MISCELLANEOUS

Section 72.01. Continuing Disclosure. The Commission covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement, dated the date of issuance of the 2023 Series A Bonds, executed by the Commission. Notwithstanding any other provision of the Indenture, failure of the Commission to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee shall, at the written request of any Participating Underwriter (as defined in the Continuing Disclosure Agreement) or of the Holders of at least twenty-five (25%) aggregate principal amount of the 2023 Series A Bonds then Outstanding (but only to the extent funds in an amount satisfactory to the Trustee have been provided to it or it has been otherwise indemnified to its satisfaction from any cost, liability, expense or additional charges and fees of the Trustee whatsoever, including, without limitation, reasonable fees and expenses of its attorneys), or any Holder or Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Commission to comply with its obligations under this Section.

Section 72.02. Tax Certificate. The Commission will comply with the provisions and procedures of the 2023 Series A Bonds Tax Certificate.

Section 72.03. Severability. If any covenant, agreement or provision, or any portion thereof, contained in this Thirteenth Supplemental Indenture, or the application thereof to any person or circumstance, is held to be unconstitutional, invalid or unenforceable, the remainder of this Thirteenth Supplemental Indenture, and the application of any such covenant, agreement or provision, or portion thereof, to other Persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Thirteenth Supplemental Indenture and the 2023 Series A Bonds issued pursuant hereto shall remain valid, and the Holders of the 2023 Series A Bonds shall retain all valid rights and benefits accorded to them under this Indenture, the Act, and the Constitution and statutes of the State.

Section 72.04. Parties Interested Herein. Nothing in this Thirteenth Supplemental Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Commission, the Trustee and the Holders of the 2023 Series A Bonds, any right, remedy or claim under or by reason of this Thirteenth Supplemental Indenture or any covenant, condition or stipulation hereof; and all the covenants, stipulations, promises and agreements in this Thirteenth Supplemental Indenture contained by and on behalf of the Commission shall be for the sole and exclusive benefit of the Commission, the Trustee and the Holders of the 2023 Series A Bonds.

Section 72.05. Headings Not Binding. The headings in this Thirteenth Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Thirteenth Supplemental Indenture.

Section 72.06. Notice Addresses. Except as otherwise provided herein, it shall be sufficient service or giving of notice, request, complaint, demand or other paper if the same shall be duly mailed by registered or certified mail, postage prepaid, addressed to the Notice Address for the appropriate party or parties as provided in Exhibit B hereto. Any such entity by notice given hereunder may designate any different addresses to which subsequent notices, certificates or other communications shall be sent, but no notice directed to any one such entity shall be thereby required to be sent to more than two addresses. Any such communication may also be sent by Electronic Means, receipt of which shall be confirmed.

Section 72.07. Notices to Rating Agencies. The Trustee shall provide notice to the Rating Agencies of the following events with respect to the 2023 Series A Bonds:

(1) Change in Trustee;

(2) Amendments to the Indenture; and

(3) Redemption or defeasance of any 2023 Series A Bonds.

Section 72.08. Indenture to Remain in Effect. Save and except as amended and supplemented by this Thirteenth Supplemental Indenture, the Indenture, as heretofore supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture, the Tenth Supplemental Indenture, Eleventh Supplemental Indenture and Twelfth Supplemental Indenture shall remain in full force and effect.

Section 72.09. Effective Date of Thirteenth Supplemental Indenture. This Thirteenth Supplemental Indenture shall take effect upon its execution and delivery.

Section 72.10. Execution in Counterparts. This Thirteenth Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 72.11. Electronic Signature. Each of the parties hereto agrees that the transaction consisting of this Thirteenth Supplemental Indenture may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Thirteenth Supplemental Indenture using an electronic signature, it is signing, adopting, and accepting this Thirteenth Supplemental Indenture and that signing this Thirteenth Supplemental Indenture using an electronic signature is the legal equivalent of having placed its handwritten signature on this Thirteenth Supplemental Indenture on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Thirteenth Supplemental Indenture in a usable format.

IN WITNESS WHEREOF, the parties hereto have executed this Thirteenth Supplemental Indenture by their officers thereunto duly authorized as of the day and year first written above.

SAN DIEGO COUNTY REGIONAL
TRANSPORTATION COMMISSION

By: ____
Chief Executive Officer

ATTEST:

By: ___________________________________
Clerk

APPROVED AS TO FORM:

By: ___________________________________
General Counsel

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Trustee

By: ____
Authorized Officer

EXHIBIT A

FORM OF 2023 SERIES A BOND

No. R-- ____________ $________________________

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BOND
(LIMITED TAX BOND)
2023 SERIES A

INTEREST RATE	MATURITY	ISSUE DATE	CUSIP
___%	April 1, 20__	July __, 2023	797400___

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT: ____DOLLARS

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION, a public entity duly organized and existing under the laws of the State of California (the "Commission"), for value received, hereby promises to pay (but solely from Revenues as hereinafter referred to) in lawful money of the United States of America, to the registered Holder or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount specified above, together with interest thereon from the Issue Date set forth above until the principal hereof shall have been paid, at the Interest Rate set forth above payable on each April 1 and October 1, commencing October 1, 2023 (each, an "Interest Payment Date"). The principal of and premium, if any, on this Bond are payable to the registered Holder hereof upon presentation and surrender of this Bond at the Corporate Trust Office, in St. Paul, Minnesota or at such other Corporate Trust Office hereinafter designated for the presentation place of Bonds for payment, of U.S. Bank Trust Company, National Association, as successor trustee (together with any successor as trustee under the hereinafter defined Indenture, the "Trustee"). Interest on this Bond shall be paid by check drawn upon the Trustee and mailed on the applicable Interest Payment Date to the registered Holder hereof as of the close of business on the Record Date at such registered Holder's address as it appears on the Bond Register. As used herein, "Record Date" means the fifteenth (15th) day (whether or not a Business Day) of the month preceding the month in which such Interest Payment Date occurs.

This Bond is one of a duly authorized issue of bonds of the Commission, designated as "San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds)" (the "Bonds"), of the series designated above, all of which are being issued pursuant to the provisions of the San Diego County Regional Transportation Commission Act constituting Chapter 2 of Division 12.7 of the California Public Utilities Code (the "Act"), and Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code, as referenced in said Act, and Articles 10 and 11 of Chapter 3 of Division 2 of Title 5 of the California Government Code (collectively, and together with the Act, the "Law"), and an Indenture, dated as of March 1, 2008, as supplemented, including as supplemented by a Thirteenth Supplemental Indenture, dated as of July 1, 2023 (the "Thirteenth Supplemental Indenture"), each between the Commission and the Trustee, hereinafter referred to collectively as the "Indenture." Said authorized issue of Bonds is not limited in aggregate principal amount and consists or may consist of one or more series of varying denominations, dates, maturities, interest rates and other provisions, as in the Indenture provided. Capitalized terms used herein and not otherwise defined shall have the meaning given such terms in the Indenture.

THIS BOND IS A LIMITED TAX BOND OBLIGATION OF THE COMMISSION PAYABLE SOLELY FROM REVENUES AS DEFINED AND PROVIDED IN THE INDENTURE AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE AND THE COMMISSION IS NOT OBLIGATED TO PAY THIS BOND EXCEPT FROM REVENUES AND THOSE CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE. THIS BOND DOES NOT CONSTITUTE A DEBT OR LIABILITY OF THE STATE OF CALIFORNIA (THE "STATE") OR ANY POLITICAL SUBDIVISION OF THE STATE OTHER THAN THE COMMISSION, OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION OF THE STATE. THE CREDIT OR TAXING POWER (OTHER THAN AS DESCRIBED HEREIN) OF THE COMMISSION IS NOT PLEDGED, FOR THE PAYMENT OF THE BONDS, THEIR INTEREST, OR ANY PREMIUM DUE UPON REDEMPTION OF THE BONDS. THE BONDS ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE, LIEN OR ENCUMBRANCE UPON, ANY OF THE PROPERTY OF THE COMMISSION OR ANY OF ITS INCOME OR RECEIPTS, EXCEPT THE REVENUES AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE.

Reference is hereby made to the Indenture and the Law for a description of the terms on which the Bonds are issued and to be issued, the provisions with regard to the nature and extent of the pledge of Revenues and certain other funds and the rights of the registered Holders of the Bonds and all the terms of the Indenture are hereby incorporated herein and constitute a contract between the Commission and the registered Holder from time to time of this Bond, and to all the provisions thereof the registered Holder of this Bond, by its acceptance hereof, consents and agrees. Additional Bonds may be issued and other indebtedness may be incurred on a parity with the Series of Bonds of which this Bond is a part, but only subject to the conditions and limitations contained in the Indenture.

This Bond is payable as to both principal and interest, and any premium upon redemption hereof, exclusively from the Revenues and other funds pledged under the Indenture, which consist primarily of the amounts available for distribution to the Commission on and after July 1, 1988 on account of the retail transactions and use tax imposed in the County of San Diego pursuant to the Law, as extended, after deducting amounts payable by the Commission to the State Board of Equalization for costs and expenses for its services in connection with the retail transactions and use taxes collected pursuant to the Law, all as provided in the Indenture, and the Commission is not obligated to pay the principal of and interest on this Bond except from Revenues and certain other funds pledged thereunder.

This Bond is deliverable in the form of a fully registered Bond in denominations of $5,000 and any multiple thereof (such denominations being referred to herein as "Authorized Denominations").

Optional and Mandatory Redemption Provisions

The Bonds of the Series of which this Bond is a part shall be subject to optional and mandatory redemption as specified in the Indenture.

Amendments and Modifications

The rights and obligations of the Commission and of the Beneficial Owners and registered Holders of the Bonds may be modified or amended at any time in the manner, to the extent, and upon the terms provided in the Indenture, which provide, in certain circumstances, for modifications and amendments without the consent of or notice to the registered Holders of the Bonds.

Transfer and Exchange Provisions

This Bond is transferable or exchangeable as provided in the Indenture, only upon the bond registration books maintained by the Trustee, by the registered Holder hereof, or by his or her duly authorized attorney, upon surrender of this Bond at the Corporate Trust Office of the Trustee, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Holder or his or her duly authorized attorney, and thereupon a new Bond or Bonds of the same series, maturity and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, upon payment of any charges therein prescribed.

Persons Deemed Holders

The person in whose name this Bond is registered shall be deemed and regarded as the absolute Holder hereof for all purposes, including receiving payment of, or on account of, the principal hereof and any redemption premium and interest due hereon.

It is hereby certified and recited that any and all acts, conditions and things required to exist, to happen and to be performed, precedent to and in the incurring of the indebtedness evidenced by this Bond, and in the issuing of this Bond, exist, have happened and have been performed in due time, form and manner, as required by the Constitution and statutes of the State of California and the Law, and that this Bond, together with all other indebtedness of the Commission payable out of Revenue, is within every debt and other limit prescribed by the Constitution and statutes of the State of California and the Act.

This Bond shall not be entitled to any benefit under the Indenture, or become valid or obligatory for any purpose, until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF the San Diego County Regional Transportation Commission has caused this Bond to be executed in its name and on its behalf by the manual or facsimile signature of its duly authorized representatives all as of the Issue Date set forth above.

SAN DIEGO COUNTY REGIONAL
TRANSPORTATION COMMISSION

By: ____
Chair of the Board of Directors

(Seal)

Attest:

By: __________________________________
Director of Finance

[FORM OF CERTIFICATE OF AUTHENTICATION]

This Bond is one of the 2023 Series A Bonds described in the within mentioned Indenture and was authenticated on the date set forth below.

Date of Authentication: July __, 2023.

U.S. BANK TRUST COMPANY, NATIONAL ASSOICATION,
as Trustee

By: ___________________________________
Authorized Officer

[DTC LEGEND]

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the issuer or its agent for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered Owner hereof, Cede & Co., has an interest herein.

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

____

(Please Print or Type Name and Address of Assignee)

PLEASE INSERT SOCIAL SECURITY OR OTHER
TAX IDENTIFICATION NUMBER OF ASSIGNEE

____

____

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoint to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Signature:

____

(Signature of Assignor)

Notice: The signature on this assignment must correspond with the name of the registered Holder as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

____

Notice: Signature must be guaranteed by an eligible guarantor firm.

EXHIBIT B

NOTICE ADDRESSES

To the Commission:
San Diego Association of Governments 401 B
Street, Suite 800
San Diego, California 92101
Attention: Chief Financial Officer
Telephone: (619) 699-6931
Facsimile: (619) 699-4890

To the Rating Agencies:
S&P Global Ratings
55 Water Street, 38th Floor
New York, New York 10041
Telephone: (212) 438-2000
Facsimile: (212) 438-2157

Fitch Ratings
33 Whitehall Street
New York, New York 10004
Attention: Public Finance Department

To the Trustee:
U.S. Bank Trust Company, National
Association
633 West 5th Street, 24th Floor Los Angeles,
California 90071
Attention: Global Corporate Trust
Telephone: (213) 615-6023
Facsimile: (213) 615-6197

EXHIBIT C

REFUNDED 2019A BONDS

Maturity Date (April 1)	Interest Rate	CUSIP (797400)	Original Par Amount	Par Amount Refunded	Redemption Date	Redemption Price
2024	1.926%	LB2	$ 6,640,000		N/A	N/A
2025	2.085	LC0	6,585,000		N/A	N/A
2026	2.185	LD8	6,570,000		N/A	N/A
2027	2.279	LE6	7,185,000		N/A	N/A
2028	2.369	LF3	6,940,000		N/A	N/A
2029	2.429	LG1	7,045,000		N/A	N/A
2030	2.499	LH9	7,175,000		N/A	N/A
2031	2.599	LJ5	7,945,000		04/01/2030	100%
2032	2.699	LK2	8,185,000		04/01/2030	100%
2033	2.799	LL0	8,175,000		04/01/2030	100%
2034	2.849	LM8	8,515,000		04/01/2030	100%

* CUSIP numbers provided above are provided for convenience. The Commission is not responsible for the accuracy or completeness of any of the CUSIP numbers.

EXHIBIT D

PURCHASED 2019A BONDS & WIRE INSTRUCTIONS

NP DRAFT 5/5

$_______
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS
(LIMITED TAX BONDS)
2023 SERIES A

BOND PURCHASE AGREEMENT

_______, 2023

San Diego County Regional Transportation Commission
401 B Street, Suite 800
San Diego, California 92101

Ladies and Gentlemen:

Wells Fargo Bank, National Association (the "Representative"), acting on behalf of itself and BofA Securities, Inc., Goldman, Sachs & Co. LLC, J.P. Morgan Securities LLC and Samuel A. Ramirez & Co., Inc. (collectively the "Underwriters"), hereby offers to enter into this Bond Purchase Agreement with the San Diego County Regional Transportation Commission (the "Commission"), which, upon the Commission's acceptance hereof, will be binding upon the Commission and the Underwriters. This offer is made subject to the written acceptance of this Bond Purchase Agreement by the Commission and the delivery of such acceptance to the Representative or its attorney at or prior to 6:00 p.m., Pacific time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Commission at any time prior to the acceptance hereof by the Commission.

The Representative represents and warrants to the Commission that it has been duly authorized to enter into this Bond Purchase Agreement and to act hereunder by and on behalf of the Underwriters.

1. Definitions. All capitalized terms not defined herein shall have the meanings ascribed to them in the Indenture, as defined below. Unless a different meaning clearly appears from the context, the following words and terms shall have the following meanings, respectively:

"Bond Purchase Agreement" shall mean this Bond Purchase Agreement.

"Bond Resolution" shall mean Resolution No. RTC-2023-__ adopted by the Commission on ________, 2023.

"Business Day" shall mean any day other than a Saturday, Sunday or legal holiday in the State or in New York, New York or a day on which either the Trustee or the Commission is legally authorized to close.

"Closing Date" shall have the meaning given such term in Section 7 hereof.

"Closing Time" shall mean the time at which payment for and delivery of the Series 2023 Series A Bonds shall occur, as established pursuant to Section 7 hereof.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement dated _______, 2023.

"County" shall mean the County of San Diego, California.

"End Date" shall have the meaning set forth in Section 2 hereof.

"Indenture" shall mean the Indenture, dated as of March 1, 2008, between the Commission and the Trustee, as amended or supplemented, including as supplemented by the Thirteenth Supplemental Indenture.

"Legal Documents" shall mean the Indenture, the Continuing Disclosure Agreement, and the Tax Certificate.

"Official Statement" shall mean the Official Statement of the Commission, dated ______, 2023, relating to the 2023 Series A Bonds, together with the cover page thereof and all appendices, exhibits, amendments and supplements thereto.

"Preliminary Official Statement" shall mean the Preliminary Official Statement of the Commission, dated ________, 2023, relating to the 2023 Series A Bonds, together with the cover page thereof and all appendices, exhibits, amendments and supplements thereto.

"Rule 15c2-12" shall mean Rule 15c2-12 of the Securities and Exchange Commission, promulgated under the Securities Exchange Act of 1934, as amended.

"Sales Tax" shall mean the 1/2 of 1% retail transactions and use tax imposed by the Commission and approved by the electors of the County at an election held November 3, 1987 and extended by the electors of the County at an election held November 2, 2004.

"State" shall mean the State of California.

"Tax Certificate" shall mean the Tax Certificate of the Commission dated the Closing Date.

"Thirteenth Supplemental Indenture" shall mean the Thirteenth Supplemental Indenture, dated as of _______ 1, 2023, between the Commission and U.S. Bank National Association, as Trustee, as amended or supplemented.

"2023 Series A Bonds" shall mean $_________ aggregate principal amount of San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A.

2. Use and Preparation of Official Statement; Continuing Disclosure Agreement. The Commission has heretofore delivered to the Underwriters copies of the Preliminary Official Statement, which the Commission has deemed final as of its date, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(1) of Rule 15c2-12. The Commission shall prepare and deliver to the Underwriters, as promptly as practicable, but in no event later than seven (7) business days from the date hereof and at least two (2) business days prior to the Closing Date, whichever occurs first, a final Official Statement, with such changes and amendments as may be agreed to by the Representative, in such quantities as the Underwriters may reasonably request in order to comply with paragraph (b)(4) of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Commission hereby ratifies, confirms and approves the use and distribution by the Underwriters prior to the date hereof of the Preliminary Official Statement and hereby authorizes the Underwriters to use and distribute the Official Statement and all information contained therein in connection with the public offering and sale of the 2023 Series A Bonds. The Representative agrees to promptly file a copy of the Official Statement, including any supplements prepared by the Commission, with the MSRB on its Electronic Municipal Markets Access ("EMMA") system. The Commission shall deliver sufficient copies of the Official Statement to enable the Underwriters to distribute a single copy to any potential customer of the Underwriters requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending on a date referred to herein as the "End Date," which is the date when the Official Statement becomes available through EMMA, but in no event less than 25 days after the end of the underwriting period (as defined in Rule 15c2-12). The Commission shall prepare the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB's Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Official Statement to the Underwriters no later than one (1) business day prior to the Closing Date to enable the Underwriters to comply with MSRB Rule G-32. On the Closing Date the Commission may assume that the end of the underwriting period has occurred unless otherwise informed in writing by the Underwriters. In any event, the Underwriters shall promptly notify the Commission of the end of the underwriting period.

The Commission will undertake pursuant to a Continuing Disclosure Agreement, to be dated as of the date of issuance of the 2023 Series A Bonds, to provide certain annual financial and operating information and certain material event notices. A description of this undertaking is set forth in the Official Statement.

3. Purchase and Sale of the 2023 Series A Bonds. Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the Commission the 2023 Series A Bonds for offering to the public, and the Commission hereby agrees to sell to the Underwriters, all (but not less than all) of the $_______ aggregate principal amount of the 2023 Series A Bonds at an aggregate purchase price of $________ (the "Purchase Price"), representing the aggregate principal amount of the 2023 Series A Bonds, plus original issue premium of $________, less an underwriters' discount of $________.

4. The 2023 Series A Bonds. The principal amounts, maturity dates, interest rates and prices with respect to the 2023 Series A Bonds shall be as described in the Official Statement and in Appendix A hereto.

5. Public Offering; Establishment of Issue Price.

(a) The Representative, on behalf of the Underwriters, agrees to assist the Commission in establishing the issue price of the Bonds and shall execute and deliver to the Commission at the Closing an "issue price" or similar certificate, substantially in the form attached hereto as Appendix B, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Representative, the Commission and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

(b) [Except for the maturities identified in Schedule 1 attached hereto as "Hold-the-Offering-Price Maturities,] the Commission represents that it will treat the first price at which 10% of each maturity of the Bonds (the "10% Test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). [If, immediately upon the execution of this Bond Purchase Agreement, the 10% Test has not been satisfied as to any maturity of the Bonds, the Representative, on behalf of the Underwriters, agrees that the "Hold-the-Offering-Price" rule described in Section 10(c) shall apply to each such maturity for which the 10% Test has not been so satisfied.] [The Representative represents that, for each maturity of the Bonds, the 10% Test will be met immediately upon the execution of this Bond Purchase Agreement.]

(c) [The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Appendix A attached hereto. Schedule 1 also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Bonds for which the 10% Test has not been satisfied and for which the Commission and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply (the "Hold-the-Offering-Price Rule"). So long as the Hold-the-Offering-Price Rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.]

(d) The Representative confirms that:

(i) any agreement among underwriters, any selling group agreement and each retail or other third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Purchaser, each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative that the 10% Test has been satisfied as to the Bonds of that maturity and (ii) to comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, and

(B) to promptly notify the Representative of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below),

(C) to acknowledge that, unless otherwise advised by the Purchaser, dealer or broker-dealer, the Representative shall assume that each order submitted by the Purchaser, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters and any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Purchaser that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it until either all Bonds of that maturity allocated to it have been sold or it is notified by the Representative or such Purchaser that the 10% Test has been satisfied as to the Bonds of that maturity and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the Representative or the Purchaser and as set forth in the related pricing wires.

The Commission acknowledges that, in making the representations set forth in this section, the Representative will rely on (i) the agreement of each Purchaser to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that a Purchaser or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The Commission further acknowledges that each Purchaser shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, and that no Purchaser shall be liable for the failure of any other Purchaser, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds.

(e) The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party to an underwriter,

(ii) "underwriter" (when used with a lower case "u") means (A) any person that agrees pursuant to a written contract with the Commission (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Bond Purchase Agreement by all parties.

6. Use of Documents. The Commission hereby authorizes the Underwriters to use, in connection with the public offering and sale of the 2023 Series A Bonds, this Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement and the Legal Documents, and the information contained herein and therein.

7. Closing. The Closing Time shall be no later than 10:00 a.m., Pacific time, on ______, 2023, or at such other time or on such later date as shall have been mutually agreed upon by the Commission and the Representative (the "Closing Date"). At the Closing Time, the Commission will deliver or cause to be delivered the 2023 Series A Bonds to the Underwriters through The Depository Trust Company ("DTC") in definitive or temporary form, duly executed by the Commission, together with the other documents hereinafter mentioned; and the Underwriters will accept such delivery and pay the Purchase Price in immediately available funds to the Trustee.

The 2023 Series A Bonds will be registered in the name of "Cede & Co." as nominee of DTC. It is anticipated that CUSIP identification numbers will be printed on the 2023 Series A Bonds, but neither the failure to print such numbers on the 2023 Series A Bonds nor any error with respect thereto shall constitute a cause for failure or refusal by the Underwriters to accept delivery of the 2023 Series A Bonds in accordance with the terms of this Bond Purchase Agreement.

Delivery of the 2023 Series A Bonds will be made through the book-entry system of DTC, and all other actions to be taken at the Closing Time, including the delivery of the items set forth in Section 9 hereof, shall take place at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, or at such other place as shall have been mutually agreed upon by the Commission and the Representative.

8. Representations, Warranties and Agreements of the Commission. The Commission hereby represents, warrants and agrees with the Underwriters that:

(a) The Commission has been duly created and is validly existing under the laws of the State and has the power to issue the 2023 Series A Bonds pursuant to the Act, the Bond Resolution and the Legal Documents.

(b) The Commission has full legal right, power and authority under the Constitution and the laws of the State to cause the collection of the Sales Tax, to adopt the Bond Resolution, to enter into the Legal Documents and this Bond Purchase Agreement, and to sell, issue and deliver the 2023 Series A Bonds to the Underwriters as provided herein; the Commission has full legal right, power and authority to perform its obligations under the Bond Resolution, the 2023 Series A Bonds, the Legal Documents and this Bond Purchase Agreement, and to carry out and consummate the transactions contemplated thereby and hereby and by the Official Statement; except as described in the Preliminary Official Statement and the Official Statement, the Commission has complied with, or will at the Closing Time be in compliance with, in all respects material to this transaction, the Constitution, the Act, the Ordinance and laws of the State, and the terms of the Bond Resolution, the 2023 Series A Bonds, the Legal Documents and this Bond Purchase Agreement.

(c) Except as described in the Preliminary Official Statement and the Official Statement, by all necessary official action, the Commission has duly adopted the Ordinance, which was approved by a majority of the voters in the County on November 3, 1987 and extended by more than a two-thirds vote of the voters in the County voting on such extension on November 2, 2004.

(d) By all necessary official action, the Commission has duly adopted the Bond Resolution, has duly authorized the preparation and distribution of the Preliminary Official Statement and the preparation, execution and delivery of the Official Statement, has duly authorized and approved the execution and delivery of, and the performance of its obligations under, the 2023 Series A Bonds, this Bond Purchase Agreement and the Legal Documents, and the consummation by it of all other transactions contemplated by this Bond Purchase Agreement, the Bond Resolution, and the Legal Documents. When executed and delivered by their respective parties, the Legal Documents and this Bond Purchase Agreement (assuming due authorization, execution and delivery by and enforceability against the other parties thereto) will be in full force and effect and each will constitute legal, valid and binding agreements or obligations of the Commission, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State.

(e) The 2023 Series A Bonds, when issued, authenticated and delivered in accordance with the Bond Resolution and the Indenture, and sold to the Underwriters as provided herein, will constitute legal, valid and binding obligations of the Commission, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally, the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State, and will be entitled to the benefits of the laws of the State, the Indenture and the Bond Resolution.

(f) All consents, approvals, authorizations, orders, licenses or permits of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter, that are required for the due authorization by, or that would constitute a condition precedent to or the absence of which would materially adversely affect the issuance, delivery or sale of the 2023 Series A Bonds and the execution, delivery of and performance of the Legal Documents by the Commission have been duly obtained (except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the 2023 Series A Bonds, as to which no representation is made).

(g) Except as described in the Preliminary Official Statement and the Official Statement, the Commission is not in any material respect in breach of or default under any constitutional provision, law or administrative regulation of the State or of the United States or any agency or instrumentality of either or any judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Commission is a party or to which the Commission or any of its property or assets is otherwise subject (including, without limitation, the Bond Resolution and the Legal Documents), and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and the adoption of the Bond Resolution, the issuance, delivery and sale of the 2023 Series A Bonds and the execution and delivery of this Bond Purchase Agreement and the Legal Documents and compliance with the Commission's obligations therein and herein will not in any material respect conflict with, violate or result in a breach of or constitute a default under, any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, agreement, mortgage, lease or other instrument to which the Commission is a party or to which the Commission or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Commission or under the terms of any such law, regulation or instruments, except as provided by the Bond Resolution and the Legal Documents.

(h) As of the date hereof, no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, government agency, public board or body, is pending or, to the best of the Commission's knowledge, threatened against the Commission: (i) in any way affecting the existence of the Commission or in any way challenging the respective powers of the several offices or the titles of the officials of the Commission to such offices; (ii) affecting or seeking to prohibit, restrain or enjoin the issuance, sale or delivery of any of the 2023 Series A Bonds, the application of the proceeds of the sale of the 2023 Series A Bonds, the proceedings authorizing and approving the Sales Tax, the levy or collection of the Sales Tax; (iii) in any way contesting or affecting, as to the Commission, the validity or enforceability of the Act, the proceedings authorizing the Sales Tax, the Bond Resolution, the 2023 Series A Bonds, the Legal Documents or this Bond Purchase Agreement; (iv) in any way contesting the powers of the Commission or its authority with respect to issuance or delivery of the 2023 Series A Bonds, the adoption of the Bond Resolution, or the execution and delivery of the Legal Documents or this Bond Purchase Agreement, or contesting the power or authority to levy the Sales Tax; (v) contesting the exclusion from gross income of interest on the 2023 Series A Bonds for federal income tax purposes; (vi) in any way contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any supplement or amendment thereto; or (vii) in any way contesting or challenging the consummation of the transactions contemplated hereby or thereby or that might materially adversely affect the ability of the Commission to perform and satisfy its obligations under this Bond Purchase Agreement, the Legal Documents or the 2023 Series A Bonds; nor to the best of the Commission's knowledge is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the Act, the proceedings authorizing the Sales Tax, the Bond Resolution, the Legal Documents or this Bond Purchase Agreement or the performance by the Commission of its obligations thereunder, or the authorization, execution, delivery or performance by the Commission of the 2023 Series A Bonds, the Bond Resolution, the Legal Documents or this Bond Purchase Agreement.

(i) Between the date hereof and the Closing Time, the Commission will not, without the prior written consent of the Representative, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, or in any material amount incur any material liabilities, direct or contingent, except in the course of normal business operations of the Commission or relating to the Project or except for such borrowings as may be described in or contemplated by the Preliminary Official Statement and the Official Statement.

(j) The Commission will furnish such information, execute such instruments, and take such other action in cooperation with and at the expense of the Underwriters as the Underwriters may reasonably request in order (i) to qualify the 2023 Series A Bonds for sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriters may designate and (ii) to determine the eligibility of the 2023 Series A Bonds for investment under the laws of such states and other jurisdictions; and the Commission will use commercially reasonable efforts to continue such qualification in effect so long as required for distribution of the 2023 Series A Bonds; provided, however, that in no event shall the Commission be required to take any action which would subject itself to service of process in any jurisdiction in which it is not already so subject, and will provide prompt written notice to the Underwriters of receipt by the Commission of any written notification with regard to the suspension of the qualification of the 2023 Series A Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

(k) The Commission has the legal authority to apply and will apply, or cause to be applied, the proceeds from the sale of the 2023 Series A Bonds as provided in and subject to all of the terms and provisions of the Act, the Ordinance, the Bond Resolution and the Indenture, and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the 2023 Series A Bonds.

(l) The 2023 Series A Bonds, when issued, will conform to the description thereof contained in the Preliminary Official Statement (other than the information as to principal amounts, interest rates, redemption provisions and other information subject to change) and the Official Statement under the captions "DESCRIPTION OF THE SERIES 2023 BONDS" and Appendix C-2 — "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE"; the proceeds of the 2023 Series A Bonds, when issued, will be applied generally as described in the Preliminary Official Statement and the Official Statement under the captions "INTRODUCTION — Plan of Finance" and "FINANCING PLAN"; and the Bond Resolution and the Indenture conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement.

(m) The Preliminary Official Statement (other than information allowed to be omitted by Rule 15c2-12) and certain terms of the Bonds left blank or marked preliminary, subject to change, as of its date and as of the date hereof, did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (excluding therefrom the information contained under the captions "UNDERWRITING," "RELATIONSHIP OF CERTAIN PARTIES," and all information concerning the book-entry system (collectively, the "Excluded Information") as to which no representations or warranties are made and the information in Appendix C-2, which is correct in all material respects).

(n) As of the date hereof, and (unless an event occurs of the nature described in paragraph (p) of this Section 8) at all times subsequent thereto, up to and including the Closing Time, the Official Statement (excluding therefrom the Excluded Information as to which no representations or warranties are made and the information in Appendix C-2, which is correct in all material respects) did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the Official Statement, in the light of the circumstances under which they are made, not misleading.

(o) If the Official Statement is supplemented or amended pursuant to paragraph (p) of this Section 8, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Time, the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(p) The Commission shall not amend or supplement the Official Statement without the prior written consent of the Representative, which shall not be unreasonably withheld. If between the date hereof and the Closing Time, any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Commission shall notify the Representative thereof, and if, in the opinion of the Representative, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Commission shall forthwith prepare and furnish (at the expense of the Commission) a reasonable number of copies of an amendment of or supplement to the Official Statement in form and substance satisfactory to the Representative.

(q) Except as described in the Preliminary Official Statement and the Official Statement, and except for a pledge of Revenues or other funds, in connection with (i) a loan obtained by the Commission under the Transportation Infrastructure Finance and Innovation Act or (ii) a new or extended credit or liquidity facility supporting the Commission's commercial paper notes, the Commission has not granted a lien on or made a pledge of the Revenues or any other funds pledged under the Indenture.

(r) The Commission is not in default in any material respect on any bond, note or other obligation for borrowed money or under any agreement under which any such obligation is outstanding, and at no time has defaulted in any material respect on any payment obligation with respect to such outstanding bonds, notes or other obligations for borrowed money.

(s) The financial statements of, and other financial information regarding, the Commission in the Preliminary Official Statement and the Official Statement relating to the receipts, expenditures and cash balances of Revenues by the Commission as of June 30, 2022 fairly represent the receipts, expenditures and cash balances of such amounts and, insofar as presented, other funds of the Commission as of the dates and for the periods therein set forth. The financial statements of the Commission have been prepared in accordance with generally accepted accounting principles consistently applied. Except as disclosed in the Preliminary Official Statement and the Official Statement or otherwise disclosed in writing to the Representative, there has not been any materially adverse change in the financial condition of the Commission or in its operations since June 30, 2022 and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(t) Prior to the Closing Time, the Commission will not take any action within or under its control, other than actions in the normal course of operation, that will cause any material adverse change in such financial position, results of operations or condition, financial or otherwise, of the Commission.

(u) Upon the delivery of the 2023 Series A Bonds, the aggregate principal amount of Bonds authorized to be issued under the Indenture, together with all outstanding Parity Debt, will not in combination with all other outstanding debt obligations of the Commission exceed any limitation imposed by law or by the Indenture or by Section 132309(b) of the Public Utilities Code of the State of California.

(v) The sum of the principal of and interest on the 2023 Series A Bonds, together with all outstanding Parity Debt and all other outstanding debt obligations of the Commission, does not exceed the estimated proceeds of the retail transactions and use tax for the period for which the retail transactions and use tax is to be imposed by the Commission.

(w) Except as otherwise set forth in the Preliminary Official Statement and the Official Statement, the Commission has complied in all material respects during the previous five years with all previous undertakings required pursuant to Rule 15c2-12.

(x) Any certificate, signed by any official of the Commission authorized to do so in connection with the transactions described in this Bond Purchase Agreement, shall be deemed a representation and warranty by the Commission to the Underwriters as to the statements made therein.

9. Conditions to the Underwriters' Obligations. The Representative has entered into this Bond Purchase Agreement in reliance upon the representations, warranties and obligations of the Commission contained herein and upon the documents and instruments to be delivered at the Closing Time. Accordingly, the Underwriters' obligations under this Bond Purchase Agreement shall be subject to the following conditions:

(a) The representations and warranties of the Commission contained herein shall be true and correct at the date hereof and true and correct at and as of the Closing Time, as if made at and as of the Closing Time and will be confirmed by a certificate or certificates of the appropriate Commission official or officials dated the Closing Date, and the Commission shall be in compliance with each of the agreements and covenants made by it in this Bond Purchase Agreement;

(b) (i) At the Closing Time, the Act, the Bond Resolution and the Legal Documents shall be in full force and effect, and shall not have been amended, modified or supplemented, except as may have been agreed to by the Commission and the Representative, and (ii) the Commission shall perform or have performed all of its obligations required under or specified in the Act, the Bond Resolution, the Legal Documents, this Bond Purchase Agreement, the Preliminary Official Statement and the Official Statement to be performed at or prior to the Closing Time;

(c) As of the date hereof and at the Closing Time, all necessary official action of the Commission relating to this Bond Purchase Agreement, the Legal Documents, the Preliminary Official Statement and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(d) Subsequent to the date hereof, up to and including the Closing Time, there shall not have occurred any change in or particularly affecting the Commission, the Act, the Ordinance, the Sales Tax, the Revenues, or the 2023 Series A Bonds as the foregoing matters are described in the Preliminary Official Statement and the Official Statement, which in the reasonable professional judgment of the Representative materially impairs the investment quality of the 2023 Series A Bonds;

(e) Subsequent to the date hereof, up to and including the Closing Time, the California Department of Tax and Fee Administration ("CDTFA") shall not have suspended or advised the suspension of the collection of the Sales Tax or the escrow of any proceeds thereof, and the General Counsel to the Commission, shall not have advised the suspension of the collection of the Sales Tax or the escrow of any proceeds thereof other than as disclosed in the Preliminary Official Statement and the Official Statement;

(f) At or prior to the Closing Date, the Representative shall receive copies of each of the following documents:

(1) The Official Statement delivered in accordance with Section 2 hereof and each supplement or amendment, if any, executed on behalf of the Commission by its Executive Director.

(2) An approving opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, dated the Closing Date, as to the validity of the 2023 Series A Bonds, the exclusion of interest on the 2023 Series A Bonds from federal gross income and the exclusion of interest on the 2023 Series A Bonds from State income taxation, addressed to the Commission substantially in the form attached as [Appendix F] to the Official Statement, and a reliance letter with respect thereto addressed to the Underwriters.

(3) A supplemental opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, addressed to the Underwriters, to the effect that:

(i) The Bond Purchase Agreement has been duly executed and delivered by the Commission and is valid and binding upon the Commission, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally, to the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State of California;

(ii) The statements contained in the Official Statement in the sections entitled "DESCRIPTION OF THE 2023 SERIES A BONDS" (other than the information concerning DTC and the book-entry system), "SECURITY AND SOURCES OF PAYMENT FOR THE 2023 SERIES A BONDS (excluding the information described under "– Limitation on Additional Senior Lien Debt or Subordinate Obligations Under TIFIA Loan Agreement"), "TAX MATTERS" and APPENDIX C-1—"DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE," "APPENDIX C-2—"DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SUBORDINATE INDENTURE," "APPENDIX C-3—"SUMMARY OF CERTAIN PROVISIONS OF THE TIFIA LOAN AGREEMENT," excluding any material that may be treated as included under such captions by cross-reference, insofar as such statements expressly summarize certain provisions of the Indenture, the 2023 Series A Bonds, and the form and content of such counsel's opinion attached as Appendix F to the Preliminary Official Statement and the Official Statement, are accurate in all material respects; and

(iii) The 2023 Series A Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended (the "1933 Act") and the

Third Supplemental Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act").

(4) A letter, dated the Closing Date and addressed to the Commission and the Underwriters, from Norton Rose Fulbright US LLP, Disclosure Counsel, substantially in the form attached as Appendix C hereto.

(5) The opinion of Nixon Peabody LLP, Underwriters' Counsel, addressed to the Underwriters, in form and substance acceptable to the Underwriters, covering such items as the Representative may request.

(6) The opinion of the General Counsel to the Commission, dated the Closing Date, addressed to the Underwriters and the Trustee, to the effect that:

(i) The Commission has been duly organized and is validly existing under the Constitution and laws of the State of California, and has all requisite power and authority thereunder: (a) to adopt the Bond Resolution, and to enter into, execute, deliver and perform its covenants and agreements under the Legal Documents and the Bond Purchase Agreement; (b) to approve and authorize the use and distribution of the Preliminary Official Statement and the use, execution and distribution of the Official Statement; (c) to issue, sell, execute and deliver the 2023 Series A Bonds; (d) to cause the Sales Tax to be levied and collected as described in the Preliminary Official Statement and the Official Statement; (e) to pledge the Revenues as contemplated by the Legal Documents; and (f) to carry on its activities as currently conducted;

(ii) The Commission has taken all actions required to be taken by it prior to the Closing Date material to the transactions contemplated by the documents mentioned in paragraph (i) above, and the Commission has duly authorized the execution and delivery of, and the due performance of its obligations under, the Bond Purchase Agreement, the Legal Documents and the 2023 Series A Bonds;

(iii) the Bond Resolution was duly adopted by at least a two-thirds vote of all the voting members of the Board of Directors of the Commission at a meeting of the governing body of the Commission which was called and held pursuant to law and with all required notices and in accordance with all applicable open meetings laws and at which a quorum was present and acting at the time of the adoption of the Bond Resolution;

(iv) the adoption of the Bond Resolution, the execution and delivery by the Commission of the Bond Purchase Agreement, the Legal Documents and the 2023 Series A Bonds and the compliance with the provisions of the Bond Purchase Agreement, the Legal Documents and the 2023 Series A Bonds, to the best of such counsel's knowledge after due inquiry, do not and will not conflict with or violate in any material respect any California constitutional, statutory or regulatory provision, or, to the best of such counsel's knowledge after due inquiry, conflict with or constitute on the part of the Commission a material breach of or default under any agreement or instrument to which the Commission is a party or by which it is bound;

(v) the 2023 Series A Bonds, the Legal Documents and the Bond Purchase Agreement constitute binding and legal obligations of the Commission and are enforceable according to the terms thereof, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally, and by the application of equitable principles if equitable remedies are sought, by the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;

(vi) no litigation is pending with service of process completed or, to the best of such counsel's knowledge after due inquiry, threatened against the Commission in any court in any way affecting the titles of the officials of the Commission to their respective positions, or seeking to restrain or to enjoin the issuance, sale or delivery of the 2023 Series A Bonds, or the collection of revenues pledged or to be pledged to pay the principal of and interest on the 2023 Series A Bonds, or in any way contesting or affecting the validity or enforceability of the 2023 Series A Bonds, the Bond Resolution, the Legal Documents or the Bond Purchase Agreement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Commission or its authority with respect to the 2023 Series A Bonds, the Bond Resolution, the Legal Documents or the Bond Purchase Agreement, or questioning the existence of the Commission;

(vii) the information contained in the Preliminary Official Statement and the Official Statement under the captions "SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION" and "ABSENCE OF MATERIAL LITIGATION" does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(viii) to the best of such counsel's knowledge after due inquiry, no authorization, approval, consent or other order of the State or any local agency of the State, other than such authorizations, approvals and consents which have been obtained, is required for the valid authorization, execution and delivery by the Commission of the Legal Documents and the authorization and distribution of the Official Statement (provided that no opinion need be expressed as to any action required under state securities or Blue Sky laws in connection with the purchase of the 2023 Series A Bonds by the Underwriters); and

(ix) to the best of such counsel's knowledge after due inquiry, the Commission is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Commission is a party or is otherwise subject, which breach or default would materially adversely affect the Commission's ability to enter into or perform its obligations under the Legal Documents and the Bond Purchase Agreement, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument and which would materially adversely affect the Commission's ability to enter into or perform its obligations under the Legal Documents and the Bond Purchase Agreement.

(7) A certificate, dated the Closing Date and signed by such officials of the Commission as shall be satisfactory to the Representative, to the effect that (i) the representations, warranties and covenants of the Commission contained in the Bond Purchase Agreement are true and correct in all material respects on and as of the Closing Time with the same effect as if made at the Closing Time; (ii) the Bond Resolution is in full force and effect at the Closing Time and has not been amended, modified or supplemented, except as agreed to by the Commission and the Representative; (iii) the Commission has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Time; (iv) subsequent to the date of the Official Statement and on or prior to the date of such certificate, there has been no material adverse change in the condition (financial or otherwise) of the Commission, whether or not arising in the ordinary course of the Commission's operations, as described in the Official Statement; and (v) the Preliminary Official Statement, as of its date and as of the date of the Bond Purchase Agreement, (excluding therefrom the Excluded Information, as to which no representations and warranties need be made), and the Official Statement, as of its date and as of the Closing Date, (excluding therefrom the Excluded Information), did not and does not contain any untrue statement of a material fact and neither omitted nor omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(8) The audited financial statements of the Commission relating to the receipts, expenditures and cash balances of Sales Tax Revenues by the Commission as of June 30, 2022 included in the Official Statement, certified by the Commission on the Closing Date as being correct and complete.

(9) A certificate, dated the Closing Date, signed by a duly authorized official of the Trustee, satisfactory in form and substance to the Representative, to the effect that:

(i) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture;

(ii) the Trustee is duly authorized to enter into, has duly executed and delivered the Legal Documents to which the Trustee is a party and has duly authenticated and delivered the 2023 Series A Bonds;

(iii) the execution and delivery of the Legal Documents to which the Trustee is a party and compliance with the provisions on the Trustee's part contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or Blue Sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture;

(iv) the Trustee has not been served with any action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, public board or body, nor is any such action, to the best of such official's knowledge after reasonable investigation, threatened against the Trustee affecting the existence of the Trustee, or the titles of its officers to their respective offices, or in any way contesting or affecting the validity or enforceability of the Legal Documents to which the Trustee is a party, or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Legal Documents to which the Trustee is a party; and

(v) the Trustee will apply the proceeds from the 2023 Series A Bonds as provided in the Indenture.

(10) A certified copy of the general resolution or other documentation of the Trustee authorizing the execution and delivery of the Legal Documents to which the Trustee is a party.

(11) The opinion of counsel of the Trustee, dated the Closing Date, addressed to the Commission and the Underwriters, to the effect that:

(i) the Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States having full power and authority and being qualified to enter into, accept and administer the trust created under the Legal Documents to which it is a party and to enter into such Legal Documents;

(ii) the Legal Documents to which it is a party have been duly authorized, executed and delivered by the Trustee and constitute the valid and binding obligations of the Trustee enforceable against the Trustee in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally and by the application of equitable principles if equitable remedies are sought;

(iii) the execution, delivery and performance of the Legal Documents will not conflict with or cause a default under any law, ruling, agreement, administrative regulation or other instrument by which the Trustee is bound;

(iv) all authorizations and approvals required by law and the articles of association and bylaws of the Trustee in order for the Trustee to execute and deliver and perform its obligations under the Legal Documents to which it is a party have been obtained; and

(v) no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or threatened in any way affecting the existence of the Trustee or the titles of its directors or officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the 2023 Series A Bonds or the application of proceeds thereof in accordance with the Legal Documents to which it is a party, or in any way contesting or affecting the 2023 Series A Bonds or the Legal Documents to which it is a party.

(12) Evidence of signature authority and incumbency of the Trustee.

(13) A certified copy of the proceedings relating to authorization and approval of the Sales Tax.

(14) A copy of the executed Agreement for State Administration of Transactions and Use Tax, between the Commission and the CDTFA, including all amendments thereto.

(15) A certified copy of the Board Resolution.

(16) Fully executed copies of each of the Legal Documents.

(17) Evidence of required filings with the California Debt and Investment Advisory Commission.

(18) A copy of the Blue Sky Survey with respect to the 2023 Series A Bonds.

(19) A Tax Certificate of the Commission, in form satisfactory to Bond Counsel, signed by such officials of the Commission as shall be satisfactory to the Representative.

(20) Evidence as of the Closing Date satisfactory to the Representative that the 2023 Series A Bonds have received a rating of "[AA]" from Fitch Ratings and "[AA]" from S&P Global Ratings (or such other equivalent rating as Fitch Ratings and

S&P Global Ratings shall issue), and that such ratings have not been revoked or downgraded.

(21) Two transcripts of all proceedings relating to the authorization and issuance of the 2023 Series A Bonds, which may be in digital form (or a commitment to so provide).

(22) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Representative, Underwriters' Counsel or Bond Counsel may reasonably request to evidence compliance by the Commission with legal requirements, the truth and accuracy, as of the Closing Time, of the representations of the Commission herein contained and of the Official Statement and the due performance or satisfaction by the Commission at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Commission.

10. Termination.

(a) If the Commission shall be unable to satisfy the conditions of the Underwriters' obligations contained in this Bond Purchase Agreement or if the Underwriters' obligations shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement may be cancelled by the Representative at, or at any time prior to, the Closing Time. Notice of such cancellation shall be given to the Commission in writing, or by telephone or telegraph confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the Commission hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Representative at its sole discretion.

(b) The Underwriters shall also have the right, prior to the Closing Time, to cancel their obligations to purchase the 2023 Series A Bonds, by written notice to the Commission, if between the date hereof and the Closing Time:

(i) any event occurs or information becomes known, which, in the reasonable professional judgment of the Representative, makes untrue any statement of a material fact set forth in the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading and, in either such event, (A) the Commission refuses to permit the Official Statement to be supplemented to supply such statement or information in a manner satisfactory to the Representative or (B) the effect of the Official Statement as so supplemented is, in the judgment of the Representative, to materially adversely affect the market price or marketability of the 2023 Series A Bonds or the ability of the Underwriters to enforce contracts for the sale, at the contemplated offering prices (or yields), of the 2023 Series A Bonds; or

(ii) the market for the 2023 Series A Bonds or the market prices of the 2023 Series A Bonds or the ability of the Underwriters to enforce contracts for the sale of the 2023 Series A Bonds shall have been materially and adversely affected, in the reasonable professional judgment of the Representative, by:

(A) an amendment to the Constitution of the United States or the State of California shall have been passed or legislation shall have been passed by either chamber of the Congress of the United States or the legislature of any state having jurisdiction of the subject matter or legislation pending in the Congress of the United States shall have been amended or legislation shall have been recommended to the Congress of the United States or to any state having jurisdiction of the subject matter or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such Committee by any member thereof or presented as an option for consideration by either such Committee by the staff of such Committee or by the staff of the joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or of the State of California or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State of California authority, with respect to federal or State of California taxation upon revenues or other income of the general character to be derived by the Commission or upon interest received on obligations of the general character of the 2023 Series A Bonds which, in the reasonable judgment of the Representative, is likely to have the purpose or effect, directly or, indirectly, of adversely affecting the tax status of the Commission, its property or income, its securities (including the 2023 Series A Bonds) or the interest thereon, or any tax exemption granted or authorized by State of California legislation; or

(B) legislation shall have been introduced or passed by either chamber of the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or an order, stop order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter shall have been made or issued to the effect that obligations of the general character of the 2023 Series A Bonds are not exempt from registration under the 1933 Act, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939; or

(C) the declaration of war or engagement in or escalation of military hostilities by the United States or the occurrence of any other national emergency (or the material escalation thereof) or calamity or terrorism affecting the operation of the government of the United States, or the financial, political or economic conditions affecting the United States or the Commission; or

(D) the declaration of a general banking moratorium by federal, New York or California authorities or a major financial crisis, a material disruption in commercial banking or securities settlement or clearance services, the general suspension of trading on any national securities exchange, the establishment of minimum or maximum prices on any national securities exchange; or

(E) an order, decree or injunction of any court of competent jurisdiction, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the 2023 Series A Bonds, or the issuance, offering or sale of the 2023 Series A Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect; or

(F) any material adverse change in the affairs or financial condition of the Commission, except for changes which the Official Statement disclosures are expected to occur; or

(iii) additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which, in the reasonable professional judgment of the Representative, materially and adversely affect the market or market price for the 2023 Series A Bonds, or there is a material increase in restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers which, in the reasonable professional judgment of the Representative, make it impractical or inadvisable to proceed with the offering of the 2023 Series A Bonds as contemplated in the Official Statement; or

(iv) any litigation shall be instituted or be pending at the Closing Time to restrain or enjoin the issuance, sale or delivery of the 2023 Series A Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the Sales Tax or the rates, levy or collection thereof, the issuance, sale or delivery of 2023 Series A Bonds, the Act, the Ordinance, the Bond Resolution, the Legal Documents or the existence or powers of the Commission with respect to its obligations under the Legal Documents or the 2023 Series A Bonds; or

(v) there shall have occurred any downgrading or published negative credit watch or similar published information regarding an unenhanced long-term rating on the Commission's senior lien debt obligations, by a rating agency that as of the date hereof has published, or has been asked to furnish, an unenhanced long-term rating on the Commission's senior lien debt obligations, including the 2023 Series A Bonds, which action reflects a change or possible change in the ratings accorded to such obligations, including the 2023 Series A Bonds.

If the Underwriters terminate their obligation to purchase the 2023 Series A Bonds because any of the conditions specified in Section 6, Section 9 or this Section 10 shall not have been fulfilled at or before the Closing Time, such termination shall not result in any liability on the part of the Representative.

11. Conditions to Obligations of the Commission. The performance by the Commission of its obligations is conditioned upon (i) the performance by the Underwriters of their obligations hereunder and (ii) receipt by the Commission and the Underwriters of opinions addressed to the Underwriters and certificates being delivered at the Closing Time by persons and entities other than the Commission.

12. Amendment of Official Statement. For a period beginning on the date hereof and continuing until the End Date, (a) the Commission will not adopt any amendment of, or supplement to, the Official Statement to which the Representative shall object in writing or that shall be disapproved by the Underwriters' Counsel and (b) if any event relating to or affecting the Commission or the Bonds shall occur as a result of which it is necessary, in the opinion of Underwriters' Counsel, to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a purchaser of the 2023 Series A Bonds, the Commission will forthwith prepare and furnish to the Underwriters a reasonable number of copies of an amendment of, or supplement to, the Official Statement (in form and substance satisfactory to Underwriters' Counsel) that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser of the 2023 Series A Bonds, not misleading.

13. Indemnification. The Commission (a "Commission Indemnifying Party") shall indemnify and hold harmless, to the extent permitted by law, the Underwriters and their respective directors, officers, employees and agents and each person who controls the Underwriters within the meaning of Section 15 of the 1933 Act (any such person being therein sometimes called a "Commission Indemnified Party"), against any and all losses, claims, damages or liabilities, joint or several, to which such Commission Indemnified Party may become subject under any statute or at law or in equity or otherwise, and shall promptly reimburse any such Commission Indemnified Party for any reasonable legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, but only to the extent that such losses, claims,

damages, liabilities or actions arise out of or are based upon any untrue statement of a material fact contained in the Preliminary Official Statement or the Official Statement under the captions "DESCRIPTION OF THE SERIES 2023 BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2023 BONDS," "SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION," "THE SALES TAX," "FINANCING PLAN," "COMMISSION INVESTMENT PORTFOLIO," and "ABSENCE OF MATERIAL LITIGATION," excluding therefrom the Excluded Information or any amendment or supplement thereof, or the omission to state therein a material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading. This indemnity agreement shall not be construed as a limitation on any other liability which the Commission may otherwise have to any Commission Indemnified Party, provided that in no event shall the Commission be obligated for double indemnification.

The Underwriters (collectively, an "Underwriter Indemnifying Party") shall indemnify and hold harmless, to the extent permitted by law, the Commission and its directors, officers, members, employees and agents and each person who controls the Commission within the meaning of Section 15 of the 1933 Act (any such person being therein sometimes called an "Underwriter Indemnified Party"), against any and all losses, claims, damages or liabilities, joint or several, to which such Underwriter Indemnified Party may become subject under any statute or at law or in equity or otherwise, and shall promptly reimburse any such Underwriter Indemnified Party for any reasonable legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, but only to the extent that such losses, claims, damages, liabilities or actions arise out of or are based upon any untrue statement of a material fact contained in the Preliminary Official Statement or the Official Statement under the caption "UNDERWRITING" or any amendment or supplement thereof, or the omission to state therein a material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading. This indemnity agreement shall not be construed as a limitation on any other liability which the Underwriters may otherwise have to any Underwriter Indemnified Party, provided that in no event shall the Underwriters be obligated for double indemnification.

For purposes of this paragraph and the immediately succeeding paragraph, an "Indemnified Party" means a Commission Indemnified Party or an Underwriter Indemnified Party as the context dictates and an "Indemnifying Party" means a Commission Indemnifying Party or an Underwriter Indemnifying Party as the context dictates. An Indemnified Party shall, promptly after the receipt of notice of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against an Indemnifying Party, notify the Indemnifying Party in writing of the commencement thereof, but the omission to notify the Indemnifying Party of any such action shall not relieve the Indemnifying Party from any liability that it may have to such Indemnified Party otherwise than under the indemnity agreement contained herein. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify the Indemnifying Party of the commencement thereof, the Indemnifying Party may, or if so requested by such Indemnified Party shall, participate therein or assume the defense thereof, with counsel satisfactory to such Indemnified Party, and after notice from the Indemnifying Party to such Indemnified Party of an election so to assume the defense thereof, the Indemnifying Party will not be liable to such Indemnified Party under this paragraph for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation. If the Indemnifying Party shall not have employed counsel to have charge of the defense of any such action or if the Indemnified Party shall have reasonably concluded that there may be defenses available to it or them that are different from or additional to those available to the Indemnifying Party (in which case the Indemnifying Party shall not have the right to direct the defense of such action on behalf of such Indemnified Party), such Indemnified Party shall have the right to retain legal counsel of its own choosing and reasonable legal and other expenses incurred by such Indemnified Party shall be borne by the Indemnifying Party.

An Indemnifying Party shall not be liable for any settlement of any such action effected without its consent by any Indemnified Party, which consent shall not be unreasonably withheld, but if settled with the consent of the Indemnifying Party or if there be a final judgment for the plaintiff in any such action against the Indemnifying Party or any Indemnified Party, with or without the consent of the Indemnifying Party, the Indemnifying Party agrees to indemnify and hold harmless such Indemnified Party to the extent provided herein.

In order to provide for just and equitable contribution in circumstances in which indemnification hereunder is for any reason held to be unavailable from the Commission or the Underwriters, to the extent permitted by law, the Commission and the Underwriters shall contribute to the aggregate losses, claims, damages and liabilities (including any investigation, legal and other expenses incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claims asserted, to which the Commission and the Underwriters may be subject) in such proportion so that the Underwriters are jointly and severally responsible for that portion represented by the percentage that the Underwriters' discount set forth in the Official Statement bears to the public offering price appearing thereon and the Commission is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this paragraph, each person, if any, who controls the Underwriters within the meaning of the 1933 Act shall have the same rights to contribution as the Underwriters. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this paragraph, notify such party or parties from whom contribution may be sought, but the omission so to notify shall not relieve that party or parties from whom contribution may be sought from any other obligation it or they may have hereunder or otherwise than under this paragraph. No party shall be liable for contribution with respect to any action or claim settled without its consent.

Nothing in this Section 13 shall relate to, have any effect on, or provide any obligation for or right to indemnification or contribution with respect to any action, expense, judgment, order, ruling, award or settlement in the litigation brought by the Commission against affiliates of the Underwriters alleging that the defendants conspired to suppress the U.S. dollar London Interbank Offered Rate.

14. Expenses.

(a) Whether or not the 2023 Series A Bonds are issued as contemplated by this Bond Purchase Agreement, the Underwriters shall be under no obligation to pay and the

Commission hereby agrees to pay any expenses incident to the performance of the Commission's obligations hereunder, including but not limited to the following: (i) the cost of preparation, printing, engraving, execution and delivery of the 2023 Series A Bonds; (ii) any fees charged by any rating agency for issuing the rating on the 2023 Series A Bonds; (iii) the cost of printing (and/or word processing and reproduction), distribution and delivery of the Preliminary Official Statement in electronic form and the Official Statement; (iv) the fees and disbursements of Bond Counsel, the Trustee (including its counsel's fees), any disclosure counsel, accountants, consultants and any financial advisor; (v) the fees of Digital Assurance Certification, L.L.C. for a continuing disclosure undertaking compliance review; and (vi) any out-of-pocket disbursements of the Commission. The Commission shall also pay for any expenses (included in the expense component of the Underwriters' discount) incurred by the Underwriters on behalf of the Commission's employees and representatives which are in connection with this Bond Purchase Agreement, including, but not limited to, meals, transportation and lodging of those employees and representatives.

(b) Whether or not the 2023 Series A Bonds are issued as contemplated by this Bond Purchase Agreement, the Underwriters shall pay (i) any fees assessed upon the Underwriters with respect to the 2023 Series A Bonds by the MSRB or Financial Industry Resources Authority; (ii) all advertising expenses in connection with the public offering and distribution of the 2023 Series A Bonds (excluding any expenses of the Commission and its employees or agents); (iii) any fees payable to the California Debt and Investment Advisory Commission ("CDIAC"); and (iv) all other expenses incurred by them or any of them in connection with the public offering and distribution of the 2023 Series A Bonds, including the fees and disbursements of Underwriters' Counsel. The Underwriters are required to pay the fees to CDIAC in connection with the Series 2020A Bond offering. The Commission acknowledges that it has had the opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider such fees. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the Commission agrees to reimburse the Underwriters for such fees.

(c) (i) The Commission has agreed to pay the Underwriters discount set forth in paragraph 3 of this Bond Purchase Agreement, and inclusive in the expense component of the Underwriter's discount are expenses incurred or paid for by the Underwriters on behalf of the Commission in connection with the marketing, issuance, and delivery of the 2023 Series A Bonds, including, but not limited to,advertising expenses, fees and expenses of Underwriters Counsel, the costs of any Preliminary and Final Blue Sky Memoranda, CUSIP fees, and transportation, lodging, and meals for the Commission's employees and representatives.

(ii) The Commission and Representative acknowledge that expenses included in the expense component of the Underwriter's discount are based upon estimates. The Commission and Representative agree that in the event the aggregate estimated expenses exceed the aggregate actual expenses incurred by the Representative in an amount equal to or greater than $1,000 (the "Reimbursement Threshold"), the Representative shall reimburse to the Commission the aggregate amount of expenses equal to or greater than the Reimbursement Threshold. For the avoidance of doubt, the Commission acknowledges and agrees that in the event the aggregate estimated expenses exceed the aggregate actual expenses incurred by the Representative in an amount less than the Reimbursement Threshold, no reimbursement will be made by the Representative. The Commission acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the 2023 Series A Bonds.

15. Notices. Any notice or other communication to be given under this Bond Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing, if to the Commission, addressed to:

San Diego County Regional Transportation Commission
401 B Street, Suite 800
San Diego, California 92101
Attention: Executive Director

or if to the Representative or the Underwriters, addressed to:

Wells Fargo Bank, N.A.
150 East 42nd Street, 25th Floor
New York, New York 10017
Attention: Julie Burger, Managing Director

16. Parties in Interest; Survival of Representations and Warranties. This Bond Purchase Agreement when accepted by the Commission in writing as heretofore specified shall constitute the entire agreement between the Commission and the Underwriters and is made solely for the benefit of the Commission and the Underwriters (including the successors or assigns of the Underwriters). No other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements of the Commission in this Bond Purchase Agreement or in any certificate delivered pursuant hereto shall survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriters, (b) delivery to and payment by the Underwriters for the 2023 Series A Bonds hereunder and (c) any termination of this Bond Purchase Agreement.

17. Execution in Counterparts. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

18. Electronic Signature. Each of the parties hereto agrees that the transaction consisting of this Bond Purchase Agreement may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Bond Purchase Agreement using an electronic signature, it is signing, adopting, and accepting this Bond Purchase Agreement and that signing this Bond Purchase Agreement using an electronic signature is the legal equivalent of having placed its handwritten signature on this Bond Purchase Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Bond Purchase Agreement in a usable format.

19. No Advisory or Fiduciary Role. The Commission acknowledges and agrees that: (i) the primary role of the Underwriters, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Commission and the Underwriters and that the Underwriters have financial and other interests that differ from those of the Commission; (ii) the Underwriters are not acting as a municipal advisor, financial advisor, or fiduciary to the Commission and have not assumed any advisory or fiduciary responsibility to the Commission with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Commission on other matters); and (iii) the Commission has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. If the Commission would like a municipal advisor in this transaction that has legal fiduciary duties to the Commission, then the Commission is free to engage a municipal advisor to serve in that capacity.

20. Applicable Law. This Bond Purchase Agreement shall be interpreted, governed and enforced in accordance with the laws of the State of California.

WELLS FARGO BANK, NATIONAL ASSOCIATION
BOFA SECURITIES, INC.
GOLDMAN, SACHS & Co LLC
J.P. MORGAN SECURITIES LLC
SAMUEL A. RAMIREZ & CO., INC.

By WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Representative

By: ______________________________
Authorized Officer

The foregoing is hereby agreed to and accepted as of the date first above written:

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

By: ______________________________
Authorized Officer

APPENDIX A

MATURITY SCHEDULE

$_________
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS
(LIMITED TAX BONDS)
2023 SERIES A

Maturity (April 1)	Principal Amount ($)	Interest Rate (%)	Yield (%)	Price (%)	10% Test Met as of Pricing	Subject to Hold-the-Offering Price Rule

____

Optional Redemption of the 2023 Series A Bonds. The 2023 Series A Bonds maturing on and after April 1, 20__, are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, on any date on or after April 1, 20__, as a whole, or in part by such maturity or maturities as may be specified by Request of the Commission (and by lot within a maturity), at a Redemption Price equal to 100% of the aggregate principal amount thereof, plus interest accrued thereon to the date fixed for redemption, without premium.

Mandatory Redemption of 2023 Series A Bonds. The 2023 Series A Bonds maturing on April 1, 20__ are 2023A Term Bonds and are subject to mandatory redemption from 2023A Mandatory Sinking Account Payments for such 2023 Series A Bonds, on each April 1 on and after April 1, 20__, and in the principal amount equal to the 2023A Mandatory Sinking Account Payment due on such date at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

2023A Mandatory Sinking Account Payments for 2023 Series A Bonds maturing on April 1, 20__ shall be due in such amounts and on such dates as follows:

Redemption Date (April 1)	*2023A Mandatory Sinking Account Payment*

____

* Maturity

APPENDIX B

CERTIFICATE OF THE REPRESENTATIVE REGARDING OFFERING PRICES

The undersigned, on behalf of Wells Fargo Bank, National Association (the "Representative"), on behalf of itself and, BofA Securities, Inc., Goldman, Sachs & Co LLC, ., J.P. Morgan Securities LLC and Samuel A. Ramirez & Co., Inc. (collectively, the "Underwriters"), hereby certifies as set forth below with respect to the sale and issuance of the $_______ aggregate principal amount of San Diego County Regional Transportation Commission Subordinate Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A (the "Bonds").

Issue Price.

[NOT USING HOLD THE PRICE]

1. **[10% OF EACH MATURITY SOLD BY CLOSING]** As of the date hereof, the first price at which at least 10% of each Maturity of the Bonds was sold by the Underwriter to the Public was the [Initial Offering Price/**OR IF ACTUAL SALES AT OTHER THAN IOP** price set forth on Schedule 1 hereto.]

[USING HOLD THE PRICE]

1. As of ______, 2023 (the "Sale Date"), all of the Bonds were the subject of a bona fide offering to the Public at the Initial Offering Price.

[2. **[USING HOLD THE PRICE FOR A PORTION OF THE ISSUE]** As of the date hereof, other than the Bonds listed on Exhibit A to the Bond Purchase Agreement, dated ______, 2023, by and between the Underwriters and San Diego County Regional Transportation Commission (the "Commission"), as Hold-the-Offering-Price Maturities, the first price at which at least 10% of each Maturity of the Bonds was sold by the Underwriters to the Public was the respective [Initial Offering Price **OR IF ACTUAL SALES AT OTHER THAN IOP** price set forth on Schedule 1 hereto]. Attached hereto as Schedule 2 is a copy of the final pricing wire for each Hold-the-Offering-Price Maturity or an equivalent communication. With respect to the Hold-the-Offering-Price Maturities, as agreed to in writing by the Underwriters in the Bond Purchase Agreement between the Commission and the Underwriters dated ______, 2023, the Underwriters have not offered or sold any Hold-the-Offering-Price Maturities to any person at a price higher than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Hold-the-Offering-Price Maturities was sold at one or more prices no higher than the Initial Offering Price by the Underwriters or (b) the close of the fifth business day following the Sale Date.

2. **[USING HOLD THE PRICE FOR 100% OF THE ISSUE]**. As agreed to in writing by the Underwriters in the Bond Purchase Agreement between the Commission and the Underwriters dated _______, 2023, the Underwriters have not offered or sold any Hold-the-Offering-Price Maturities to any person at a price higher than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Hold-the-Offering-Price Maturity was sold at one or more prices no higher

than the Initial Offering Price by the Underwriters or (b) the close of the fifth business day following the Sale Date. Attached hereto as Schedule 1 is a copy of the final pricing wire for the Bonds or an equivalent communication.]

[ADD SECTION ON QUALIFIED GUARANTEE IF APPLICABLE]

2. Defined Terms.

(a) "Hold-the-Offering-Price Maturities" means those Maturities of the Bonds listed in Schedule 1 hereto as the "Hold-the-Offering-Price Maturities."

(b) "Initial Offering Price" means the prices or yields set forth on the inside cover page of the Commission's Official Statement in respect of such Bonds dated _______, 2023.

(c) "Maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(d) "Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(e) "Related Party" means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(f) "Underwriter" means (i) any person that agrees pursuant to a written contract with the Commission (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriters' interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Commission with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth, a Professional Corporation, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Commission from time to time relating to the Bonds.

Dated: ________, 2023

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Representative

By: ____
Authorized Signatory

SCHEDULE 1
ISSUE PRICES

[IF USING ACTUAL SALES AND THE IOP IS NOT THE ISSUE PRICE FOR EACH MATURITY]

First Price of At Least 10% (ONLY APPLICABLE IF PRICE IS NOT THE IOP)

<u>Hold-the-Offering-Price Maturities</u>

[IF USING HOLD THE PRICE FOR A PORTION]

<u>First Price of At Least 10% (Only Applicable if Not IOP)</u>

<u>Initial Offering Prices of Undersold Maturities</u>

APPENDIX C

FORM OF LETTER OF DISCLOSURE COUNSEL

[Closing Date]

San Diego County Regional Transportation Commission
401 B Street, Suite 800
San Diego, California 92101

Wells Fargo Bank, National Association
as Representative
New York, New York

Re: $_______ San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A Bonds

Ladies and Gentlemen:

We have acted as Disclosure Counsel to the San Diego County Regional Transportation Commission (the "Commission") in connection with the issuance by the Commission of its Sales Tax Revenue Bonds (Limited Tax Bonds) 2023 Series A Bonds in the aggregate principal amount of $_________ (the "Bonds"). The Bonds were issued pursuant to the Indenture, dated as of March 1, 2008, as amended and supplemented, including by a Thirteenth Supplemental Indenture, dated as of _______, 2023 (collectively, the "Indenture"), each between the Commission and U.S. Bank National Association, as trustee. The Bonds are more fully described in the Official Statement of the Commission, dated ______, 2023 (the "Official Statement"). This opinion is delivered to you pursuant to Section 9(f)(4) of the Bond Purchase Agreement, dated ______, 2023 (the "Bond Purchase Agreement"), by and between the Commission and Wells Fargo Bank, National Association (the "Representative"), acting on behalf of itself and ___________________ (collectively, the "Underwriters"). Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Bond Purchase Agreement.

In rendering this opinion, we have reviewed the Indenture and such records, documents, certificates and opinions, and made such other investigations of law and fact as we have deemed necessary or appropriate.

This opinion is limited to matters governed by the federal securities law of the United States, and we assume no responsibility with respect to the applicability or effect of the laws of any other jurisdiction.

In our capacity as Disclosure Counsel to the Commission, we have rendered certain legal advice and assistance in connection with the preparation of the Preliminary Official Statement of the Commission, dated ________, 2023 (the "Preliminary Official Statement"), and the Official Statement. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal matters, review of certain records, documents and proceedings, and participation in meetings and telephone conferences with, among others, representatives of the Commission, Public Financial Management, Inc., the Commission's financial advisor, Bond Counsel, Wells Fargo Bank, National Association, as representative of the Underwriters, and counsel to the Underwriters, at which meetings and conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. On the basis of the information made available to us in the course of the foregoing (but without having undertaken to determine or verify independently, or assuming any responsibility for, the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement), no facts have come to the attention of the personnel directly involved in rendering legal advice and assistance in connection with the preparation of the Preliminary Official Statement and the Official Statement that causes them to believe that (a) the Preliminary Official Statement as of its date and as of the date of the Bond Purchase Agreement contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading (except for any information relating to The Depository Trust Company, Cede & Co., the book-entry system, forecasts, projections, estimates, assumptions and expressions of opinions, all representations and certifications that the Commission makes with regard to the Bonds, the Preliminary Official Statement or the Official Statement and the other financial and statistical data included therein, and information in Appendices A, E and F thereof, as to all of which we express no view, and except for such information as is permitted to be excluded from the Preliminary Official Statement pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, including but not limited to information as to pricing, yield, interest rate, maturity, amortization, redemption provisions, underwriters' compensation and the CUSIP numbers), or (b) the Official Statement as of its date or as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except for any information relating to The Depository Trust Company, Cede & Co., the book-entry system, the CUSIP numbers, forecasts, projections, estimates, assumptions and expressions of opinions, all representations and certifications that the Commission makes with regard to the Bonds, the Preliminary Official Statement or the Official Statement and the other financial and statistical data included therein, and information in Appendices A, E and F thereof, as to all of which we express no view).

During the period from the date of the Preliminary Official Statement to the date of this opinion, except for our review of the certificates and opinions regarding the Preliminary Official Statement and the Official Statement delivered on the date hereof, we have not undertaken any procedures or taken any actions which were intended or likely to elicit information concerning the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement.

We are furnishing this opinion to you, solely for your benefit. This opinion is rendered in connection with the transaction described herein, and may not be relied upon by you for any other purpose. This opinion shall not extend to, and may not be used, circulated, quoted, referred to, or relied upon by, any other person, firm, corporation or other entity without our prior written consent. The delivery of this opinion shall not create any attorney-client relationship between our firm and the addressees hereof, other than the Commission. Our engagement with respect to this matter terminates upon the delivery of this opinion to you at the time of the remarketing relating to the Bonds, and we have no obligation to update this opinion.

Respectfully submitted,

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstance shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED JUNE __, 2023

NEW ISSUE – BOOK ENTRY ONLY

RATINGS:
S&P: "__" Stable Outlook
Fitch: "__" Stable Outlook
(See "RATINGS" herein)

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation ("Bond Counsel"), under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described in this Official Statement, interest (and original issue discount) on the 2023 Series A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. In the further opinion of Bond Counsel, interest (and original issue discount) on the 2023 Series A Bonds is exempt from State of California personal income tax. See "TAX MATTERS" with respect to certain tax consequences relating to the 2023 Series A Bonds, including with respect to the alternative minimum tax imposed on certain large corporations for tax years beginning after December 31, 2022.

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

$__________*
SALES TAX REVENUE BONDS (LIMITED TAX BONDS)
2023 SERIES A

Dated: Date of Delivery **Due as shown on inside cover**

The San Diego County Regional Transportation Commission (the "Commission") will issue its Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A (the "2023 Series A Bonds"). The 2023 Series A Bonds are limited obligations of the Commission payable from the receipts of a one-half of one percent (0.5%) retail transactions and use tax (the "Sales Tax") imposed in the County of San Diego (the "County") for transportation and related purposes. Collection of the Sales Tax commenced on April 1, 1988. The Sales Tax is scheduled to expire on March 31, 2048. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023 SERIES A BONDS" herein.

On June _, 2023, the Commission released an "Invitation to Tender Bonds made by San Diego County Regional Transportation Commission" (the "Tender Offer"), inviting owners of [certain maturities of] the Commission's outstanding Sales Tax Revenue Bonds (Limited Tax Bonds), 2019 Series A (Taxable) (the "2019 Series A Bonds") to tender such bonds for purchase by the Commission. Such purchase of tendered bonds, if any, will be funded by a portion of the proceeds of the 2023 Series A Bonds, as described herein. See "FINANCING PLAN – Tender and Purchase of 2019 Series A Bonds."

The Commission will apply the proceeds of the 2023 Series A Bonds, together with other available funds, to: (i) redeem all of the Commission's Outstanding Sales Tax Revenue Bonds (Limited Tax Bonds) 2008 Series A, 2008 Series B, 2008 Series C and 2008 Series D (collectively, the "Series 2008 Bonds"), (ii) make swap termination payments (net of swap termination receipts) in connection with the termination of all interest rate swap agreements relating to the Series 2008 Bonds, (iii) purchase [all or a portion of] [certain maturities of] the 2019 Series A Bonds tendered and accepted by the Commission pursuant to the Tender Offer, (iv) refund [all or a portion of] [certain maturities of] the 2019 Series A Bonds and (v) pay the costs of issuing the 2023 Series A Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "FINANCING PLAN." No debt service reserve will be funded for the 2023 Series A Bonds.

The 2023 Series A Bonds will be dated their date of delivery. The principal amounts, interest rates, maturity dates and other information relating to the 2023 Series A Bonds are summarized on the inside cover page hereof. The Commission will pay interest on the 2023 Series A Bonds on April 1 and October 1 of each year, commencing on October 1, 2023. Investors may purchase the 2023 Series A Bonds in book-entry form only. See APPENDIX E – "BOOK-ENTRY ONLY SYSTEM."

The 2023 Series A Bonds are subject to optional and mandatory sinking fund redemption by the Commission prior to maturity as described herein. See "THE 2023 SERIES A BONDS – Redemption."

THE 2023 SERIES A BONDS DO NOT CONSTITUTE A DEBT OR LIABILITY OF THE COUNTY, THE STATE OF CALIFORNIA (THE "STATE") OR ANY POLITICAL SUBDIVISION THEREOF OTHER THAN THE COMMISSION TO THE EXTENT OF THE PLEDGE OF REVENUES DESCRIBED HEREIN, OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR OF ANY POLITICAL SUBDIVISION OF THE STATE. THE CREDIT OR TAXING POWER (OTHER THAN AS DESCRIBED IN THE INDENTURE) OF THE COMMISSION IS NOT PLEDGED, FOR THE PAYMENT OF THE 2023 SERIES A BONDS, THEIR INTEREST, OR ANY PREMIUM DUE UPON REDEMPTION OF THE 2023 SERIES A SERIES A BONDS. THE 2023 SERIES A BONDS ARE NOT SECURED BY A LEGAL OR EQUITABLE PLEDGE OF, OR CHARGE, LIEN OR ENCUMBRANCE UPON, ANY OF THE PROPERTY OF THE COMMISSION OR ANY OF ITS INCOME OR RECEIPTS, EXCEPT THE SALES TAX REVENUES AND CERTAIN OTHER FUNDS PLEDGED UNDER THE INDENTURE.

This cover page contains general information only. Capitalized terms used on this cover are defined herein. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The 2023 Series A Bonds are offered when, as and if issued by the Commission and received by the Underwriters, subject to the approval of validity by Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel to the Commission, and certain other conditions. Certain legal matters will be passed on for the Commission by its General Counsel and by Norton

* Preliminary, subject to change.

Rose Fulbright US LLP, Disclosure Counsel to the Commission, and for the Underwriters by their counsel, Nixon Peabody LLP. It is expected that the 2023 Series A Bonds will be available for delivery through the book-entry facilities of The Depository Trust Company on or about July _, 2023.

Wells Fargo Securities **Goldman Sachs & Co. LLC**

BofA Securities **J.P. Morgan Securities LLC** **Ramirez & Co., Inc.**

Dated: ____ __, 2023

$__________[*]

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS (LIMITED TAX BONDS)
2023 SERIES A

$____________[*] Serial 2023 Series A Bonds

Maturity (April 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP No. (Base 797400)[†]

$_________[*] __% Term Bonds due April 1, ____, Yield ___%, CUSIP[†] 797400___

[*] Preliminary, subject to change.
[†] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Global Services. None of the Underwriters, the Municipal Advisor or the Commission is responsible for the selection or correctness of the CUSIP numbers set forth herein.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the 2023 Series A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale. The information set forth herein has been provided by the San Diego County Regional Transportation Commission (the "Commission") and other sources that are believed by the Commission to be reliable.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement. If given or made, such other information or representations must not be relied upon as having been authorized by the Commission or the Underwriters.

This Official Statement is not to be construed as a contract with the purchasers of the 2023 Series A Bonds.

This Official Statement speaks only as of its date. The information and expressions of opinion herein are subject to change without notice and neither delivery of this Official Statement nor any sale made in conjunction herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Commission or other matters described herein since the date hereof. This Official Statement is submitted with respect to the sale of the 2023 Series A Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the Commission.

All descriptions and summaries of documents and statutes hereinafter set forth do not purport to be comprehensive or definitive, and reference is made to each document and statute for complete details of all terms and conditions. All statements herein are qualified in their entirety by reference to each such document and statute. Certain capitalized terms used but not defined herein are defined in APPENDIX C.

The Underwriters may offer and sell the 2023 Series A Bonds to certain dealers, institutional investors and others at prices lower than the public offering prices stated on the inside cover pages hereof and such public offering prices may be changed from time to time by the Underwriters.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this offering document for purposes of, and as that term is defined in, United States Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule").

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute forward-looking statements. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance is given that actual results will meet the forecasts of the Commission in any way, regardless of the level of optimism communicated in the information. The Commission is not obligated to issue nor does it plan to issue any updates or revisions to the forward-looking statements if or when its expectations change, or events, conditions or circumstances on which such statements are based occur.

The 2023 Series A Bonds will not be registered under the Securities Act of 1933, as amended, in reliance upon an exemption contained in such act. The 2023 Series A Bonds have not been registered or qualified under the securities laws of any state. The 2023 Series A Bonds have not been recommended by any federal or state securities commission or regulatory authority, and the foregoing authorities have neither reviewed nor confirmed the accuracy of this document.

TransNet Ordinance Major Corridor Completed/In Progress Projects

July 2022

① **SR 76:** Widen highway*

② **SR 52:** Widen and extend highway*
I-15 to SR 125

③ **Mid-Coast:**
Transit: Old Town-UCSD*
Transit: UTC *SuperLoop Rapid*
I-5/I-8 west to north connector
I-5/Genesee Ave interchange & aux lanes
I-5/Voigt Drive

④ **I-15:**
HOV/Express Lanes
Transit: *Rapid 235*
Escondido-Downtown San Diego
Transit: *Rapid 237*
Rancho Bernardo-Sorrento Valley

⑤ **I-805:**
HOV/Express Lanes
Transit: Otay Mesa-Downtown San Diego
SR 94 HOV Lanes Alternative Analysis
I-805 Widening SR52 to Governor Drive

⑥ **North Coast:**
I-5 HOV/Express Lanes
Coastal rail double-tracking
I-5/SR 56 Interchange

⑦ **SR 78:**
SPRINTER Oceanside-Escondido light rail
HOV Connector: I-15 / SR 78

⑧ **Blue and Orange Line Trolley:**
Low-floor vehicles
Station upgrades

⑨ **Mid-City *Rapid*:**
Transit: Downtown San Diego-SDSU

⑩ **Goods Movement:**
South Line rail upgrades
SR 905
SR 905/SR 125/SR 11 connector
SR 11

⑪ **SR 94/SR 125:** South to east connector

⑫ **SR 125:** Toll Road Purchase

⑬ **SR 67:** Mapleview St to Dye Rd

*TransNet Lock-box projects

Highway Projects
- Completed
- Under Construction
- Preliminary Engineering

Transit Projects
- Completed
- Under Construction
- Preliminary Engineering
- Light Rail Line

6845 7/2022

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION BOARD MEMBERS

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Hon. Nora Vargas

Vice Chair
Hon. Sean Elo-Rivera

Second Vice Chair
Hon. Lesa Heebner

Chief Executive Officer
Hasan Ikhrata

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Melanie Burkholder, Councilmember
(A) Hon. Priya Bhat-Patel, Mayor Pro Tem
(A) Keith Blackburn, Mayor

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(A) Hon. Jewel Edson, Councilmember

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County of San Diego
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(A) Hon. Terra Lawson-Remer Supervisor
Hon. Joel Anderson, Supervisor
(A) Hon. Terra Lawson-Remer, Supervisor

Advisory Members

Imperial County
Jesus Eduardo Escobar, Supervisor
Imperial County
(A) Vacant

California Department of Transportation
Tony Tavares, Executive Director
(A) Gustavo Dallarda, District 11 Director
(A) Ann Fox, Deputy Director

Metropolitan Transit System
Hon. Matthew Leyba-Gonzalez
(A) Hon. Carolina Chavez

North County Transit District
Hon. Jewel Edson
(A) Hon. Priya Bhat-Patel
(A) Hon. Sharon Jenkins

U.S. Department of Defense
Dennis Keck, Navy Region Southwest
Executive Director
(A) Muska Laiq, Navy Region Southwest

Port of San Diego
Joe Stuyvesant, President/Chief Executive Officer
(A) Hon. Sandy Naranjo, Vice Chair

San Diego County Water Authority
Mel Katz, Representative
(A) Nick Serrano, Alternate
A) Consuelo Martinez, Alternate

San Diego County Regional Airport Authority
Gil Cabrera, Chair
(A) James Sly, Board member

Southern California Tribal Chairmen's Association
Hon. Cody Martinez, Chairman,
Sycuan Band of the Kumeyaay Nation
Hon. Erica Pinto, Chairwoman,
Jamul Indian Village of California

Mexico
Hon. Carlos González Gutiérrez
Cónsul General of Mexico
(A) Hon. Gilberto Luna
Deputy Cónsul General of Mexico
(A) Hon. Natalia Figueroa, Vice Consul

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

MANAGEMENT

CHIEF EXECUTIVE OFFICER
Hasan Ikhrata

GENERAL COUNSEL
John F. Kirk

DEPUTY CHIEF EXECUTIVE OFFICER BUSINESS OPERATIONS
Ray Major

DEPUTY CHIEF EXECUTIVE OFFICER PLANNING, PROJECTS & PROGRAMS
Coleen Clementson

CHIEF FINANCIAL OFFICER
André Douzdjian

SPECIAL SERVICES

Bond Counsel
Stradling Yocca Carlson & Rauth,
a Professional Corporation
Newport Beach, California

Disclosure Counsel
Norton Rose Fulbright US LLP
Los Angeles, California

Trustee
U.S. Bank Trust Company, National Association
Los Angeles, California

Municipal Advisor
PFM Financial Advisors, LLC
San Francisco, California

Swap Advisor
PFM Swap Advisors, LLC
Philadelphia, Pennsylvania

Verification Agent
[__________]

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OFFICIAL STATEMENT

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
\$____________*
SALES TAX REVENUE BONDS (LIMITED TAX BONDS)
2023 SERIES A

INTRODUCTION

General

This Official Statement, including the cover page and all appendices hereto (the "Official Statement"), provides certain information concerning the issuance and sale by the San Diego County Regional Transportation Commission (the "Commission") of its Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A (the "2023 Series A Bonds"). All capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in APPENDIX C or, if not defined therein, in the Indenture (as defined herein).

Authority for Issuance

Pursuant to the San Diego County Regional Transportation Commission Act, Chapter 2 of Division 12.7 (Sections 132000 and following) of the Public Utilities Code of the State of California, (the "Act"), the Commission is authorized to issue indebtedness payable in whole or in part from Sales Tax Revenues (defined below). The 2023 Series A Bonds will be issued and secured pursuant to the Indenture, dated as of March 1, 2008, as supplemented and amended, including by a Thirteenth Supplemental Indenture, dated as of July 1, 2023 (collectively, the "Indenture"), between the Commission and U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee"). Bonds, including the 2023 Series A Bonds, issued and outstanding under the Indenture are referred to herein as the "Bonds."

Plan of Finance

Application of Proceeds. The Commission will apply the proceeds of the 2023 Series A Bonds, together with other available funds, to: (i) redeem all of the Commission's Outstanding Sales Tax Revenue Bonds (Limited Tax Bonds) 2008 Series A, 2008 Series B, 2008 Series C and 2008 Series D (collectively, the "Series 2008 Bonds"), (ii) make swap termination payments (net of swap termination receipts) in connection with the termination of all interest rate swap agreements relating to the Series 2008 Bonds, (iii) purchase [all or a portion of] [certain maturities of] the Commission's Outstanding Sales Tax Revenue Bonds (Limited Tax Bonds), 2019 Series A (Taxable) (the "2019 Series A Bonds") tendered and accepted by the Commission pursuant to the Tender Offer (described below), (iv) refund [all or a portion of] [certain maturities of] the 2019 Series A Bonds and (v) pay the costs of issuing the 2023 Series A Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "FINANCING PLAN." No debt service reserve will be funded for the 2023 Series A Bonds.

Tender Offer. On June __, 2023, the Commission, with the assistance of Wells Fargo Bank, National Association and Goldman Sachs & Co. LLC, as dealer managers, released an "Invitation to Tender Bonds made by San Diego County Regional Transportation Commission" (the "Tender Offer") inviting owners of [certain maturities of] the Commission's Outstanding 2019 Series A Bonds to tender such bonds for purchase by the Commission. See "FINANCING PLAN – Tender and Purchase of 2019 Series A

* Preliminary, subject to change.

Bonds." Such purchase will be funded by the Commission from a portion of the proceeds of the 2023 Series A Bonds, as described herein. See "ESTIMATED SOURCES AND USES OF FUNDS."

Security for the 2023 Series A Bonds

The 2023 Series A Bonds are limited obligations of the Commission secured by a pledge of sales tax revenues (herein called the "Sales Tax Revenues") derived from a one-half of one percent (0.5%) retail transactions and use tax (the "Sales Tax"), imposed in accordance with the Act and the California Transactions and Use Tax Law (Revenue and Taxation Code Section 7251 and following), net of an administrative fee paid to the California Department of Tax and Fee Administration (the "CDTFA") in connection with the collection and disbursement of the Sales Tax. On November 3, 1987, a majority of County voters approved the San Diego County Transportation Improvement Program Ordinance and Expenditure Plan (as amended, the "1987 Ordinance") which imposed the Sales Tax in the County for a 20-year period.

Under the 1987 Ordinance, the Sales Tax was scheduled to expire on April 1, 2008. On November 2, 2004, more than two-thirds of County voters approved the San Diego County Transportation Improvement Program *TransNet* Ordinance and Expenditure Plan (the "Sales Tax Extension Ordinance" and, together with the 1987 Ordinance, the "Ordinance") which provided for an extension of the Sales Tax through March 31, 2048. The 2023 Series A Bonds are payable on parity with the other Bonds and Parity Obligations (as such term is defined in the Indenture) from Sales Tax Revenues and certain amounts held by the Trustee under the Indenture as provided therein. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023 SERIES A BONDS – Pledge of Sales Tax Revenues."

The Sales Tax is scheduled to expire on March 31, 2048. The final maturity of the 2023 Series A Bonds is April 1, 2048. Under the Indenture, the Trustee is required to make monthly deposits of Sales Tax Revenues in the interest fund and principal fund held under the respective indenture in advance of the next semiannual or annual payment of debt service becoming due on the 2023 Series A Bonds in amounts sufficient to pay such debt service, including the final amount becoming due on April 1, 2048. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023 SERIES A BONDS – Revenue Fund; Allocation of Sales Tax Revenues" and "THE SALES TAX – Authorization, Application and Collection of the Sales Tax."

Parity Obligations

The Commission may issue additional Bonds and may issue or incur other obligations secured in whole or in part by a pledge of Sales Tax Revenues on parity with the 2023 Series A Bonds and any other Outstanding Bonds (as defined herein), subject to compliance with the terms and provisions set forth in the Indenture. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023 SERIES A BONDS – Additional Bonds and Parity Obligations" and "OUTSTANDING OBLIGATIONS" and "APPENDIX C-1 – DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SENIOR INDENTURE – Issuance of Additional Bonds and Other Obligations."

The Commission and SANDAG

The Board of Directors of the San Diego Association of Governments ("SANDAG") is designated under State legislation to serve as the San Diego County Regional Transportation Commission. The Commission is authorized, acting by motion, resolution or ordinance, to enter into contracts and, by a two-thirds vote to authorize the issuance of bonds payable from proceeds of the Sales Tax.

The Commission is a separate legal entity from the City of San Diego, California (the "City") and the County of San Diego, California (the "County"). See "SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION."

The Commission is responsible for the implementation and administration of transportation improvement programs funded with the Sales Tax known as "*TransNet*." The Commission is authorized to receive sales tax revenues after deduction of required CDTFA costs, approve programs and projects for funding, and adopt implementing ordinances, rules, policies, and take such other actions as may be necessary and appropriate to carry out its responsibilities. See "SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION."

SANDAG is the statutorily created regional transportation planning agency for the County. In 2003, State legislation required the consolidation of the planning, programming, project development, and construction functions of the agencies currently known as San Diego Metropolitan Transit System ("MTS") and North County Transit District ("NCTD") into SANDAG. SANDAG is now responsible for transit planning, programming, project implementation, and construction of transit projects in the region and assists in the financing of transit projects. Neither SANDAG nor the Commission operates public transit services. MTS and NCTD operate such services within the County. SANDAG is the operator of certain express lanes on State Route 125 and has issued non-recourse toll revenue bonds to finance the acquisition of such toll road. Such bonds are not secured by or payable from TransNet sales tax revenues. In addition, SANDAG has issued its Capital Grant Receipts Revenue Bonds (Mid-Coast Corridor Transit Project) to provide funds to finance a portion of the costs of the design and construction of a 10.92 mile extension of MTS's San Diego Trolley Blue Line from downtown San Diego to the University City community of San Diego. Such bonds are not secured by or payable from TransNet sales tax revenues. The liabilities of SANDAG are not liabilities of the Commission.

DESCRIPTION OF THE 2023 SERIES A BONDS

General

The 2023 Series A Bonds are being issued by the Commission pursuant to the Indenture and the Act. The 2023 Series A Bonds will be dated their date of delivery and will mature on the dates and in the amounts, and will bear interest at the rates, shown on the inside cover pages of this Official Statement. Each 2023 Series A Bond will bear interest from the latest of: (i) its Issue Date; (ii) the most recent Interest Payment Date to which interest has been paid thereon or duly provided for, or (iii) if the date of authentication of such 2023 Series A Bond is after a Record Date but prior to the immediately succeeding Interest Payment Date, the Interest Payment Date immediately succeeding such date of authentication. "Record Date" means, with respect to the 2023 Series A Bonds, the fifteenth (15th) day (whether or not a Business Day) of the month preceding the month in which such Interest Payment Date occurs. Interest on the 2023 Series A Bonds will be computed on the basis of a 360-day year composed of twelve 30-day months. The Commission will issue the 2023 Series A Bonds as fully registered bonds in denominations of $5,000 and any integral multiple thereof (each an "Authorized Denomination"). The Commission will pay interest on the 2023 Series A Bonds on April 1 and October 1 of each year, commencing on October 1, 2023 (each, an "Interest Payment Date").

The 2023 Series A Bonds will be issued in book-entry form only and will be registered in the name of a nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the 2023 Series A Bonds. Investors may purchase 2023 Series A Bonds in book-entry form only. Purchasers ("Beneficial Owners") of the 2023 Series A Bonds will not receive physical certificates representing their ownership interest in the 2023 Series A Bonds purchased. Payments of principal of and interest on the 2023 Series A Bonds will be made to DTC, and DTC will distribute such payments to its Direct Participants. Disbursement of such payments to Beneficial Owners of the 2023

Series A Bonds is the responsibility of DTC's Direct and Indirect Participants and not the Commission. See APPENDIX E – "BOOK-ENTRY ONLY SYSTEM."

Redemption of 2023 Series A Bonds

Optional Redemption. The 2023 Series A Bonds maturing on and after April 1, ____ are subject to redemption prior to their respective stated maturities, at the option of the Commission, from any source of available funds, on any date on or after April 1, ____, as a whole, or in part by such maturity or maturities as may be specified by Request of the Commission in Authorized Denominations, at a Redemption Price equal to 100% of the aggregate principal amount thereof, plus interest accrued thereon to the date fixed for redemption, without premium.

Selection of 2023 Series A Bonds for Optional Redemption. The Commission shall designate which maturities of any 2023 Series A Bonds are to be called for optional redemption under the Indenture. If less than all 2023 Series A Bonds maturing by their terms on any one date and bearing the same rate of interest are to be redeemed at any one time, the Trustee shall select the 2023 Series A Bonds of such maturity date and rate to be redeemed by lot and shall promptly notify the Commission in writing of the numbers of the 2023 Series A Bonds so selected for redemption. For purposes of such selection, 2023 Series A Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed. In the event 2023 Series A Bonds that are Term Bonds are designated for redemption, the Commission may designate the Mandatory Sinking Account Payments under the Indenture or portions thereof, that are to be reduced as allocated to such redemption.

Mandatory Sinking Fund Redemption. The 2023 Series A Bonds maturing on April 1, ____ are Term Bonds and are subject to mandatory redemption from Mandatory Sinking Account Payments for such 2023 Series A Bonds, on each April 1 on and after April 1, 20___, and in the principal amount equal to the Mandatory Sinking Account Payment due on such date at a Redemption Price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

Mandatory Sinking Account Payments for the 2023 Series A Bonds maturing on April 1, ____ shall be due in such amounts and on such dates as follows:

Redemption Date (April 1)	Mandatory Sinking Account Payment
	$
*	

* Final maturity.

Selection of 2023 Series A Bonds for Mandatory Sinking Account Redemption. If less than all 2023 Series A Bonds maturing by their terms on any one date are to be redeemed at any one time with Mandatory Sinking Account Payments, the Trustee shall select the 2023 Series A Bonds of such maturity date to be redeemed by lot, and the Trustee shall promptly notify the Commission in writing of the numbers of the 2023 Series A Bonds so selected for redemption. For purposes of such selection, 2023 Series A Bonds shall be deemed to be composed of multiples of minimum Authorized Denominations and any such multiple may be separately redeemed.

General Redemption Provisions

Notice of Redemption. Each notice of redemption of 2023 Series A Bonds shall be mailed by the Trustee, not less than twenty (20) nor more than ninety (90) days prior to the redemption date, to each Holder of 2023 Series A Bonds and each of the Repositories. A copy of such notice shall also be provided to each of the Notice Parties with respect to the 2023 Series A Bonds. Notice of redemption to the Holders of 2023 Series A Bonds, the Repositories and the applicable Notice Parties shall be given by first class mail or by Electronic Means. Each notice of redemption shall state the date of such notice, the date of issue of the 2023 Series A Bonds, the redemption date, the Redemption Price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities, and, if less than all of any such maturity, the distinctive certificate numbers of the 2023 Series A Bonds of such maturity, if any, to be redeemed and, in the case of 2023 Series A Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on said date there will become due and payable on each of said 2023 Series A Bonds the Redemption Price thereof or of said specified portion of the principal amount thereof in the case of a 2023 Series A Bond to be redeemed in part only, together with interest accrued thereon to the date fixed for redemption, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such 2023 Series A Bonds be then surrendered at the address or addresses of the Trustee specified in the redemption notice. Neither the Commission nor the Trustee shall have any responsibility for any defect in the CUSIP number that appears on any 2023 Series A Bond or in any redemption notice with respect thereto, and any such redemption notice may contain a statement to the effect that CUSIP numbers have been assigned by an independent service for convenience of reference and that neither the Commission nor the Trustee shall be liable for any inaccuracy in such CUSIP numbers.

Conditional Notice of Redemption; Rescission. With respect to any notice of optional redemption of 2023 Series A Bonds, unless, upon the giving of such notice, such 2023 Series A Bonds shall be deemed to have been paid pursuant to the terms of the Indenture, such notice is to state that such redemption will be conditional upon the receipt by the Trustee on or prior to the date fixed for such redemption of amounts sufficient to pay the principal of, and premium, if any, and interest on, such 2023 Series A Bonds to be redeemed, and that if such amounts shall not have been so received said notice will be of no force and effect and the Commission will not be required to redeem such 2023 Series A Bonds. In the event that such notice of redemption contains such a condition and such amounts are not so received, the redemption will not be made and the Trustee will within a reasonable time thereafter give notice to the Holders to the effect that such amounts were not so received and such redemption was not made, such notice to be given by the Trustee in the manner in which the notice of redemption was given.

The Commission may, at its option, on or prior to the date fixed for redemption in any notice of optional redemption, rescind such notice of redemption by written notice of the Commission to the Trustee, and the Trustee is to give notice of such rescission as soon thereafter as practicable in the same manner, and to the same recipients, as notice of such redemption was given.

Effect of Redemption. Notice of redemption having been duly given pursuant to the Indenture and moneys for payment of the Redemption Price of, together with interest accrued to the redemption date on, the 2023 Series A Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice the 2023 Series A Bonds (or portions thereof) so called for redemption shall become due and payable at the Redemption Price specified in such notice, together with interest accrued thereon to the date fixed for redemption. Interest on such 2023 Series A Bonds so called for redemption shall cease to accrue, and said 2023 Series A Bonds (or portions thereof) shall cease to be entitled to any benefit or security under the Indenture, and the Holders of such 2023 Series A Bonds will have no rights in respect thereof except to receive payment of the Redemption Price and interest accrued to the date fixed for redemption from funds held by the Trustee for such payment. All 2023 Series A Bonds redeemed pursuant to the provisions described herein shall be cancelled upon surrender.

SECURITY AND SOURCES OF PAYMENT FOR THE 2023 SERIES A BONDS

Pledge of Sales Tax Revenues

2023 Series A Bonds. The 2023 Series A Bonds are limited obligations of the Commission and are payable as to principal and interest exclusively from Revenues as defined in the Indenture, consisting of Sales Tax Revenues and Swap Revenues, and all amounts held on deposit in the funds and accounts established under the Indenture (except for amounts held in the Rebate Fund, any Letter of Credit Account and any Purchase Fund), subject to the provision of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture. "Sales Tax Revenues" means the amounts available for distribution to the Commission on and after July 1, 1988, on account of the Sales Tax after deducting amounts payable by the Commission to CDTFA for costs and expenses for its services in connection with the Sales Tax.

The Indenture provides that the pledge of Revenues for the payment of the Bonds, including the 2023 Series A Bonds, and any debt or other obligations of the Commission payable from Sales Tax Revenues on a parity with the Bonds (such debt or other obligations being hereinafter referred to as "Parity Obligations"), will constitute a first lien on and security interest in the Revenues and such other amounts and will immediately attach thereto and will be effective, binding and enforceable from and after initial delivery by the Trustee of the Bonds or Parity Obligations, without the need for any physical delivery, recordation, filing or further act. For additional information regarding Bonds and Parity Obligations currently Outstanding, see "OUTSTANDING OBLIGATIONS."

Revenue Fund; Allocation of Sales Tax Revenues

Pursuant to the Indenture, the Commission has assigned the Sales Tax Revenues to the Trustee and shall cause the CDTFA to transmit the same directly to the Trustee each month, net of the CDTFA administrative fee, which is deducted quarterly. The Trustee is required to deposit all Sales Tax Revenues in the Revenue Fund, maintained and held in trust by the Trustee under the Indenture (the "Revenue Fund"), when and as such Sales Tax Revenues are received by the Trustee. The Sales Tax Revenues are to be received and held in trust by the Trustee for the benefit of the Holders of the Bonds and Parity Obligations and will be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture. Investment income on amounts held by the Trustee (other than amounts held in the Interest Fund, the Rebate Fund, a Letter of Credit Account or any Purchase Fund or Project Fund (each established under the Indenture) or for which particular instructions are provided) will also be deposited in the Revenue Fund.

If five days prior to any principal payment date, Interest Payment Date or mandatory redemption date the amounts on deposit in the Revenue Fund, the Interest Fund, the Principal Fund, including the Sinking Accounts therein, and, as and to the extent applicable, any Bond Reserve Fund established in connection with a Series of Bonds under the Indenture with respect to the payments to be made on such upcoming date are insufficient to make such payments, the Indenture provides that the Trustee shall immediately notify the Commission, in writing, of such deficiency and direct that the Commission transfer the amount of such deficiency to the Trustee on or prior to such payment date. The Commission covenants and agrees in the Indenture to transfer to the Trustee from any Revenues (as defined in the Indenture) in its possession the amount of such deficiency on or prior to the principal, interest or mandatory redemption date referenced in such notice.

So long as any Bonds remain Outstanding and Parity Obligations, Subordinate Obligations, Junior Subordinate Obligations and all other amounts payable under the Indenture remain unpaid, in each month following receipt and deposit of the Sales Tax Revenues in the Revenue Fund, the Trustee is required under the Indenture to set aside the moneys in the Revenue Fund in the following respective funds, amounts and order of priority (provided that deficiencies in any previously required deposit may be made up prior to the deposit to a fund subsequent in priority and further provided that set asides or transfers required with respect to outstanding Parity Obligations shall be made on a parity basis each month, as provided in the Indenture):

1. Interest Fund. The Indenture requires the Trustee to make monthly deposits in the Interest Fund (the "Interest Fund") in an amount equal to (a) one-sixth of the aggregate semiannual amount of interest becoming due and payable on Outstanding fixed interest rate bonds during the next ensuing six-months until the requisite semiannual amount of interest on all such bonds is on deposit, provided that the amounts set aside in such fund with respect to such Series of Bonds shall be sufficient on a monthly pro rata basis to pay the aggregate amount of interest becoming due and payable on the first Interest Payment Date with respect to such fixed interest rate Series of Bonds, plus (b) the aggregate amount of interest to accrue during that month on Outstanding Variable Rate Indebtedness calculated, if the actual rate of interest is not known, at the interest rate specified by the Commission, or if the Commission has not specified an interest rate, at the maximum interest rate borne by such Variable Rate Indebtedness during the month prior to the month of deposit plus one percent (1%); subject to such adjustments as are provided pursuant to the provisions of the Indenture. See APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Allocation of Sales Tax Revenues." All Subsidy Payments received with respect to the 2010 Series A Bonds and all Swap Revenues received with respect to Interest Rate Swap Agreements that are Parity Obligations are to be deposited in the Interest Fund and credited toward the above-described deposits.

2. Principal Fund; Sinking Accounts. The Indenture also requires the Trustee to make monthly deposits in the Principal Fund (the "Principal Fund") in an amount equal to at least (a) one-sixth of the aggregate semiannual amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having semiannual maturity dates within the next six (6) months, plus (b) one-twelfth of the aggregate yearly amount of Bond Obligation becoming due and payable on the Outstanding Serial Bonds of all Series having annual maturity dates within the next twelve (12) months, plus (c) one-sixth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next six-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts have been created and for which semiannual mandatory redemption is required from said Sinking Accounts, plus (d) one-twelfth of the aggregate of the Mandatory Sinking Account Payments to be paid during the next 12-month period into the respective Sinking Accounts for the Term Bonds of all Series for which Sinking Accounts shall have been created and for which annual mandatory redemption is required from such Sinking Accounts; provided, that if the Commission certifies to the Trustee that any principal payments are expected to be refunded on or prior to their respective due dates or paid from amounts on deposit in a Bond Reserve Fund that would be in excess of the Bond Reserve Requirement applicable to such Bond Reserve Fund upon such payment, no amounts need be set aside towards such principal to be so refunded or paid.

If the Sales Tax Revenues shall not be sufficient to make the required deposits so that moneys in the Principal Fund on any principal or mandatory redemption date are equal to the amount of Bond Obligation to become due and payable on the Outstanding Serial Bonds of all Series plus the Bond Obligation amount of and redemption premium on the Outstanding Term Bonds required to be redeemed or paid at maturity on such date, then such moneys will be applied on a Proportionate Basis and in such proportion as the Serial Bonds and the Term Bonds bear to each other, after first deducting for such purposes from the Term Bonds any of such Term Bonds required to be redeemed annually as shall have been redeemed or purchased during the preceding 12-month period and any of the Term Bonds required to be redeemed semiannually as shall have been redeemed or purchased during the six-month period ending on such date or the immediately preceding six month period. If the Sales Tax Revenues shall not be sufficient to pay in full all Mandatory Sinking Account Payments required to be paid at any one time into all such Sinking

Accounts, then payments into all such Sinking Accounts will be made on a Proportionate Basis, in proportion that the respective Mandatory Sinking Account Payments required to be made into each Sinking Account during the then current 12-month period bear to the aggregate of all of the Mandatory Sinking Account Payments required to be made into all such Sinking Accounts during such 12-month period.

No deposit need be made into the Principal Fund so long as there is in such fund moneys sufficient to pay (i) the Bond Obligations of all Serial Bonds then Outstanding and maturing by their terms within the next twelve (12) months plus (ii) the aggregate of all Mandatory Sinking Account Payments required to be made in such 12-month period, but less any amounts deposited into the Principal Fund during such 12-month period and theretofore paid from the Principal Fund to redeem or purchase Term Bonds during such 12-month period; provided that if the Commission certifies to the Trustee that any principal payments are expected to be refunded on or prior to their respective due dates or paid from amounts on deposit in a Bond Reserve Fund that would be in excess of the Bond Reserve Requirement applicable to such Bond Reserve Fund upon such payment, no amounts need be on deposit with respect to such principal payments. See APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Allocation of Sales Tax Revenues."

3. Bond Reserve Funds. The Indenture also requires the Trustee to make deposits to any of the Bond Reserve Funds established pursuant to the provisions of the Indenture as soon as possible in each month in which any deficiency in any Bond Reserve Fund occurs, until the balance in such Bond Reserve Fund is at least equal to the applicable Bond Reserve Requirement. See APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Allocation of Sales Tax Revenues." No Bonds of any Series are secured by a Bond Reserve Fund at the present time.

4. Subordinate Obligations Fund. The Indenture also requires the Trustee to establish a Subordinate Obligations Fund. The Trustee shall deposit in the Subordinate Obligations Fund any Sales Tax Revenues remaining in the Revenue Fund after the transfers described in (1), (2) and (3) above and will transfer such Sales Tax Revenues to the Subordinate Trustee. After the Subordinate Trustee has made the required deposit of Sales Tax Revenues under any Subordinate Indenture, the Subordinate Trustee will transfer any remaining Sales Tax Revenues in accordance with the Subordinate Indenture.

5. Fees and Expenses Fund. The Indenture also requires the Trustee to establish a Fees and Expenses Fund. At the direction of the Commission, after the transfers described above have been made, the Trustee will deposit as soon as practicable in each month in the Fees and Expenses Fund amounts necessary for payment of fees, expenses and similar charges owing in such month or the following month by the Commission in connection with the Bonds or any Parity Obligation and amounts necessary for payment of fees, expenses, and similar charges owing in such month or the following month by the Commission in connection with Subordinate Obligations or Junior Subordinate Obligations.

See APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE" for a more complete summary of the flow of funds under the Indenture.

No Bond Reserve Fund for the 2023 Series A Bonds

No Bond Reserve Fund will be established for the 2023 Series A Bonds under the Indenture.

Issuance of Additional Series of Bonds

The Commission may by Supplemental Indenture to the Indenture establish one or more Series of additional Bonds payable from Sales Tax Revenues and secured by the pledge made under the Indenture equally and ratably with all other Bonds Outstanding under the Indenture, but only upon compliance by the Commission with certain provisions of the Indenture. Some applicable provisions of the Indenture are described below:

(a) No Event of Default shall have occurred and then be continuing;

(b) If the Supplemental Indenture providing for the issuance of such Series of additional Bonds requires either (i) the establishment of a Bond Reserve Fund to provide additional security for such Series of Bonds or (ii) that the balance on deposit in an existing Bond Reserve Fund be increased, forthwith upon the receipt of the proceeds of the sale of Bonds of such Series, to an amount at least equal to the Bond Reserve Requirement with respect to such Series of Bonds and all other Bonds secured by such Bond Reserve Fund to be considered Outstanding upon the issuance of such additional Series of Bonds, the supplemental indenture providing for the issuance of such additional Series of Bonds shall require deposit of the amount necessary. Such deposit may be made from the proceeds of the sale of Bonds of such Series or from other funds of the Commission or from both such sources or in the form of a Reserve Facility as described under APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE – Definitions" and "Establishment and Application of Funds and Accounts – Funding and Application of Bond Reserve Funds."

(c) The aggregate principal amount of Bonds issued under the Indenture shall not exceed any limitation imposed by law or by any Supplemental Indenture;

(d) The Commission shall have placed on file with the Trustee a Certificate of the Commission, certifying that the amount of Sales Tax Revenues collected during the Fiscal Year for which audited financial statements are available preceding the date on which such additional Series of Bonds will become outstanding was equal to at least 2.0 times Maximum Annual Debt Service (as defined in the Indenture) on all Series of Bonds and Parity Obligations then Outstanding and the additional Series of Bonds then proposed to be issued. For purposes of calculating Maximum Annual Debt Service, principal and interest payments on Obligations are excluded to the extent such payments are to be paid from Revenues then held on deposit by the Trustee or from other amounts on deposit, including Investment Securities and interest to be payable thereon, with the Trustee or other fiduciary in escrow specifically therefor and interest payments are excluded to the extent that such interest payments are to be paid from the proceeds of Obligations, including Investment Securities and interest to be payable thereon, held by the Trustee or other fiduciary as capitalized interest specifically to pay such interest or from pledged Subsidy Payments the Commission expects to receive; and

(e) Principal payments of each additional Series of Bonds shall be due on April 1 or October 1 in each year in which principal is to be paid if and to the extent deemed practical in the reasonable judgment of the Commission with regard to the type of Bond to be issued, and, if the interest on such Series of Bonds is to be paid semiannually, such interest payments shall be due on April 1 and October 1 in each year to the extent deemed practical in the reasonable judgment of the Commission with regard to the type of Bond to be issued.

See APPENDIX C – "DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE" for certain additional provisions applicable while any TIFIA Bond (as such term is defined in the Indenture) remains Outstanding.

Nothing in the Indenture will prevent or be construed to prevent the Supplemental Indenture providing for the issuance of an additional Series of Bonds and pledging or otherwise providing, in addition to the security given or intended to be given by the Indenture, additional security for the benefit of such additional Series of Bonds or any portion thereof.

Parity Obligations

As defined in the Indenture, "Parity Obligations" means any indebtedness, installment sale obligation, lease obligation or other obligation of the Commission for borrowed money or any Interest Rate Swap Agreement (excluding, in each case, fees and expenses and termination payments on Interest Rate Swap Agreements which fees and expenses and termination payments shall be secured by a lien and charge on the Sales Tax Revenues subordinate to the lien and charge upon the Sales Tax Revenues which secures the Bonds, Parity Obligations and payment of principal and interest on Subordinate Obligations) entered into in connection with a Series of Bonds, in each case incurred in accordance with the provisions of the Indenture described herein and having an equal lien and charge upon the Sales Tax Revenues and therefore payable on a parity with the Bonds (whether or not any Bonds are Outstanding).

The Commission may issue or incur additional Parity Obligations which will have, when issued, an equal lien and charge upon the Sales Tax Revenues, provided that the conditions to the issuance of such Parity Obligations set forth in the Indenture are satisfied, including satisfaction of the coverage test described in paragraph (d) above under the caption "Issuance of Additional Series of Bonds," unless such Parity Obligations are being issued for refunding purposes, in which case the coverage test shall not apply.

Refunding Bonds

Refunding Bonds may be authorized and issued by the Commission under the Indenture without compliance with the provisions of the Indenture summarized above under paragraph (d) of the caption "Issuance of Additional Series of Bonds," provided that the Trustee shall have been provided with a Certificate of the Commission to the effect that the Commission has determined one of the following: (i) that Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding following the issuance of such Refunding Bonds is less than or equal to Maximum Annual Debt Service on all Bonds Outstanding and all Parity Obligations outstanding prior to the issuance of such Refunding Bonds, or (ii) that the Commission expects a reduction in Debt Service on all Bonds Outstanding and all Parity Obligations outstanding to result from the refunding to be effected with the proceeds of such Refunding Bonds.

Limitation on Additional Senior Lien Debt or Subordinate Obligations under TIFIA Loan Agreement

Under the TIFIA Loan Agreement (as defined herein under "– Junior Subordinate TIFIA Loan"), to issue additional Bonds, Parity Obligations or Subordinate Obligations the Commission must certify that the Sales Tax Revenues collected during any twelve (12) consecutive calendar months specified by the Commission within the most recent eighteen (18) calendar months immediately preceding the date of issuance of such Senior Lien Debt or Subordinate Obligations shall be at least equal to 1.15 times the maximum amount of Debt Service becoming due and payable on all Bonds, Parity Obligations, Subordinate Obligations and Junior Subordinate Obligations in any Fiscal Year during the period from the calculation date through October 1, 2045.

FINANCING PLAN

General

The Commission will apply the proceeds of the 2023 Series A Bonds, together with other available funds, to: (i) redeem all of the Series 2008 Bonds, (ii) make swap termination payments (net of swap termination receipts) in connection with the termination of all interest rate swap agreements relating to Series 2008 Bonds, (iii) purchase [all or a portion of] [certain maturities of] the 2019 Series A Bonds tendered and accepted by the Commission pursuant to the Tender Offer (see "– Tender and Purchase of 2019 Series A Bonds" below), (iv) refund [all or a portion of] [certain maturities of] the 2019 Series A Bonds and (v) pay the costs of issuing the 2023 Series A Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS."

Redemption of Series 2008 Bonds and Termination of Swaps

The Commission intends use a portion of the proceeds of the 2023 Series A Bonds to redeem all of the Series 2008 Bonds, as shown in the table below, upon delivery of the 2023 Series A Bonds. The Commission further intends to terminate all of its interest rate swap agreements, consisting of the Initial Swaps (as defined herein) and the Basis Swap Overlays (as defined herein), and intends to use a portion of the proceeds of the 2023 Series A Bonds to pay the net amount due to the swap counterparties in connection with the termination of such interest rate swap agreements. See "OUTSTANDING OBLIGATIONS – Interest Rate Swap Agreements."

SERIES 2008 BONDS TO BE REDEEMED

Bond	Maturity Date	Outstanding Principal Amount	Redemption Date	Redemption Price	CUSIP Number
2008 Series A	April 1, 2038	$95,925,000		100%	797400FF0
2008 Series B	April 1, 2038	95,925,000		100	797400FG8
2008 Series C	April 1, 2038	95,925,000		100	797400FH6
2008 Series D	April 1, 2038	95,925,000		100	797400FJ2

Tender and Purchase of 2019 Series A Bonds

The Commission, with the assistance of Wells Fargo Bank, N.A. and Goldman Sachs & Co. LLC., as dealer managers, has released its Tender Offer. As described in the Tender Offer, the Commission has invited owners of [certain maturities of] the 2019 Series A Bonds to tender such bonds for purchase by the Commission in accordance with the terms set forth in the Tender Offer. Based on the outcome of the Tender Offer, some [or all] of the Commission's Outstanding 2019 Series A Bonds may (i) be purchased pursuant to the Tender Offer or (ii) remain Outstanding. Additionally, the Commission intends to defease [all or a portion of] [certain maturities of] the 2019 Series A Bonds as described below under "– Refunding of 2019 Series A Bonds."

Refunding of 2019 Series A Bonds

[All or a portion of] the 2019 Series A Bonds listed on the following table may be defeased with a portion of the proceeds of the 2023 Series A Bonds (collectively, the "Refunded 2019 Series A Bonds"). The Refunded 2019 Series A Bonds maturing on April 1, 2024 through April 1, 2030, inclusive, will be defeased to their respective maturity dates, and the Refunded 2019 Series A Bonds maturing on and after

April 1, 2031 will be defeased to either the optional redemption date of April 1, 2030 (the "Redemption Date") or to their respective maturity dates, as applicable.

POTENTIAL DEFEASED BONDS*

	Bond	Maturity Date	Interest Rate	Principal Amount	Redemption Date	Redemption Price	CUSIP Number
2019 Series A:							
Total							

[*] Preliminary, subject to change.

_________________, certified public accountants (the "Verification Agent"), will deliver a report stating that the firm has verified the accuracy of mathematical computations concerning the adequacy of the amounts deposited in the Escrow Account to pay principal of and interest on the Refunded 2019 Series A Bonds becoming due on or before their respective maturity dates or the Redemption Date, as applicable. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS."

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of proceeds of the 2023 Series A Bonds and other available amounts are shown below:

Estimated Sources of Funds:	
Principal Amount	
Bond Premium	
Other Available Funds[(1)]	
Total	
Estimated Uses of Funds:	
Redemption of Series 2008 Bonds	
Net Swap Termination Payment Amount	
Purchase of 2019 Series A Bonds	
Refunding Escrow Deposit	
Costs of Issuance[(2)]	
Total	

(1) Release of funds under Indenture attributable to refunded Series 2008 Bonds, tendered and purchased 2019 Series A Bonds and Refunded 2019 Series A Bonds.

(2) Includes rating agency, municipal advisory, verification, legal and trustee fees, printing costs, costs associated with the Tender Offer, underwriters' discount and other miscellaneous expenses.

OUTSTANDING OBLIGATIONS

Senior Lien Debt

As of April 2, 2023, the Commission had $1,676,365,000 of the following Series of Bonds Outstanding under the Indenture.

Series 2008 Bonds. On March 27, 2008, the Commission issued its Series 2008 Bonds in the aggregate principal amount of $600,000,000. The Series 2008 Bonds have a final stated maturity of April 1, 2038. The Series 2008 Bonds are currently Outstanding in the aggregate principal amount of $383,660,000. The Series 2008 Bonds are variable rate demand obligations and currently bear interest at a weekly interest rate. The Commission entered into certain Initial Swaps in connection with the Series 2008 Bonds, pursuant to which the Commission pays fixed rates and receives variable rates. See "OUTSTANDING OBLIGATIONS – Interest Rate Swap Agreements." The Commission intends to redeem all of the Series 2008 Bonds and terminate the Initial Swaps and the Basis Swap Overlays (as defined herein) in full upon delivery of the 2023 Series A Bonds. See "FINANCING PLAN – Redemption of Series 2008 Bonds and Termination of Swaps."

2010 Series A Bonds. On November 10, 2010, the Commission issued its $338,960,000 Sales Tax Revenue Bonds (Limited Tax Bonds), 2010 Series A (Taxable Build America Bonds) (the "2010 Series A Bonds"). The 2010 Series A Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048. The 2010 Series A Bonds are currently outstanding in the aggregate principal amount of $338,960,000.

The 2010 Series A Bonds were issued as "Build America Bonds" bearing taxable interest rates that were expected to be offset by a cash subsidy from the United States Treasury (the "Subsidy Payments") pledged thereto under the Indenture. The amount of any Subsidy Payments to be received in connection with the 2010 Series A Bonds is subject to change by the federal government. On March 1, 2013, the federal government announced the implementation of certain automatic spending cuts known as "sequestration." Future reductions in Subsidy Payments may occur due to sequestration, but the Commission is unable to predict the amount or duration of such reductions. Further, Subsidy Payments will only be paid if the 2010 Series A Bonds continue to qualify as Build America Bonds. The Commission does not believe that failure to receive the Subsidy Payments in whole or in part will materially and adversely impact the Commission's ability to pay debt service on the 2010 Series A Bonds or other obligations. See "RISK FACTORS – Loss of Subsidy Payments."

Series 2014 Bonds. On September 10, 2014, the Commission issued its $350,000,000 Sales Tax Revenue Bonds (Limited Tax Bonds) 2014 Series A. The 2014 Series A Bonds are currently Outstanding in the aggregate principal amount of $6,460,000. The 2014 Series A Bonds are fixed rate bonds. A portion of the 2019 Series A Bonds and 2021 Series A Bonds refunded portions of the 2014 Series A Bonds in the aggregate principal amount of $155,335,000 and $128,120,000, respectively. A portion of the 2021 Series A Bonds purchased tendered 2014 Series A Bonds in the aggregate principal amount of $18,245,000. The final maturity of the 2014 Series A Bonds remaining outstanding is April 1, 2024.

Series 2016 Bonds. On August 17, 2016, the Commission issued its $325,000,000 Sales Tax Revenue Bonds (Limited Tax Bonds) 2016 Series A (the "Series 2016 Bonds"). The Series 2016 Bonds are currently Outstanding in the aggregate principal amount of $291,265,000. The Series 2016 Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048.

2019 Series A Bonds. On December 19, 2019, the Commission issued its 2019 Series A Bonds in the aggregate principal amount of $442,620,000. The 2019 Series A Bonds are currently outstanding in the aggregate principal amount of $436,185,000. The 2019 Series A Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048. The Commission intends to purchase [some or all of] the 2019 Series A Bonds tendered for purchase pursuant to the Tender Offer and may refund [all or a portion of] [certain maturities of] the 2019 Series A Bonds. See "FINANCING PLAN – Tender and Purchase of 2019 Series A Bonds" and "– Refunding of 2019 Series A Bonds."

2020 Series A Bonds. On February 19, 2020, the Commission issued its $74,820,000 Sales Tax Revenue Bonds (Limited Tax Bonds) 2020 Series A (Green Bonds) (the "2020 Series A Bonds"). The 2020 Series A Bonds are currently Outstanding in the aggregate principal amount of $69,955,000. The 2020 Series A Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048.

2021 Series A Bonds. On March 25, 2021, the Commission issued its $149,840,000 Sales Tax Revenue Bonds (Limited Tax Bonds) 2021 Series A (Federally Taxable) (the "2021 Series A Bonds"). The 2021 Series A Bonds are currently Outstanding in full. The 2021 Series A Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2039.

Additional Senior Obligations. The Commission may issue additional Bonds and may issue or incur other obligations secured in whole or in part by a pledge of Sales Tax Revenues on a parity with the Bonds and the regularly scheduled payments on the Initial Swaps (as defined herein), the Basis Swap Overlays (as defined herein) and any other Interest Rate Swap Agreements (as defined herein), subject to compliance with the terms and provisions set forth in the Indenture.

Interest Rate Swap Agreements

Initial Swaps. In November 2005, the Commission entered into three interest rate swap agreements (the "Initial Swaps") in an initial aggregate notional amount of $600,000,000, or $200,000,000 each. The Initial Swaps became effective as of April 1, 2008, and the notional amounts amortize in tandem with the amortization of the Series 2008 Bonds. The Commission's obligation to make regularly scheduled payments to the counterparties under the Initial Swaps is payable from and secured by Sales Tax Revenues on a parity basis with the Bonds. None of the Initial Swaps obligates the Commission to post any collateral.

Pursuant to the terms of the Initial Swaps, the Commission agreed to pay to the counterparties a fixed rate of interest and the counterparties agreed to pay the Commission a floating rate of interest on the first day of each month, commencing May 1, 2008. Under certain conditions, the Initial Swaps may be terminated, at which time the Commission may be required to make a termination payment to the applicable counterparty. Termination payments payable in accordance with the provisions of the Initial Swaps are secured by a lien on the Sales Tax Revenues subordinate to the lien which secures the Bonds, any Parity Obligations and Subordinate Obligations. As of May 1, 2023, if the Initial Swaps were terminated in full, the Commission would owe the applicable swap counterparties approximately $___________. The Commission intends to terminate the Initial Swaps in full in connection with the contemplated redemption of the Series 2008 Bonds, and intends to make any resulting termination payments using a portion of the proceeds of the 2023 Series A Bonds. See "FINANCING PLAN -- Redemption of Series 2008 Bonds."

The swap counterparties under the Initial Swaps, the fixed rate of interest paid by the Commission, and the floating rate of interest paid by the swap counterparties are as follows:

Name of Counterparty	Current Notional Amount	Rate	Floating Rate Received by Commission
Goldman Sachs Mitsui Marine Derivative Products, L.P.	$127,900,000	3.8165%	USD SIFMA Swap Index
Bank of America, N.A.	$127,900,000	3.8165%	USD SIFMA Swap Index
Bank of America, N.A.	$127,900,000	3.4100%	65% of USD One-Month LIBOR

Basis Rate Swap Overlays. In March 2009, the Commission entered into two SIFMA/LIBOR floating-to-floating swaps (the "Basis Rate Swap Overlays"), each with Barclays Bank PLC ("Barclays") and each with the initial notional amount of $127,900,000. Pursuant to the terms of the Basis Rate Swap Overlays, the Commission agreed to pay to Barclays the SIFMA Swap Index and Barclays agreed to pay the Commission 107.4% of 3-month LIBOR on the first day of each month, commencing on May 1, 2018. The Commission's obligation to make regularly scheduled swap payments to Barclays under the Basis Rate Swap Overlays is payable from and secured by Sales Tax Revenues on parity with the Bonds. Under certain circumstances, the Basis Rate Swap Overlays may be terminated, at which time the Commission may be required to make a termination payment to Barclays. As of May 1, 2023, if the Basis Rate Swap Overlays were terminated in full, the Commission would receive from Barclays approximately $___________. Under the terms of the Basis Rate Swap Overlays, the Commission may terminate the agreement and cash settle with prior written notice. Termination payments, if any, payable in accordance with the provisions of the Basis Rate Swap Overlays are secured by a lien on the Sales Tax Revenues subordinate to the lien that secures the Bonds, any Parity Obligations and Subordinate Obligations. The Commission intends to terminate the Basis Swap Overlays in full in connection with the contemplated redemption of the Series 2008 Bonds, and intends to apply any resulting termination receipts toward the cost of termination payments owed to the applicable counterparties of the Initial Swaps. See "FINANCING PLAN – Redemption of Series 2008 Bonds and Termination of Swaps."

LIBOR Retirement. The Financial Conduct Authority of the United Kingdom, which has regulated LIBOR since April of 2013, has announced its intention to retire the benchmark interest rate setting mechanism and will cease publication of all remaining LIBOR tenors immediately following the LIBOR publication on June 30, 2023. The Commission intends to address the cessation of LIBOR publication by terminating the Initial Swaps and the Basis Swap Overlays as described above.

Subordinate Obligations

The following Series of Subordinate Obligations are Outstanding under the Subordinate Indenture.

2021 Series B Bonds. On March 25, 2021, the Commission issued its $116,150,000 Subordinate Sales Tax Revenue Bonds (Limited Tax Bonds) 2021 Series B (the "2021 Series B Bonds"). The 2021 Series B Bonds are currently Outstanding in full. The 2021 Series A Bonds are fixed rate bonds and have a final stated maturity date of April 1, 2048.

Subordinate Commercial Paper Notes and CP Letter of Credit. In 2005, the Commission authorized the issuance from time to time of Subordinate Commercial Paper Notes secured by a lien on the Sales Tax Revenues that is subordinate to the lien of the Bonds and any Parity Obligations. The total principal amount of Subordinate Commercial Paper Notes that is authorized to be issued may not exceed $100,000,000. As of May 1, 2023, $[46,600,000] in aggregate principal amount of Subordinate Commercial Paper Notes was outstanding. The payment of principal of and interest on the Subordinate Commercial Paper Notes up to $100,000,000 is supported by an irrevocable, transferable direct-pay letter of credit issued by Bank of America, N.A. (the "CP Letter of Credit"). The CP Letter of Credit is stated to expire on August 26, 2024. The Commission's obligation to reimburse Bank of America, N.A. for draws under the CP Letter of Credit is secured by a lien on the Sales Tax Revenues on a parity with the lien securing the Subordinate Commercial Paper Notes and the 2021 Series B Bonds.

Under a Memorandum of Understanding, dated as of June 1, 2008 (the "Certificate Purchase MOU"), by and between the Commission and NCTD, the Commission agreed to issue $34,000,000 in Subordinate Commercial Paper Notes to purchase outstanding Certificates of Participation evidencing payments by NCTD under a Lease Agreement, dated as of July 1, 2004 (the "NCTD Certificates"), the proceeds of which funded the NCTD "SPRINTER" rail line. Under the Certificate Purchase MOU, while the Commission holds the NCTD Certificates, they bear interest at a rate equal to the weighted average interest rate on the Subordinate Commercial Paper Notes and are subject to an amortization schedule of approximately level debt service payments through September 1, 2034, corresponding to the amortization schedule of an interest rate swap agreement NCTD entered into in connection with the NCTD Certificates. The Commission is not obligated to make any payments under such interest rate swap agreement. The NCTD Certificates are currently outstanding in an aggregate principal amount of $19,100,000.

Subordinate Revolving Credit Agreement. On March 24, 2022, the Commission executed and delivered a Revolving Credit Agreement, dated as of March 1, 2022 (the "Subordinate Revolving Credit Agreement"), with U.S. Bank National Association (the "Bank"). The Subordinate Revolving Credit Agreement provides for the Bank to make revolving loans to the Commission evidenced by the Commission's Subordinate Sales Tax Revenue Revolving Notes (Limited Tax Bonds), Series I (the "Subordinate Revolving Notes") issued by the Commission to the Bank in an aggregate principal amount outstanding of not to exceed $100,000,000. The Subordinate Revolving Notes bear interest at a variable rate. As of May 1, 2023, $__________ in aggregate principal amount of Subordinate Revolving Notes was outstanding. The Subordinate Revolving Credit Agreement has a stated maturity date of September 23, 2024. The Commission's obligation to repay the Subordinate Revolving Notes is secured by a lien on Sales Tax Revenues on a parity with the lien securing the 2021 Series B Bonds and the Subordinate Commercial Paper Notes.

Additional Subordinate Obligations. Except to the extent restricted by the Indenture, the Commission may issue or incur Subordinate Obligations secured by a pledge of Sales Tax Revenues on a basis junior and subordinate to the payment of the principal, interest and reserve fund requirements for the

Bonds and Parity Obligations, as the same become due and payable and at the times and in the manner as required by the Subordinate Indenture.

Junior Subordinate TIFIA Loan

On June 27, 2017, the Commission entered into a loan agreement (the "2017 TIFIA Loan Agreement"), pursuant to which the U.S. Department of Transportation, acting by and through the Executive Director of the Build America Bureau (the "TIFIA Lender") agreed to make a junior and subordinate loan to the Commission in an amount not to exceed $537,484,439. The 2017 TIFIA Loan had a fixed interest rate of 2.72% and a final maturity no later than October 1, 2045.

To achieve interest rate savings the Commission entered into a replacement TIFIA Loan Agreement with the TIFIA Lender on January 14, 2021 (the "TIFIA Loan Agreement") and terminated the 2017 TIFIA Loan Agreement, which was not drawn. Pursuant to the TIFIA Loan Agreement the TIFIA Lender has agreed to extend credit to the Commission in the amount of $537,484,439, plus up to five years of capitalized interest (the "Junior Subordinate TIFIA Loan"). The Commission has drawn the entire amount of $537,484,439 available under the TIFIA Loan Agreement. The proceeds of the Junior Subordinate TIFIA Loan have been applied to the payment of federally eligible costs of the Project. The Junior Subordinate TIFIA Loan bears interest at a fixed rate of 1.75% and will mature no later than October 1, 2045. The Junior Subordinate TIFIA Loan is secured by a third lien pledge of Sales Tax Revenues that is subordinate to the liens and charges securing the Bonds and the Subordinate Obligations. The Junior Subordinate TIFIA Loan is not secured by a springing lien.

For a description of certain provisions of the TIFA Loan Agreement, see APPENDIX C-3.

A copy of the TIFIA Loan Agreement may be found at:

https://www.sandag.org/organization/about/investors/BondDocuments/BondOfficialStatements/2023TIFIA.pdf.

PROJECTED DEBT SERVICE SCHEDULE

The following table shows the annual debt service requirements with respect to the Commission's Outstanding Bonds.

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PROJECTED DEBT SERVICE SCHEDULE
OUTSTANDING BONDS

Fiscal Year Ending June 30	Series 2008[1]	2010 Series A[2]	2014 Series A	2016 Series A	2019 Series A[3]	2020 Series A	2021 Series A	Total Outstanding Bonds
2024	$33,323,997	$13,423,068	$6,783,000	$20,668,250	20,138,629	$5,095,500	$ 2,968,100	$102,400,544
2025	33,517,245	13,423,068	-	20,668,000	19,955,743	5,101,250	12,628,100	105,293,406
2026	33,677,364	13,423,068	-	20,667,500	19,803,445	5,092,250	11,802,342	104,465,970
2027	33,204,354	13,423,068	-	20,666,000	20,274,891	5,094,000	11,804,983	104,467,296
2028	33,620,301	13,423,068	-	20,667,750	19,866,145	5,091,400	11,804,293	104,472,957
2029	33,692,076	13,423,068	-	20,666,750	19,806,736	5,089,150	11,802,725	104,480,506
2030	33,730,722	13,423,068	-	20,667,250	19,765,613	5,096,650	11,804,295	104,487,598
2031	33,736,239	13,423,068	-	20,663,250	20,356,310	4,588,150	11,808,521	104,575,538
2032	33,708,627	13,423,068	-	20,664,000	20,389,819	4,589,150	11,804,779	104,579,443
2033	33,947,886	13,423,068	-	20,663,250	20,158,906	4,590,150	11,802,605	104,585,865
2034	33,842,973	13,423,068	-	20,665,000	20,270,088	4,590,900	11,806,305	104,598,334
2035	34,004,931	13,423,068	-	20,668,000	20,117,496	4,591,150	11,800,247	104,604,891
2036	34,122,717	13,423,068	-	20,666,000	20,007,308	4,590,650	11,808,668	104,618,410
2037	34,196,331	13,423,068	-	20,668,000	19,941,843	4,589,150	11,802,511	104,620,903
2038	34,525,773	13,423,068	-	20,667,500	19,619,503	4,591,400	11,802,935	104,630,180
2039	-	41,863,068	-	20,663,250	25,498,282	4,586,900	11,800,495	104,411,995
2040	-	41,831,823	-	20,664,000	39,594,904	4,590,650	-	106,681,377
2041	-	41,792,215	-	20,668,000	39,600,410	4,586,900	-	106,647,526
2042	-	41,757,858	-	20,663,500	39,599,411	4,590,650	-	106,611,420
2043	-	41,721,773	-	20,664,250	39,601,094	4,591,150	-	106,578,267
2044	-	41,682,176	-	20,663,250	39,599,323	4,588,150	-	106,532,899
2045	-	41,642,286	-	20,663,750	39,598,123	4,591,400	-	106,495,560
2046	-	41,600,124	-	20,663,750	39,601,358	4,589,400	-	106,454,632
2047	-	41,553,708	-	20,666,250	39,607,727	4,591,200	-	106,418,886
2048	-	41,506,060	-	20,664,000	39,605,933	4,586,400	-	106,362,393
Total	**$506,851,536**	**$618,297,118**	**$6,783,000**	**$516,640,500**	**$682,379,039**	**$118,273,700**	**$180,851,902**	**$2,630,076,795**

Totals may not add due to rounding.

(1) Interest on the Series 2008 Bonds is calculated based on the fixed interest rates payable by the Commission to the swap counterparties pursuant to the Initial Swaps; the fixed interest rates payable under the Initial Swaps range from 3.41% to 3.8165%. The Commission intends to redeem all of the Series 2008 Bonds with a portion of the proceeds of the 2023 Series A Bonds. See "FINANCING PLAN – Redemption of Series 2008 Bonds."

(2) 2010 Series A Bonds projected debt service is net of Subsidy Payments. See "RISK FACTORS – Loss of Subsidy Payments."

(3) The Commission intends to purchase or defease [all or a portion of] [certain maturities of] the 2019 Series A Bonds. See "FINANCING PLAN – Tender and Purchase of 2019 Series A Bonds" and "– Refunding of 2019 Series A Bonds."

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

General

The Commission was organized pursuant to the Act and is responsible for providing improvements to the transportation system and other public infrastructure systems in the County funded with the Sales Tax. To carry out this responsibility, the Commission adopted in 1987 the initial San Diego County Transportation Improvement Program Ordinance (Commission Ordinance 87-1 – Proposition A, 1987) (referred to herein as the "1987 Ordinance"). In 2004, the Commission adopted the San Diego County Transportation Improvement Program *TransNet* Ordinance and Expenditure Plan (Commission Ordinance 04-01), referred to herein as the "2004 Sales Tax Extension Ordinance," which provides for an extension of the retail transactions and use tax implemented by the initial 1987 Ordinance for a 40-year period commencing on April 1, 2008. See "– The Expenditure Plan" below. The Commission Board is composed of the SANDAG Board of Directors. However, the liabilities of SANDAG are not liabilities of the Commission. SANDAG employees carry out the work of the Commission. The Commission has no employees.

On January 1, 2003, Senate Bill 1703 took effect, changing the structure of SANDAG from a Joint Powers Authority to a State-created regional government agency. The effect of this legislation was to make SANDAG a permanent rather than voluntary association of local governments and to increase SANDAG's responsibilities and powers. The SANDAG Board of Directors consists of voting representatives from the County and 18 incorporated cities within the County. Supplementing these voting members are advisory representatives from Imperial County, the U.S. Department of Defense, Caltrans, San Diego Unified Port District, MTS, NCTD, San Diego County Water Authority, Southern California Tribal Chairmen's Association, and Mexico. Policy Advisory Committees assist the SANDAG Board of Directors in carrying out the agency's work program. The SANDAG Board of Directors is also assisted by a professional staff of approximately 250 planners, engineers, research specialists, and supporting staff. Senate Bill 1703 also required the consolidation of the planning, programming, project development, and construction functions of MTS and NCTD into SANDAG. SANDAG is responsible for transit planning, project implementation, and construction of regional transit projects in the County. Neither the Commission nor SANDAG operates transit services. Transit operations in the County are the responsibility of MTS and NCTD.

On December 20, 2021, the SANDAG Board of Directors adopted the 2021 Regional Transportation Plan ("2021 RTP"), which describes a plan for investing local, State and federal transportation funds expected to come into the region over the next 30 years. In September 2022, the SANDAG Board directed staff to prepare an amendment to the 2021 Regional Plan without the regional road usage charge. In developing the amendment, SANDAG will refine the financial strategies used in the 2021 Regional Plan to achieve the region's greenhouse gas emissions target set by the California Air Resources Board (CARB), without the road usage charge. SANDAG will also assess the region's continued ability to meet air quality standards. Before consideration by the Board of Directors, the draft amendment will be released for public review and comment, anticipated for mid-2023. The SANDAG Board of Directors anticipates an update to the 2021 RTP in late 2025.

Reducing greenhouse gas emissions is a major goal for the State of California and the nation. Rising emissions, chiefly carbon dioxide from the burning of fossil fuels, are increasing average temperatures around the globe. Such emissions are leading to numerous changes, including rising sea levels and shifting weather patterns. SANDAG, in partnership with the 19 jurisdictions that comprise the member agencies of SANDAG, are working to decrease greenhouse gas emissions by planning and building a more efficient and low emission regional transportation system within the County. SANDAG has collaborated with local agency staff and leading climate planning experts to prepare the Regional Climate Action Planning Framework, which identifies best practices and guidance for preparing local climate action plans and monitoring implementation over time.

The Expenditure Plan

The 1987 Ordinance and the 2004 Sales Tax Extension Ordinance each outline a series of projects (together, the "Expenditure Plan") to be completed during the term of the Sales Tax. The Expenditure Plan may be found at:

https://www.sandag.org/-/media/SANDAG/Documents/PDF/funding/transnet/transnet-amended-and-restated-rransnet-extension-ordinance-and-expenditure-plan.pdf.

The Expenditure Plan is not incorporated herein by reference. The Ordinance specifies that Sales Tax Revenues are to be applied according to the following diagram.

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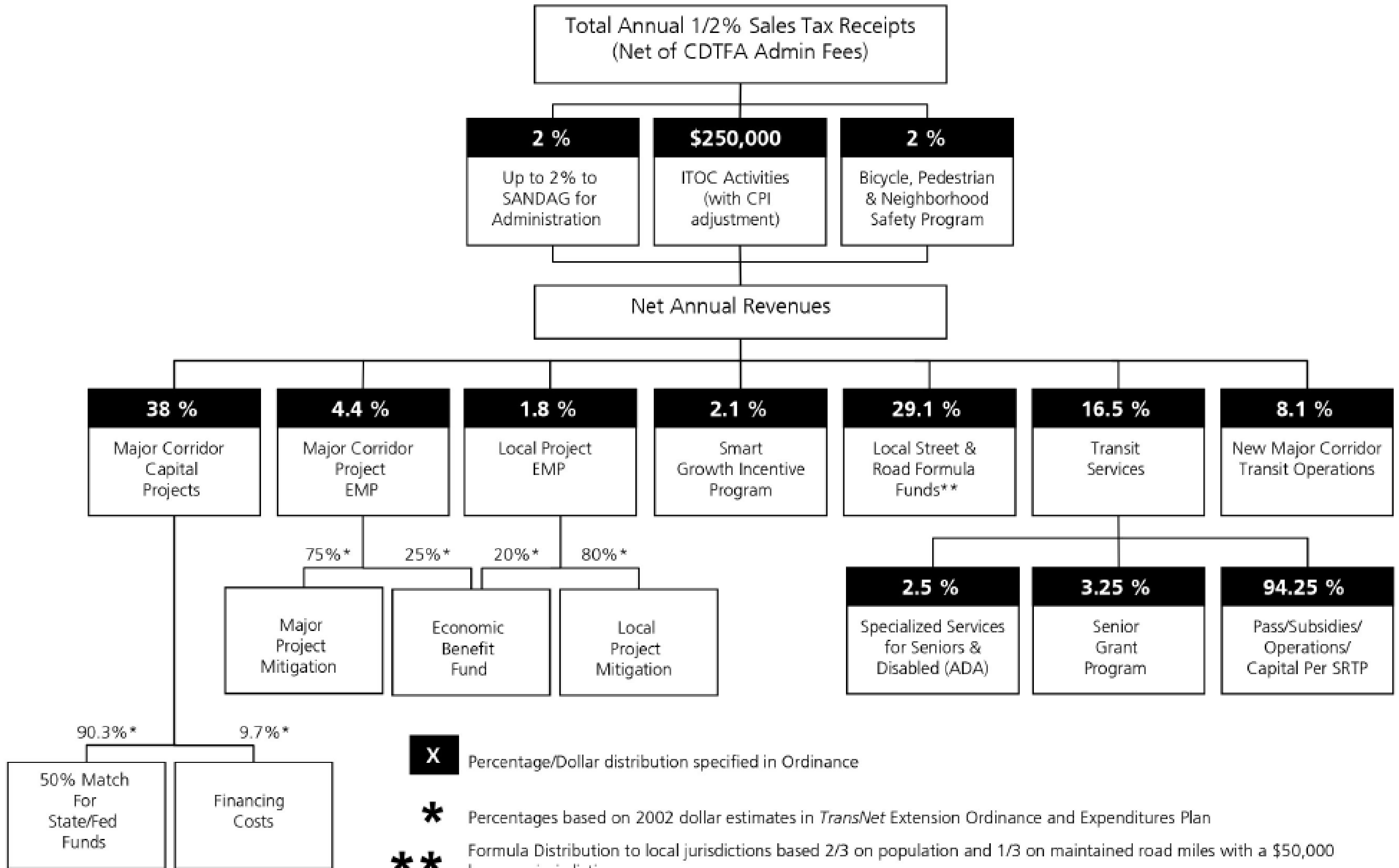
SANDAG

TransNet Extension Flow of Funds

FY 2009 – FY 2048*



* On May 14, 2021, the SANDAG Board of Directors, acting as the San Diego County Regional Transportation Commission, approved an adjustment to increase the administrative expense limitation from 1% to 2% beginning in FY 2022.

Revised May 2021

To implement the Expenditure Plan, the Commission annually adopts finance plan updates (each, a "*TransNet* Plan of Finance") that describe major program revenue, cost and project budget and schedule assumptions. Each *TransNet* Plan of Finance adopted by the Commission sets forth projected cash flow and borrowing requirements during the term of the program covered by such plan.

The TransNet Early Action Program (depicted in the map entitled "TransNet Early Action Program at the front of this Official Statement) includes various highway and transit improvements in the Interstates 5, 15, 805 corridors; State Route 52 and 76 corridors; implementation of the Mid-Coast Light Rail Project; trolley vehicle and station upgrades along the Blue and Orange Lines; and double tracking improvements in the coastal rail corridor to be financed by the proceeds of Bonds, Sales Tax Revenues, and eligible federal, state, and local revenues.

In response to changing conditions, the *TransNet* Plan of Finance is updated periodically. Such updates include the latest project cost estimates, actual revenues received, and estimated revenue projections. The update allows the Commission to assess the strength of the program and appropriate changes to the implementation of the Project. In response to economic conditions during which costs have decreased while sales tax collections have increased, the Board has accelerated projects to take advantage of a construction bid environment offering bids significantly below engineering estimates. During periods when costs were rising faster than revenues, the Commission has deferred the implementation of certain projects to allow the *TransNet* Plan of Finance to remain focused on the highest priority projects.

The SANDAG Board of Directors was presented with a *TransNet* Program Update at its February 11, 2022 meeting, continuing the implementation of major transportation projects in the region.

As a guiding principle, the Commission's primary borrowing is focused on capital programs: (1) Major Corridor Capital Projects; (2) Major Corridor Environmental Mitigation Program ("EMP"); and (3) Local Project EMP. The remaining Sales Tax Revenues are allocated to current expenses for the remaining programs. From time to time, at the request of member agencies (local jurisdictions), the Commission may borrow for local street and road capital improvements, with the debt service for these improvements paid from each respective agency's share of Local Street & Road Formula Funds.

Future Financings

The Commission manages the implementation of its capital program based on project readiness and the availability of federal and State funds, and may advance or slow down the delivery of projects in response to current conditions. Subject to approval by the Commission's Board of Directors, the Commission plans to issue additional Bonds in the aggregate principal amount of approximately $150,000,000 to deliver new projects in the next 12 to 18 months. No assurance can be given regarding the amount of additional Bonds that may be issued by the Commission in the future, subject to the limitations of the Indenture.

The Commission is authorized to issue up to $100,000,000 in the aggregate principal amount of Subordinate Commercial Paper Notes. Additionally, the Commission in 2022 entered into a revolving credit agreement providing for revolving loans in a principal amount outstanding not to exceed $100,000,000. See "OUTSTANDING OBLIGATIONS – Subordinate Obligations – *Subordinate Commercial Paper Notes and CP Letter of Credit*" and "*– Subordinate Revolving Credit Agreement*."

Executive Staff

The staff of SANDAG serves as staff to the Commission. Key staff members, the position held by each and a brief statement of the background of each key staff member are set forth below.

Hasan Ikhrata, *Chief Executive Officer*. Hasan Ikhrata is the Chief Executive Officer of SANDAG appointed to such position in December 2018. Mr. Ikhrata has more than 30 years of experience in the arena of Transportation Planning in the Southern California Region, in both the public and private sector. As Chief Executive Officer of SANDAG, Mr. Ikhrata directs day-to-day operations of the agency and implements policies set by its governing board. In addition, he is the Executive Officer of the SANDAG Service Bureau, the nonprofit public benefit corporation chartered by SANDAG. Mr. Ikhrata holds a Bachelor's and a Master's Degree in Civil and Industrial Engineering from Zaporozhye University in the former Soviet Union, a Master's Degree in Civil Engineering from UCLA, and a PhD Candidacy in Urban Planning and Transportation from the University of Southern California. Mr. Ikhrata is an adjunct professor in the business school at California State University, Northridge. Prior to joining SANDAG in 2018, Mr. Ikhrata worked for the Southern California Association of Governments (SCAG), Los Angeles County Metropolitan Transportation Authority (MTA) and South Coast Air Quality Management District (SCAQMD).

John F. Kirk, *General Counsel*. Mr. Kirk was appointed General Counsel for SANDAG and the Commission in January 2012. Mr. Kirk was originally hired by SANDAG as Deputy General Counsel in June 2006. Between 1990 and 2006 Mr. Kirk served the City of San Diego as a Deputy City Attorney. Mr. Kirk holds a Bachelors' degree from Wabash College and a Juris Doctorate from Pepperdine University's School of Law.

André Douzdjian, *Chief Financial Officer*. Mr. Douzdjian serves as SANDAG's Chief Financial Officer and directs all financial and budgeting functions for SANDAG and the Commission. Mr. Douzdjian returned to SANDAG in June of 2012. During the previous 12 years, Mr. Douzdjian worked in the capacity of Chief Financial Officer for two privately-held staffing companies, where he was a co-founder and shareholder of those businesses. Prior to that, Mr. Douzdjian was the Financial Services Manager at SANDAG, a position that he held for almost ten years, from 1991 to 2000. Prior to his employment at SANDAG, Mr. Douzdjian was a Senior Accountant for KPMG, LLP, a certified accounting firm. Mr. Douzdjian received a Bachelor of Business Administration (B.A.) degree in Accounting in 1988 from the University of San Diego and a Master's degree in Business Administration (M.B.A.) with an emphasis in Finance in 1996 from San Diego State University and is a Certified Public Accountant. Mr. Douzdjian is a member of the Government Finance Officers Association.

Ray Major, *Deputy CEO, Business Operations*. Mr. Major originally joined SANDAG in 1987 as a Research Analyst and economist responsible for SANDAG's econometric and economic impact models, custom analytic research projects, and for developing the San Diego region's comprehensive Economic Prosperity Strategy. He left SANDAG in 1994 and joined the Nielsen companies where he served as a senior executive holding numerous positions including Chief Marketing Officer, Chief Customer Officer, and product strategist. Mr. Major oversaw the product development of Claritas, a major provider of demographic and segmentation data. As General Manager of Integras, he ran the division of Claritas specializing in Business Intelligence (BI) and predictive analytics, geo-spatial and economic modeling services. In 2010, Mr. Major moved to Halo BI, a state-of-the-art business intelligence and predictive modeling software and service provider where he served as CMO, COO, and CEO. Mr. Major rejoined SANDAG in 2015 where he now serves as the Deputy CEO, Business Operations. Mr. Major holds both graduate and undergraduate degrees in economics from San Diego State University, with an emphasis in developmental economics, and econometrics.

Coleen Clementson, *Deputy CEO, Planning, Projects & Programs.* Ms. Clementson is the Deputy CEO, Planning, Projects & Programs for SANDAG. As the Deputy CEO, Ms. Clementson oversees all planning, engineering and construction, and government relation communications for the agency. In this role she spearheaded the development of the transformational transportation plan, that re-envisions how residents will get around the region. She is a known accomplished land use and transportation expert and leader in the region and in the state of California. Ms. Clementson is a proud alumnus of UCSD and regularly lectures at classes and mentors fellow Tritons. Recently her alma mater awarded her their most prestigious award, Outstanding Alumna. With more than 20 years of experience in the public sector land use and transportation planning, Ms. Clementson serves on multiple state and national boards to support the planning profession and benefit the San Diego region. She has extensive experience in public involvement through preparation and implementation of several large-scale long-range planning and policy documents and smaller-scale neighborhood revitalization plans. She is a genuine believer of building authentic lasting relationships and is an advocate for developing and supporting women in the planning and transportation profession.

Dawn Vettese, *Innovative Finance Director*. Ms. Vettese oversees a range of financial strategy and innovative finance functions that support delivery of the agency's capital program, including the development of financial strategies for major capital projects, and coordinating and resolving financial issues with funding agencies. Ms. Vettese started her career at SANDAG in 2014 as a Senior Financial Programming Analyst, where she has provided professional support for various regional, state, and local transportation funding programs. She has also been responsible for managing the development of the Regional Transportation Improvement Program and providing expertise in the field of financial programming for regional projects. Ms. Vettese previously served over 20 years with the California Department of Transportation in both headquarters and San Diego District 11 in a variety of roles including transportation finance and program/project management. She has developed strategic partnerships between the region, Caltrans, the California Transportation Commission, and peer agencies to further the region's goals and priorities. She has decades of professional transportation finance experience and has managed innovative finance strategies for projects in the San Diego region, both with Caltrans and SANDAG, including the region's Transportation Infrastructure Finance and Innovation Act (TIFIA) loan for the Mid-Coast Trolley. Ms. Vettese earned her Bachelor of Science in Business Administration with a focus in Project Management from Colorado Technical University.

THE SALES TAX

Authorization, Application and Collection of the Sales Tax

The Commission is authorized by the Act to adopt a retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of the County in accordance with California's Transactions and Use Tax Law (Revenue and Taxation Code Sections 7251 *et seq.*), upon authorization by a majority of the electors voting on the issue. On November 3, 1987, the voters approved the 1987 Ordinance which imposed the Sales Tax in the County for a twenty-year period. On November 2, 2004, more than two-thirds of the voters approved the Sales Tax Extension Ordinance which, among other things, extended the collection of the tax to March 31, 2048. The Ordinance imposes the Sales Tax on the gross receipts of retailers from the sale of tangible personal property sold in the County and upon the storage, use or other consumption in the County of such property purchased from any retailer for storage use or other consumption in the County, subject to certain limited exceptions described below.

Collection of the Sales Tax is administered by the CDTFA, as successor to the BOE for this purpose. The CDTFA, after deducting a fee for administering the Sales Tax, remits the remaining Sales Tax Revenues to the Trustee which are then applied to satisfy the Commission's obligations with respect to the Bonds and Parity Obligations. The remaining Sales Tax Revenues are then remitted to the Subordinate Trustee for the Commission's Subordinate Obligations, including the 2023 Short-Term Notes and the Subordinate Commercial Paper Notes. After payment of debt service requirements on the Subordinate Obligations, any remaining unapplied Sales Tax Revenues are then remitted to the Subordinate Trustee for payment of certain fees and expenses and the Junior Subordinate TIFIA Loan and thereafter to the Commission. The fee charged by the CDTFA is determined by the CDTFA pursuant to statute. The fee charged by the CDTFA to the Commission for collection of the Sales Tax for Fiscal Year 2021-22 was $3,107,820. The fee that the CDTFA is authorized to charge for collection of the Sales Tax is determined by State legislation and may be increased or decreased by legislative action. There can be no assurances that the amount of this fee or the method for determining the amount of the fee will remain the same. The CDTFA collects and subsequently distributes sales and use tax revenues to sales taxing jurisdictions such as the Commission. The CDTFA disburses sales taxes three times a quarter. For a given quarter the first two monthly payments correspond to an estimated advance plus the current distributions processed during the month. The third monthly payment then trues-up the total quarterly allocation against payments disbursed in the prior two months, net of administrative fees. The methodology for calculating the estimated advances has been recently improved to more closely track actual tax receipts and to accelerate the allocations to sales taxing jurisdictions such as the Commission. The methodology includes 2 steps. First, the CDTFA calculates the share of a jurisdiction's total allocation for in the same quarter of the prior year. Second, this share is applied to the total prepayment collected in the current month.

The Sales Tax is imposed in addition to a 7.25 percent sales and use tax levied statewide by the State and local sales tax measures enacted by cities, as described below under "– Other Sales Taxes Imposed in the County." In general, the statewide sales tax applies to the gross receipts of retailers from the sale of tangible personal property. The statewide use tax is imposed on the storage, use or other consumption in the State of property purchased from a retailer for such storage, use or other consumption. Since the use tax does not apply to cases where the sale of the property is subject to the sales tax, the application of the use tax generally is to purchases made outside of the State for use within the State, subject to certain exceptions.

Many categories of transactions are exempt from the Statewide sales and use tax and from the Sales Tax. The most important are: sales of food products for home consumption; prescription medicine; edible livestock and their feed; seed and fertilizer used in raising food for human consumption; and gas, electricity and water when delivered to consumers through mains, lines, and pipes. In addition, "Occasional Sales" (i.e., sales of property not held or used by a seller in the course of activities for which he or she is required to hold a seller's permit) are generally exempt from the statewide sales and use tax and from the Sales Tax. Action by the State legislature or by voter initiative could change the transactions and items upon which the Statewide sales and use tax and the Sales Tax are imposed. Such changes or amendments could have either an adverse or beneficial impact on the Sales Tax Revenues. The Commission is not currently aware of any proposed legislative change, which would have a material adverse effect on Sales Tax Revenues. See also "RISK FACTORS – Proposition 218."

Historical Sales Tax Revenues

Annual Sales Tax Revenues. The Commission began receiving distributions of the Sales Tax from the BOE in June 1988. The CDTFA now handles most of the taxes and fees previously collected by the BOE. The following table shows the Sales Tax remitted to the Commission during the Fiscal Years ended June 30, 1990 through June 30, 2022.

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SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
HISTORICAL SALES TAX REVENUES

Fiscal Year Ended June 30	Sales Tax Revenues[1]	% Change From Prior Fiscal Year
1990	$113,758,624	--
1991	109,806,529	(3.5)%
1992	106,105,958	(3.4)
1993	111,783,116	5.4
1994	111,461,846	(0.3)[2]
1995	114,303,387	2.5
1996	123,511,934	8.1
1997	131,592,528	6.5
1998	145,754,155	10.8
1999	156,909,677	7.7
2000	172,274,619	9.8
2001	189,795,888	10.2
2002	192,836,199	1.6
2003	200,600,386	4.0
2004	213,230,634	6.3
2005	228,562,785	7.2
2006	243,317,789	6.5
2007	247,924,304	1.9
2008	244,406,219	(1.4)
2009	221,991,360	(9.2)
2010	204,191,747	(8.0)
2011	221,304,014	8.4
2012	236,947,113	7.1
2013	247,221,162	4.3
2014	260,114,931	5.2
2015	268,840,549	3.4
2016	275,500,023	2.5
2017	284,456,260	3.3
2018	294,501,324	3.5
2019	312,303,669	6.0[3]
2020	305,851,214	(2.1)[4]
2021	333,998,568	9.2[4]
2022	405,921,138	21.5[4]

(1) Cash basis, net of BOE/CDTFA administrative fee.
(2) Reflects, in part, effect of increase in BOE administration fee in 1994.
(3) In May 2018, CDTFA implemented a new automated system for processing, reporting, and distributing sales tax revenues to agencies throughout the State. As a result, several thousand tax returns were not processed in a timely manner. Approximately $7 million of Fiscal Year 2018 revenue was recorded in Fiscal Year 2019. Assuming the $7 million figure was properly accounted for in Fiscal Year 2018, annual sales tax revenues would have been $301.5 million for Fiscal Year 2018 and $305.3 million in Fiscal Year 2019.
(4) Sales tax collections from Fiscal Year 2020 through Fiscal Year 2022 reflect a confluence of factors, including the brief COVID-19 related economic downturn and subsequent recovery, federal and local stimulus payments and inflation. See "RISK FACTORS – Economy of the County and the State."

Source: San Diego County Regional Transportation Commission.

Debt Service Coverage. Sales Tax Revenues for the Fiscal Year ended June 30, 2022 are approximately 3.8 times Maximum Annual Debt Service on the Outstanding Bonds based on the debt service and assumptions shown in the table "PROJECTED DEBT SERVICE SCHEDULE."

Monthly Sales Tax Revenues. The following table presents Sales Tax Revenues remitted each month by the CDTFA for the account of the Commission in the Fiscal Years ended June 30, 2021 and 2022 and a portion of the Fiscal Year ending June 30, 2023. Through the first 11 months of the Fiscal Year ending June 30, 2023, Sales Tax Revenues are up ___% as compared to the same 11-month period in the prior Fiscal Year.

MONTHLY SALES TAX DISBURSEMENTS
FISCAL YEARS ENDED JUNE 30, 2021 AND 2022 AND ENDING JUNE 30, 2023

Month	Fiscal Year Ended June 30, 2021[(1)(2)]	Fiscal Year Ended June 30, 2022[(1)]	Year Over Year % Change (2022 v. 2021)	Fiscal Year Ending June 30, 2023[(1)]	Year Over Year % Change (2023 v. 2022)
July	$ 30,054,980	$ 43,209,697	43.77%	$ 44,478,683	2.94%
August	23,241,852	24,271,096	4.43	28,995,480	19.47
September	28,184,070	32,823,354	16.46	36,853,062	12.28
October	33,250,387	38,064,769	14.48	38,474,980	1.08
November	21,727,813	28,370,272	30.57	34,497,001	21.60
December	27,118,087	33,611,034	23.94	36,657,141	9.06
January	27,774,372	32,787,727	18.05	33,813,540	3.13
February	29,002,151	40,232,661	38.72	40,825,224	1.47
March	25,119,644	31,621,084	25.88	34,695,328	9.72
April	27,532,810	31,161,228	13.18	31,439.603	0.89
May	29,440,191	36,034,028	22.40	-	-
June	31,552,208	33,734,188	6.92	-	-
Totals	**$333,998,566**	**$405,921,138**	**21.53%**	**$360,730,042**	-

(1) Unaudited; cash basis; net of CDTFA administrative fee.
(2) Totals may not add due to rounding.

Other Sales Taxes Imposed in the County

With limited exceptions, the Sales Tax is imposed upon the same transactions and items subject to the 7.25 percent sales and use tax levied statewide by the State. The State Legislature or the voters of the State, through the initiative process, could change or limit the transactions and items upon which the statewide sales tax and the Sales Tax are imposed. Any such change or limitation could have an adverse impact on the Sales Tax Revenues collected. See "RISK FACTORS – Other Sales Taxes."

In addition to the statewide sales and use tax and the Sales Tax, the following sales and use taxes are imposed in certain cities within the County. No portion of the statewide sales and use tax or the following taxes imposed in certain cities within the County are pledged to the repayment of the 2023 Series A Bonds.

Sales and Use Tax	Tax Rate	Effective Date	Termination Date
City of Chula Vista	0.50%	04/01/17	03/31/26
City of Chula Vista	0.50	10/01/18	Upon Repeal
City of Del Mar	1.00	04/01/17	Ongoing
City of El Cajon Service Preservation Transactions and Use Tax	0.50	04/01/17	03/31/29
City of Imperial Beach	1.00	04/01/21	Ongoing
City of La Mesa Transactions and Use Tax	0.75	04/01/09	03/31/29
City of National City Transactions and Use Tax	1.00	10/01/06	Ongoing
City of Oceanside	0.50	04/01/19	03/31/26
City of Vista Transactions and Use Tax	0.50	04/01/07	03/31/37

Source: *California City and County Sales and Use Tax Rates* (October 1, 2020), CDTFA.

For information concerning historical taxable sales in the County, see the table entitled "County of San Diego, Taxable Sales Transactions" in APPENDIX A – "INFORMATION REGARDING THE COUNTY OF SAN DIEGO."

COMMISSION INVESTMENT PORTFOLIO

Funds of the Commission are invested pursuant to an investment policy adopted by the Commission Board, which permits the Commission to invest in some (but not all) of the types of securities authorized by State law for the investment of funds of local agencies. The securities in which the Commission currently is authorized to invest include United States treasury notes, bonds and bills, bonds, notes, bills, warrants and obligations issued by certain agencies of the United States, bankers acceptances, commercial paper of prime quality, certificates of deposit, medium term corporate notes, shares of beneficial interest issued by a California joint powers authority, the State's local agency investment fund, the San Diego County local agency investment fund, collateralized repurchase agreements, and other securities authorized under State law as appropriate for public fund investments and not specifically prohibited by the investment policy. The investment policy (which is subject to change in the future) does not allow investment in reverse repurchase agreements, mortgage interest strips, inverse floaters or securities lending or any investment that fails to meet the credit or portfolio limits of the investment policy at the time of investment.

Funds held by the Trustee are invested in Investment Securities (as defined in APPENDIX C-1) in accordance with instructions from the Commission. The instructions from the Commission currently restrict those investments to investments permitted by the investment policy adopted by the Commission Board described above (except that the Trustee is permitted to invest a greater percentage of funds in specific securities than the investment policy would otherwise permit).

The value of the various investments in the portfolio will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Further, such values may vary based on credit quality, ratings, or other factors. Therefore, there can be no assurance that the values of the various investments in the portfolio will not vary significantly from the values described below. Further, the values specified in the following tables were based upon estimates of market values provided to the Commission by a third party as of June 30, 2022. Accordingly, there can be no assurance that if these securities had been sold on June 30, 2022, the portfolio would have received the values specified. In addition, under certain provisions of the Indenture, funds and accounts held thereunder must be invested in certain specified Investment Securities that include investment agreements and other investments not described above.

INVESTMENT PORTFOLIO INFORMATION
As of March 31, 2023

Investments	Par Value	Market Value
Cash and Cash Equivalents	$ N/A	$ 401,903,202
United States Agencies	264,690,700	255,383,200
Corporate Medium Term Notes	63,845,000	62,944,916
Supra-National Agency Bond/Note	17,700,000	17,310,758
Certificates of Participation	19,100,000	19,100,000
TOTAL	$ 365,335,700	$ 756,642,076

Source: The Commission.

RISK FACTORS

Economy of the County and the State

The 2023 Series A Bonds are secured by a pledge of Sales Tax Revenues, which consist of the Sales Tax less an administrative fee paid to the CDTFA. The level of Sales Tax Revenues collected at any time is dependent upon the level of retail sales within the County, which level of retail sales is, in turn, dependent upon the level of economic activity in the County and in the State generally. As a result, any substantial deterioration in the level of economic activity within the County or the State could have an adverse impact upon the level of Sales Tax Revenues and therefore upon the ability of the Commission to pay principal of and interest on the 2023 Series A Bonds. For information relating to economic conditions within the County and the State, see APPENDIX A – "INFORMATION REGARDING THE COUNTY OF SAN DIEGO."

At the start of the COVID-19 pandemic in Fiscal Year 2020 Sales Tax Revenues briefly fell, but in Fiscal Year 2021 they recovered strongly. Sales Tax Revenues for Fiscal Year 2022 also showed exceptional growth, reflecting a confluence of factors including State and federal COVID-19 related stimulus payments and consumption that appeared to be less sensitive to higher prices. In Fiscal Year 2023, concerns have shifted to consumer spending potentially slowing as the Federal Reserve tries to achieve its target for inflation.

According to the Commission's economic staff, the County has fully recovered from the COVID-19 related recession that occurred during the first half of 2020. Job losses were concentrated in high contact sectors such as tourism, retail and education. Traditional sectors like professional services, construction and finance have fared much better than in past recessions, while military has proven an essential buffer to the County's unemployment rate, which peaked at 16.1% in April 2020 and averaged 3.4% in 2022.

The Commission continues to monitor how the recent levels of sustained, high inflation, coupled with the Federal Reserve's ongoing rate hikes and higher lending standards, may reduce, or otherwise negatively affect consumer spending, business expansion, and ultimately, Sales Tax Revenues in the current and subsequent Fiscal Years. The Commission cannot accurately predict the magnitude of this impact on the County's economy.

Legislative Changes

Action by the State legislature or by voter initiative could change the transactions and items upon which the Sales Tax is imposed. Such changes or amendments could have either an adverse or beneficial impact on the Sales Tax Revenues. The State Legislature from time to time may adopt legislation that impacts the collection or the distribution of sales taxes or that otherwise may impact the operations or finances of the Commission. The Commission cannot predict whether any such legislation will negatively impact Sales Tax Revenues. In February 2023, Assembly Bill 52 (Grayson) Sales and Use Tax Law: Manufacturing Equipment: Research and Development Equipment, was introduced in the State Assembly. The bill seeks to expand the sales and use tax exemption for manufacturing equipment and research and development equipment to preserve California's status as a hub of innovation and technology and to encourage greater investment in the State. The Commission is monitoring this proposed legislation closely, as its enactment could have an adverse impact on the level of Sales Tax Revenues collected.

Other Sales Taxes

With limited exceptions, the Sales Tax is imposed upon the same transactions and items subject to the 7.25% sales and use tax levied statewide by the State. The State Legislature or the voters of the State, through the initiative process, could change or limit the transactions and items upon which the statewide sales tax and the Sales Tax are imposed. Any such change or limitation could have an adverse impact on the Sales Tax Revenues collected. In addition, the Sales Tax is imposed generally on the same transactions and items subject to sales and use taxes levied by certain cities within the County. See "THE SALES TAX – Other Sales Taxes Imposed in the County."

No Acceleration of 2023 Series A Bonds

The Indenture does not include a provision allowing for the acceleration of any 2023 Series A Bonds. In the event of a default by the Commission, each Holder of a 2023 Series A Bond will have the rights to exercise the remedies, subject to the limitations thereon, set forth in the Indenture.

Loss of Subsidy Payments

The 2010 Series A Bonds were issued as "Build America Bonds." The amount of any Subsidy Payments are subject to legislative changes by the United States Congress. On March 1, 2013, the federal government announced the implementation of certain automatic spending cuts known as "sequestration." Future reductions in Subsidy Payments may occur due to the sequester, but the Commission is unable to predict the amount or duration of such reductions. Further, Subsidy Payments will only be paid if the 2010 Series A Bonds continue to qualify as Build America Bonds. For the 2010 Series A Bonds to remain Build America Bonds, the Commission must comply with certain covenants with respect to the 2010 Series A Bonds, the use and investment of proceeds thereof and the use of property financed thereby. Thus, it is possible that the Commission may not receive the Subsidy Payments. Subsidy Payments are also subject to offset against amounts that may, for unrelated reasons, be owed by the Commission to any agency of the United States of America. The Commission does not believe that failure to receive all or a portion of the Subsidy Payments or any offset to the Subsidy Payments will materially and adversely impact the Commission's ability to pay interest on the 2010 Series A Bonds. The failure to receive all or any portion of the Subsidy Payment does not affect the Commission's obligation to pay debt service on the 2010 Series A Bonds.

Bankruptcy Considerations

The Commission may be authorized to file for Chapter 9 municipal bankruptcy under certain circumstances. Should the Commission file for bankruptcy, there could be adverse effects on the holders of the 2023 Series A Bonds.

If the Sales Tax Revenues are "special revenues" under the Bankruptcy Code, then Sales Tax Revenues collected after the date of the bankruptcy filing should be subject to the lien of the Indenture. "Special revenues" are defined to include taxes specifically levied to finance one or more projects or systems, excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the governmental entity. The Sales Tax was levied to finance the projects described in the San Diego County Transportation Improvement Program *TransNet* Ordinance and Expenditure Plan (under this caption, the "Projects"), and some of these Projects are described in broad terms. In addition, the Projects are not owned by the Commission. No assurance can be given that a court would not hold that the Sales Tax Revenues are not special revenues. Were the Sales Tax Revenues determined not to be "special revenues," then Sales Tax Revenues collected after the commencement of a bankruptcy case would likely not be subject to the lien of the Indenture. The holders of the 2023 Series A Bonds may not be able to assert a claim against any property of the Commission other than the Sales Tax Revenues, and were these amounts no longer subject to the lien of the Indenture, as applicable, following commencement of a bankruptcy case, then there could thereafter be no amounts from which the holders of the 2023 Series A Bonds are entitled to be paid.

The Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system from which the special revenues are derived, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. The law is not clear as to whether, or to what extent, Sales Tax Revenues would be considered to be "derived" from the Projects. To the extent that Sales Tax Revenues are determined to be both special revenues and derived from the Projects, the Commission may be able to use Sales Tax Revenues to pay necessary operating expenses connected with the Projects, before the remaining Sales Tax Revenues are turned over to the Trustee to pay amounts owed to the holders of the 2023 Series A Bonds. It is not clear precisely which expenses would constitute necessary operating expenses.

If the Commission is in bankruptcy, the parties (including the holders of the 2023 Series A Bonds) may be prohibited from taking any action to collect any amount from the Commission or to enforce any obligation of the Commission, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the holders of the 2023 Series A Bonds from funds in the Trustee's possession. The procedure pursuant to which Sales Tax Revenues are paid directly by the CDTFA to the Trustee may no longer be enforceable, and the Commission may be able to require the CDTFA to pay Sales Tax Revenues directly to the Commission.

The Commission as a debtor in bankruptcy may be able to borrow additional money that is secured by a lien on any of its property (including Sales Tax Revenues), which lien could have priority over the lien of the Indenture, or to cause some Sales Tax Revenues to be released to it, free and clear of lien of the Indenture, in each case provided that the bankruptcy judicial determines that the rights of the Trustee and the holders of the 2023 Series A Bonds will be adequately protected. The Commission may also be able, without the consent and over the objection of the Trustee and the holders of the 2023 Series A Bonds, to alter the priority, interest rate, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Indenture and the 2023 Series A Bonds, provided that the bankruptcy court determines that the alterations are fair and equitable.

There may be delays in payments on the 2023 Series A Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the Commission that could result in delays or reductions in payments on the 2023 Series A Bonds, or result in losses to the holders of the 2023 Series A Bonds. Regardless of any specific adverse determinations in a Commission bankruptcy proceeding, the fact of a Commission bankruptcy proceeding could have an adverse effect on the liquidity and value of the 2023 Series A Bonds.

Proposition 218

On November 5, 1996, voters in the State approved an initiative known as the Right to Vote on Taxes Act ("Proposition 218"). Proposition 218 added Articles XIIIC and XIIID to the California Constitution. Article XIIIC requires majority voter approval for the imposition, extension or increase of general taxes and two-thirds voter approval for the imposition, extension or increase of special taxes by a local government, which is defined to include local or regional governmental agencies such as the Commission. In 2004, the Sales Tax Extension Ordinance received the approval of more than 2/3 of the voters as required by Article XIIIC. However, Article XIIIC also removes limitations that may have applied to the voter initiative power with regard to reducing or repealing previously authorized taxes. In the opinion of the Commission, however, any attempt by the voters to use the initiative provisions under Proposition 218 to rescind or reduce the levy and collection of the Sales Tax in a manner which would prevent the payment of debt service on the 2023 Series A Bonds would violate the Impairment Clause of the United States Constitution and, accordingly, would be precluded. However, it is likely that the interpretation and application of Proposition 218 will ultimately be determined by the courts.

Further Initiatives

Proposition 218 was adopted as a measure that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, which may affect the Commission's ability to levy and collect the Sales Tax.

Cybersecurity

The Commission, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations and finances. As a recipient and provider of personal, private or other electronic sensitive information, the Commission is potentially subject to multiple cyber threats including, but not limited to, hacking, viruses, malware, ransomware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the Commission's systems for the purposes of misappropriating assets or information or causing operational disruption or damage. [The Commission has not experienced any significant cyber-attack or breach.]

No assurances can be given that the security and operational control measures of the Commission will be successful in guarding against any and each cyber threat or breach. The cost of remedying damage or disruption caused by cyber-attacks could be substantial and in excess of any applicable insurance coverage.

Climate Change

Numerous scientific studies on global climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, wildfires will become more common and intense, and extreme weather events will become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. For example, the Fourth National Climate Assessment, published by the U.S. Global Change Research Program, in November 2018 (NCA4) finds that more frequent and intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to damage infrastructure, ecosystems and social systems over the next 25 to 100 years. Sea level rise may particularly impact coastal areas throughout California. The Commission cannot predict what impact climate change will have on Sales Tax Revenues in the future.

ABSENCE OF MATERIAL LITIGATION

No litigation is pending or, to the best knowledge of the Commission, threatened against the Commission concerning the validity of the 2023 Series A Bonds. The Commission is not aware of any litigation pending or threatened against the Commission questioning the political existence of the Commission or contesting the Commission's ability to impose and collect the Sales Tax.

TAX MATTERS

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the 2023 Series A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals. However, it should be noted that for tax years beginning after December 31, 2022, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), generally certain corporations with more than $1,000,000,000 of average annual adjusted financial statement income, interest (and original issue discount) with respect to the 2023 Series A Bonds might be taken into account in determining adjusted financial statement income for purposes of computing the alternative minimum tax imposed by Section 55 of the Code on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the 2023 Series A Bonds is exempt from State of California personal income tax.

The excess of the stated redemption price at maturity of a 2023 Series A Bond over the issue price of a 2023 Series A Bond (the first price at which a substantial amount of the 2023 Series A Bonds of a maturity is to be sold to the public) constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to an owner of a 2023 Series A Bond before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by the owner will increase the owner's basis in the applicable 2023 Series A Bond.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the 2023 Series A Bonds is based upon certain representations of fact and certifications made by the Commission and others and is subject to the condition that the Commission comply with all requirements of the Code that must be satisfied subsequent to the issuance of the 2023 Series A Bonds to assure that interest (and original issue discount) on the 2023 Series A Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the 2023 Series A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the 2023 Series A Bonds. The Commission has covenanted to comply with all such requirements.

The amount by which a 2023 Series A Bond owner's original basis for determining loss on sale or exchange in the applicable 2023 Series A Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable bond premium reduces the owner's basis in the applicable bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in an owner realizing a taxable gain when a 2023 Series A Bond is sold by the owner for an amount equal to or less (under certain circumstances) than the original cost of the 2023 Series A Bond to the owner. Purchasers of the 2023 Series A Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable bond premium.

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax exempt bond issues, including both random and targeted audits. It is possible that the 2023 Series A Bonds will be selected for audit by the IRS. It is also possible that the market value of the 2023 Series A Bonds might be affected as a result of such an audit of the 2023 Series A Bonds (or by an audit of similar municipal obligations). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the 2023 Series A Bonds to the extent that it materially adversely affects the exclusion from gross income of interest (and original issue discount) on the 2023 Series A Bonds or their market value.

Subsequent to the issuance of the 2023 Series A Bonds there might be federal, state, or local statutory changes (or judicial or regulatory changes to or interpretations of federal, state, or local law) that affect the federal, state, or local tax treatment of the 2023 Series A Bonds including the imposition of additional federal income or state taxes on owners of tax-exempt state or local obligations, such as the 2023 Series A Bonds. The introduction or enactment of any of such changes could adversely affect the market value or liquidity of the 2023 Series A Bonds. No assurance can be given that subsequent to the issuance of the 2023 Series A Bonds statutory changes will not be introduced or enacted or judicial or regulatory interpretations will not occur having the effects described above. Before purchasing any of the 2023 Series

A Bonds, all potential purchasers should consult their tax advisors regarding possible statutory changes or judicial or regulatory changes or interpretations, and their collateral tax consequences relating to the 2023 Series A Bonds.

Bond Counsel's opinion with respect to the 2023 Series A Bonds may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the 2023 Series A Bonds. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture and the Tax Certificate relating to the 2023 Series A Bonds permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income of interest (and original issue discount) on the 2023 Series A Bonds for federal income tax purposes with respect to any 2023 Series A Bond if any such action is taken or omitted based upon the advice of counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

Although Bond Counsel has rendered its opinion that interest (and original issue discount) on the 2023 Series A Bonds is excluded from gross income for federal income tax purposes provided that the Commission continues to comply with certain requirements of the Code, the ownership of the 2023 Series A Bonds and the accrual or receipt of interest (and original issue discount) on the 2023 Series A Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the 2023 Series A Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the 2023 Series A Bonds.

A copy of the proposed form of opinion of Bond Counsel relating to the 2023 Series A Bonds is included in Appendix F hereto.

LEGAL MATTERS

The validity of the 2023 Series A Bonds and certain other legal matters are subject to the approving opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel to the Commission. A complete copy of the proposed form of opinion of Bond Counsel is attached as Appendix F hereto. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the Commission by its General Counsel and by Norton Rose Fulbright US LLP, as Disclosure Counsel, and for the Underwriters by their counsel Nixon Peabody LLP. Compensation paid to Bond Counsel, Disclosure Counsel and Underwriters' Counsel is contingent on the successful issuance of the 2023 Series A Bonds.

CONTINUING DISCLOSURE

The Commission has agreed to execute a continuing disclosure agreement (the "Continuing Disclosure Agreement"), which provides for disclosure obligations on the part of the Commission while the 2023 Series A Bonds remain Outstanding. Under the Continuing Disclosure Agreement, the Commission will covenant for the benefit of owners of the 2023 Series A Bonds to provide certain financial information and operating data relating to the Commission by not later than two hundred and ten (210) days after the end of the prior fiscal year, commencing with the fiscal year ending June 30, 2023 (the "Annual Reports"), and to provide notices of the occurrence of certain enumerated events (the "Notice Events") in a timely manner. The Annual Reports and the Notice Events will be filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system. These covenants will be made to assist the Underwriters of the 2023 Series A Bonds in complying with the Rule 15c2-12, as amended (the "Rule") adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. See APPENDIX D – "FORM OF CONTINUING DISCLOSURE AGREEMENT."

RATINGS

S&P Global Ratings and Fitch Ratings have assigned ratings to the 2023 Series A Bonds of "___" and "___," respectively, with [Stable Outlooks]. The ratings described above reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: S&P Global Ratings, 55 Water Street, New York, New York 10041 and Fitch Ratings, 33 Whitehall Street, New York, New York 10004. Such ratings are not recommendations to buy, sell or hold securities. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of any of such ratings may have an adverse effect on the market price of the 2023 Series A Bonds.

UNDERWRITING

Purchase of the 2023 Series A Bonds

The Commission has entered into a Bond Purchase Agreement (the "Purchase Agreement") with respect to the 2023 Series A Bonds with Wells Fargo Bank, National Association ("WFBNA"), on behalf of itself as senior manager and as representative of the underwriters named therein and set forth on the cover page hereof (collectively, the "Underwriters"), pursuant to which the Underwriters will agree, subject to certain conditions, to purchase the 2023 Series A Bonds for reoffering at a purchase price of $____________, which represents the aggregate principal amount of the 2023 Series A Bonds, plus a bond premium of $____________ and less an Underwriters' discount of $__________.

The Purchase Agreement provides that the Underwriters will purchase all of the 2023 Series A Bonds if any are purchased. The 2023 Series A Bonds may be offered and sold by the Underwriters to certain dealers and others at yields higher than the public offering yields indicated on the inside cover hereof, and such public offering yields may by changed from time to time by the Underwriters. The Underwriters agree to make a public offering of the 2023 Series A Bonds.

WFBNA and Goldman Sachs & Co. LLC are serving as dealer managers in connection with the Tender Offer for the 2019 Series A Bonds that will be funded with the proceeds of the 2023 Series A Bonds. WFBNA and Goldman Sachs & Co. LLC will be compensated separately for serving as dealer managers from the proceeds of the 2023 Series A Bonds.

The following two paragraphs have been provided by and are being included in this Official Statement at the request of the Underwriters. The Commission does not assume any responsibility for the accuracy or completeness of such statements or information.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, advisory, investment management, principal investment, hedging, financing and brokerage activities. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the Commission, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the Commission. Certain of the Underwriters or their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such securities and instruments.

Retail Brokerage Arrangements

The following paragraphs have been provided by and are being included in this Official Statement at the request of the respective Underwriters. The Commission does not assume any responsibility for the accuracy or completeness of such statements or information.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including WFBNA, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

WFBNA, acting through its Municipal Finance Group, an underwriter of the 2023 Series A Bonds, has entered into an agreement (the "WFA Distribution Agreement") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("WFA"), for the distribution of certain municipal securities offerings, including the 2023 Series A Bonds. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2023 Series A Bonds with WFA. WFBNA has also entered into an agreement (the "WFSLLC Distribution Agreement") with its affiliate Wells Fargo Securities, LLC ("WFSLLC"), for the distribution of municipal securities offerings, including the 2023 Series A Bonds. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

BofA Securities, Inc., an underwriter of the 2023 Series A Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the 2023 Series A Bonds.

MUNICIPAL ADVISOR

The Commission has retained PFM Financial Advisors, LLC, San Francisco, California, as municipal advisor (the "Municipal Advisor") in connection with the 2023 Series A Bonds. The Municipal Advisor is an independent registered municipal advisor. The Municipal Advisor has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement.

SWAP ADVISOR

The Commission has retained PFM Swap Advisors, LLC, Philadelphia, Pennsylvania, as swap advisor (the "Swap Advisor") in connection with the termination of the Initial Swaps and the Basis Swap Overlays. See "FINANCING PLAN – Redemption of Series 2008 Bonds and Termination of Swaps." The Swap Advisor is an independent registered municipal advisor. The Swap Advisor has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The Verification Agent, _____________, will verify the accuracy of mathematical computations concerning the adequacy of the maturing principal amounts of and interest earned on the Defeasance Securities deposited in the Escrow Account, together with amounts held as cash therein, to provide for payment of the principal of and interest on the Refunded 2019 Series A Bonds becoming due on or before their respective maturity dates or the Redemption Date, as applicable.

The report of the Verification Agent will include the statement that the scope of its engagement was limited to verifying the mathematical accuracy of the computations contained in such schedules provided to it and that the Verification Agent has no obligation to update its report because of events occurring, or data or information coming to its attention, after the date of its report.

RELATIONSHIP OF CERTAIN PARTIES

Bank of America, N.A. ("BANA") is a swap counterparty to the Commission, a provider of a Standby Bond Purchase Agreement supporting payment of the purchase price of tendered Series 2008 Bonds and provider of the CP Letter of Credit. BofA Securities, Inc. is an Underwriter of the 2023 Series A Bonds. BANA and BofA Securities, Inc. are both wholly-owned, indirect subsidiaries of Bank of America Corporation.

Goldman Sachs Mitsui Marine Derivative Products, L.P. ("GSMMDP") is a swap counterparty to the Commission. Goldman Sachs & Co. LLC is an Underwriter of the 2023 Series A Bonds and a dealer manager with respect to the Tender Offer. GSMMDP and Goldman Sachs & Co. LLC are [both] wholly-owned, [indirect] subsidiaries of The Goldman Sachs Group, Inc.

If the Commission terminates the Initial Swaps in connection with the issuance of the 2023 Series A Bonds as contemplated, a portion of the proceeds of the 2023 Series A Bonds may be applied to finance swap termination payments to BANA and GSMMDP. See "FINANCING PLAN – Redemption of Series 2008 Bonds and Termination of Swaps" and OUTSTANDING OBLIGATIONS – Interest Rate Swap Agreements."

JPMorgan Chase Bank, National Association is a provider of a Standby Bond Purchase Agreement supporting payment of the purchase price of tendered Series 2008 Bonds. J.P. Morgan Securities LLC is an Underwriter of the 2023 Series A Bonds. J.P. Morgan Securities LLC is a wholly-owned, [indirect] subsidiary of JPMorgan Chase Bank, National Association.

Wells Fargo Bank, National Association is an Underwriter of the 2023 Series A Bonds and a dealer-manager with respect to the Tender Offer.

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANTS

Financial information relating to the Commission is included in the Commission's Audited Financial Statements for the Fiscal Year Ended June 30, 2022, which are included as part of Appendix B to this Official Statement. The financial statements of the Commission included in Appendix B have been audited by Crowe LLP, Certified Public Accountants (the "Auditors"), as stated in their report appearing in Appendix B. The Auditors were not requested to consent to the inclusion of their report in Appendix B, nor have they undertaken to update their report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditors with respect to any event subsequent to the date of their report.

MISCELLANEOUS

This Official Statement is not to be construed as a contract or agreement between the Commission and holders of any of the 2023 Series A Bonds. All quotations from and summaries and explanations of the

Indenture, the Act and of other statutes and documents contained herein, do not purport to be complete, and reference is made to said documents and statutes for full and complete statements of their provisions.

Any statements in this Official Statement involving matters of opinion are intended as such and not as representations of fact.

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION

By: ______________________________________
Chief Executive Officer

APPENDIX A

INFORMATION REGARDING THE COUNTY OF SAN DIEGO

Set forth below is certain information with respect to the County of San Diego (the "County"). Such information was obtained from the County and from sources the Commission believes to be reliable as of the latest date when such information was available. The Commission takes no responsibility for the accuracy or completeness of such information.

ECONOMIC AND DEMOGRAPHIC INFORMATION

General

The County is the southernmost major metropolitan area in the State of California (the "State"). The County covers 4,261 square miles, extending 70 miles along the Pacific Coast from the Mexican border to Orange County and inland 75 miles to Imperial County. Riverside and Orange Counties form the northern boundary. The County is approximately the size of the State of Connecticut.

The topography of the County varies from broad coastal plains and fertile inland valleys to mountain ranges in the east which rise to an elevation of 6,500 feet. Eastern slopes of these mountains form the rim of the Anza-Borrego Desert and the Imperial Valley. The Cleveland National Forest occupies much of the interior portion of the County. The average annual rainfall in the coastal areas is less than 12 inches.

The County possesses a diverse economic base consisting of high technology, manufacturing, tourism, agriculture, government and the largest uniformed military presence in the nation.

PETCO Park, located in the City of San Diego (the "City"), provides a 42,000 fixed seat baseball stadium for the San Diego Padres. PETCO Park is located in a 26-block neighborhood that contains existing and proposed hotels, office space, retail and housing units within walking distance from the San Diego Convention Center and the Gaslamp Quarter. The baseball stadium also is within walking distance of a San Diego Trolley station and nearby parking facilities.

The County is also growing as a major center for culture and education. Over 30 recognized art organizations, including the Old Globe Theatre productions, the La Jolla Chamber Orchestra, as well as museums and art galleries, are located in the County. Higher education is provided through community colleges and colleges, universities, and graduate level schools, referenced below under "Education."

In addition to the City, other principal cities in the County include Carlsbad, Chula Vista, Oceanside, El Cajon, Escondido, San Marcos, and Vista. Most County residents live within 20 miles of the coast. Farther inland are agricultural areas, principally planted in avocados and tomatoes, while the easternmost portion of the County has a dry, desert-like topography.

Population

There are 18 incorporated cities in the County, and a number of unincorporated communities. In the 1990s, the population of the County grew at a greater rate than that of either the State or the nation. The County population as of January 1, 2022 was estimated to be 3,287,306, making it the second largest County by population in California.

The following table shows changes in the population in the County, the State and the United States for the years 2012 to 2022.

POPULATION
COUNTY OF SAN DIEGO AND STATE OF CALIFORNIA[1]

Year	San Diego County	Annual Growth Rate[2]	State of California	Annual Growth Rate[2]
2012	3,161,808	1.1%	37,924,661	1.0%
2013	3,199,900	1.2	38,269,864	0.9
2014	3,232,762	1.0	38,556,731	0.7
2015	3,264,706	1.0	38,865,532	0.8
2016	3,283,009	0.6	39,103,587	0.6
2017	3,303,366	0.6	39,352,398	0.6
2018	3,321,118	0.5	39,519,535	0.4
2019	3,333,319	0.4	39,605,361	0.2
2020	3,298,634	(1.0)	39,538,223	(0.2)
2021	3,288,503	(0.3)	39,303,157	(0.6)
2022	3,287,306	(0.04)	39,185,605	(0.2)

(1) For 2011-19, 2021 and 2022, population statistics are as of January 1. For 1990, 2000, 2010 and 2020, population statistics are as of April 1.
(2) Rounded to the nearest tenth or hundredth.

Source: California Department of Finance Historical Population Estimates for Cities, Counties, and the State for 1990-2000, 2001-2010, 2011-2020, and 2021-2022.

Employment

Employment in the County has fully recovered from the COVID-19 related recession. The Pandemic caused a sharp increase in unemployment that peaked at 16.1% in April 2020. Job losses were concentrated in high-contact sectors such as tourism, retail and education, which are estimated to account for 80% of the job losses in the region. Traditional sectors, such as professional services, construction and finance, fared much better than in past recessions, and the military has proven to be an essential buffer to the unemployment numbers in the County.

The following table sets forth information regarding the size of the civilian labor force, employment and unemployment rates for the County, the State and the United States for the years 2018 through 2022.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
ANNUAL AVERAGES 2018-2022[1][2]
By Place of Residence (In Thousands)

	2018	2019	2020	2021	2022
County of San Diego					
Labor Force	1,580	1,584	1,547	1,548	1,590
Employment	1,527	1,532	1,402	1,448	1,535
Unemployment Rate[3]	3.4%	3.2%	9.4%	6.5%	3.4%
State of California					
Labor Force	19,290	19,413	18,972	18,973	19,252
Employment	18,470	18,618	17,048	17,586	18,441
Unemployment Rate[3]	4.2%	4.1%	10.1%	7.3%	4.2%
United States of America					
Labor Force	162,075	163,539	160,742	161,204	164,287
Employment	155,761	157,538	147,795	152,581	158,291
Unemployment Rate[3]	3.9%	3.7%	8.1%	5.3%	3.6%

(1) Data reflect employment status of individuals by place of residence.
(2) Data not seasonally adjusted.
(3) Unemployment rate is based on unrounded data.

Source: California State Employment Development Department; U.S. Department of Labor, Bureau of Labor Statistics.

The following table sets forth the average annual civilian employment within the County by employment sector, other than farm industries, for 2017 through 2021. Annual figures for 2022 are not yet available.

SAN DIEGO COUNTY
NON-AGRICULTURAL LABOR FORCE AND INDUSTRY EMPLOYMENT
ANNUAL AVERAGES
Calendar Years 2017-2021

Employment Sector	2017	2018	2019	2020	2021
Mining and Logging	300	400	400	300	300
Construction	79,500	83,700	84,000	81,300	83,400
Manufacturing	109,400	112,300	115,700	113,800	114,100
Trade, Transportation and Utilities	224,700	225,000	224,000	207,800	216,300
Information	23,400	23,600	23,500	22,100	22,200
Financial Activities	74,600	76,000	76,500	74,800	75,500
Professional and Business Services	239,100	249,000	255,800	248,300	264,900
Educational and Health Services	204,300	208,900	216,600	210,900	215,700
Leisure and Hospitality	195,600	199,600	201,700	144,800	161,600
Other Services	55,000	55,500	56,400	44,800	47,300
Government	246,300	248,100	248,600	237,100	237,300
Non-Farm Total	1,452,300				1,438,50
		1,482,200	1,503,100	1,385,800	0

Source: State of California Employment Development Department, 2021 Benchmark.

Principal Employers

The County is host to a diverse mix of major employers representing industries ranging from education and health services, to diversified manufacturing, military, financial services, retail trade and amusement and recreation. The following table lists the County's principal employers.

COUNTY OF SAN DIEGO
2022 PRINCIPAL EMPLOYERS

	Employer	Employees
1.	U.C. San Diego	35,802
2.	Sharp HealthCare	19,468
3.	County of San Diego	17,954
4.	City of San Diego	11,820
5.	General Atomics Aeronautical Systems, Inc.	6,745
6.	San Diego State University	6,454
7.	Rady Children's Hospital-San Diego	5,711
8.	San Diego Community College District	5,400
9.	Sempra Energy	5,063
10.	YMCA of San Diego County	5,057

Source: County of San Diego, Annual Comprehensive Financial Report for year ended June 30, 2022.

Regional Economy

Economic activity and population growth in the local economy are closely related. Helping to sustain the County's economy is the performance of many industries, including Biotechnology, Wireless Communications, Defense Manufacturing and Uniformed Personnel, and Leisure and Hospitality. The table below sets forth the County's Gross Domestic Product, which is an estimate of the value for all goods and services produced in the region, from 2017 through 2021. Annual figures for 2022 are not yet available.

SAN DIEGO COUNTY
GROSS DOMESTIC PRODUCT
2017-2021

Year	Gross Domestic Product (In Billions)	Annual Percent Change (year over year)
2017	$204.3	3.6%
2018	209.7	2.6
2019	213.9	2.0
2020	208.6	(2.5)
2021	225.0	7.8

Sources: U.S. Bureau of Economic Analysis.

The table below sets forth the secured assessed valuation of property within the County subject to taxation for Fiscal Years 2012-13 through 2021-22.

ASSESSED VALUATION OF PROPERTY
SUBJECT TO AD VALOREM TAXATION
Fiscal Years 2012-13 through 2021-22
(In Thousands)

Fiscal Year	Land	Improvements	Personal Property	Gross Assessed Valuation	Exemption	Net Assessed Valuation for Tax Purposes
2012-13	$173,840,948	$217,588,947	$14,693,957	$406,123,852	$13,165,008	$392,958,844
2013-14	179,943,404	224,701,971	15,195,049	419,840,424	13,856,802	405,983,622
2014-15	192,003,349	236,234,389	15,347,042	443,584,780	14,344,037	429,240,743
2015-16	203,701,281	249,298,560	15,491,395	468,491,236	15,175,726	453,315,510
2016-17	215,835,633	261,594,164	16,324,650	493,754,447	16,103,351	477,651,096
2017-18	230,572,975	276,262,039	16,807,985	523,642,999	16,816,816	506,826,183
2018-19	246,455,471	291,085,650	17,764,620	555,305,741	18,416,932	536,888,809
2019-20	261,664,752	306,648,456	18,474,208	586,787,416	19,591,977	567,195,439
2020-21	276,732,392	322,427,706	18,938,815	618,098,913	19,843,441	598,255,472
2021-22	290,490,223	332,642,655	17,304,321	640,437,199	21,890,732	618,546,468

Source: County of San Diego, Auditor and Controller.

Building Activity

Annual total building permit valuation and the annual unit total of new residential permits from 2018 through 2022 are shown in the following table.

COUNTY OF SAN DIEGO
BUILDING PERMIT ACTIVITY
2018 – 2022

	2018	2019	2020	2021	2022
Valuation (in 000s)					
Residential	$2,193,546	$1,691,006	$2,011,582	$2,333,229	$2,109,523
Non-Residential	1,901,844	2,359,541	1,963,640	2,505,422	1,958,530
Total	$4,095,390	$4,050,547	$3,975,222	$4,838,651	$4,068,053
New Housing Units:					
Single Family	3,438	3,045	3,160	3,546	3,477
Multiple Family	6,132	4,405	6,326	6,646	6,169
Total	9,570	7,450	9,486	10,192	9,646

Source: Construction Industry Research Board and California Homebuilding Foundation.

Commercial Activity

The following table sets forth information regarding taxable sales in the County for the years 2018 through 2022.

COUNTY OF SAN DIEGO
TAXABLE SALES
2018 through 2022
(In Thousands)

Type of Business	2018	2019	2020	2021	2022
Retail and Food Services:					
Motor Vehicle and Parts Dealers	$ 7,639,067	$ 7,661,109	$ 7,539,532	$ 9,196,199	$ 9,467,166
Home Furnishings and Appliance Stores	2,466,975	2,375,525	2,254,216	2,747,718	2,982,330
Building Materials and Garden Equipment and Supplies	3,037,405	3,064,896	3,475,138	3,823,267	3,983,725
Food and Beverage Stores	2,505,938	2,547,020	2,779,101	2,840,160	2,947,059
Gasoline Stations	4,304,355	4,185,909	3,027,185	4,400,959	5,274,437
Clothing and Clothing Accessories Stores	3,818,233	3,885,456	2,829,347	4,223,140	4,558,367
General Merchandise Stores	5,101,089	5,218,042	4,987,828	5,807,757	6,282,266
Food Services and Drinking Places	7,999,661	8,362,160	5,860,766	8,373,953	10,066,217
Other Retail Group	5,014,102	5,516,821	8,583,780	8,477,926	9,372,733
Total Retail and Food Services	$41,886,825	$42,816,938	$41,336,898	$49,891,084	$54,934,303
All Other Outlets	17,154,217	18,548,339	17,477,629	21,823,570	25,060,425
Totals All Outlets	$59,041,042	$61,365,277	$58,814,527	$71,714,654	$79,994,729

Source: California Department of Tax and Fee Administration.

Personal Income

The following table summarizes the median household income for the County, the State, and the United States between 2017 and 2021. Annual figures for 2022 are not yet available.

MEDIAN HOUSEHOLD INCOME
2017 through 2021

Year	San Diego County	California	United States
2017	$76,048	$70,038	$61,136
2018	78,777	70,489	63,179
2019	83,576	78,105	68,703
2020	87,126	77,652	68,010
2021	90,756	81,575	70,784

Source: U.S. Census Bureau – retrieved from FRED, Federal Reserve Bank of St. Louis.

Transportation

Surface, sea and air transportation facilities serve County residents and businesses. Interstate 5 parallels the coast from Mexico to the Los Angeles area and beyond. Interstate 15 runs inland, leading to Riverside and San Bernardino Counties, Las Vegas, and Salt Lake City. Interstate 8 runs eastward through the southern United States.

The San Diego International Airport (Lindbergh Field) is located approximately three miles northwest of the downtown area and sits on 614 acres. The facilities are owned and maintained by the San Diego County Regional Airport Authority and are leased to commercial airlines and other tenants. The airport is California's third most active commercial airport, served by 18 passenger carriers and six cargo carriers. In addition to San Diego International Airport, there are two naval air stations and seven general aviation airports located in the County.

Public transportation in the County is provided by two transit operators, the San Diego Metropolitan Transit System ("MTS") and North County Transit District ("NCTD"). MTS operates the light rail system that provides transportation for commuters and tourists from Downtown San Diego to San Ysidro (adjacent to Tijuana), and from Downtown San Diego to the southern part of the County and East County and includes the newest connection at San Diego State University. MTS also provides fixed route and paratransit services. NCTD operates the 43-mile Coaster Commuter rail line from Oceanside to downtown San Diego as well as the Sprinter light rail that runs from Oceanside to Escondido. Like MTS, NCTD also provides fixed route and paratransit bus services.

The City is the terminus of the Santa Fe Railway's main line from Los Angeles. Amtrak passenger service is available within the County, with stops at Solana Beach and Oceanside in the North County. San Diego rail corridor is part of the Los Angeles-San Luis Obispo-San Diego Corridor which is the second busiest rail corridor in the nation. The County's harbor is one of the world's largest natural harbors. The Port of San Diego is administered by the San Diego Unified Port District, which includes the City and the cities of National City, Chula Vista, Imperial Beach, and Coronado.

Visitor and Convention Activity

An excellent climate, proximity to Mexico, extensive maritime facilities, and various attractions allow the County to attract visitor and convention business each year. The development of the 4,600-acre Mission Bay Park within the County and the construction of meeting and convention facilities at the San Diego community concourse have contributed to the growth in tourism. The visitor business is expected to continue to increase steadily.

The visitor industry is one of the City's main sources of income generation, along with manufacturing and the military. The following table depicts total visitor spending in the County for the past ten years.

SAN DIEGO COUNTY
Total Visitor Spending
2013 – 2022
(In Billions)

Year	Amount
2013	$8.39
2014	9.21
2015	9.92
2016	10.40
2017	10.83
2018	11.49
2019	11.64
2020	5.16
2021	7.45
2022	13.62

Source: San Diego Tourism Authority.

Major attractions located in the County include the world-renowned San Diego Zoo, the San Diego Zoo Safari Park (previously known as Wild Animal Park), Legoland California and Sea World. The San Diego Padres play home games at PETCO Park, located on 18 acres, with a capacity of 42,000. Other attractions include the Palomar Observatory, the Cabrillo National Monument on Point Loma, Balboa Park, home to the San Diego Zoo and a host of other cultural and recreational activities, downtown's historic Gaslamp Quarter, and the Old Town State Park. The cruise ship industry is another important sector of the local visitor industry.

There are over 90 golf courses in the County, including the La Costa Golf Course, scene of the Tournament of Champions in 2006 and the championship Torrey Pines Golf Course, home to an annual PGA men's professional golf tournament and site of the U.S. Open golf tournament in 2008 and in 2021.

The County benefits from its proximity to Mexico, with its sporting attractions such as Jai Alai, thoroughbred racing and ocean fishing, as well as the shopping and entertainment venues of Tijuana. Tijuana may be reached from downtown San Diego by the Red Trolley, and within a short drive from the center of the City, visitors may take in the many beaches, mountains and desert areas within the County.

Contributing to the growth in total visitor spending has been an increase in convention activity, as displayed in the table below. The convention center has hosted the annual Comic-Con International Convention, the 1996 Republican National Convention and the 2007 California Democratic Party Convention.

SAN DIEGO CONVENTION CENTER
2013 – 2022[1]

Calendar Year	Estimated Spending	Number of Conventions	Total Delegate Attendance
2013	$559,947,727	75	524,448
2014	593,105,421	76	527,621
2015	620,092,228	71	553,283
2016	721,047,316	67	697,518
2017	650,818,239	61	545,366
2018	733,357,461	59	601,240
2019	697,000,000	71	621,820
2020[2]	127,100,000	16	72,706
2021[2]	209,600,000	19	94,946
2022	692,300,000	57	452,205

(1) Table includes only primary events held at the San Diego Convention Center; does not include other sources of convention activity in the San Diego region.
(2) Reduced amount of events held in 2020 and 2021 due to COVID-19 pandemic.

Source: San Diego Tourism Authority.

The tourism sector has been one of the hardest hit by the COVID-19 related recession as a result of the high-contact business closures like restaurants and bars, the sharp declines in international and business travel, and the closure of many local tourist attractions. The recovery is expected to take a number of years, though some metrics of tourism, such as total visitor spending in the County, are already tracking above 2019 levels.

Education

Forty-two independent school districts provide educational programs for the elementary and secondary public school children in the County. Each school system is governed by a locally elected board of education and administered by a superintendent or other chief administrative officer appointed by the board. In the County there are three types of school districts: elementary, union high and unified. Elementary districts educate elementary students, union high districts for the most part educate secondary students, and unified districts educate both elementary and secondary students. There are currently 13 unified, 23 elementary and 6 union high school districts in the County.

Additionally, there are five community college districts in the County that are locally operated and administered two-year institutions of higher education. They offer Associates in Arts and Associates in Science degrees and have extensive vocational curricula. These community college districts have students at numerous campuses, adult and community centers.

Among the institutions of higher education offering bachelors and graduate programs in metropolitan San Diego are: San Diego State University; the University of California, San Diego; the University of San Diego; Point Loma Nazarene University; California State University – San Marcos; Alliant International University; the University of Phoenix; National University; Thomas Jefferson School of Law, and California Western School of Law.

Military

Military and related defense spending are significant factors in the County economy. Military installations include Marine Corps Base Camp Joseph H. Pendleton; the Marine Corps Recruit Depot;

Marine Corps Air Station at Miramar; Naval Air Station North Island; Naval Station San Diego; and Naval Submarine Base, San Diego.

The San Diego Military Economic Impact Study released by the San Diego Military Advisory Council in 2022 estimated that defense-related activities and spending directly generated an estimated $35.96 billion of gross regional product ("GRP") for the County in Fiscal Year 2021-22 with a total GRP impact of $56.18 billion and reported that the military sector was responsible for approximately 360,000 of the region's total jobs in Fiscal Year 2021-22. The level of economic activity generated by this factor is expected to be affected by various federal consolidation and budget activities.

Research and Development

Research and development activity plays an important role in the area's economy. Construction of a major campus of the University of California at San Diego ("UCSD") in 1964 gave significant impetus to this development.

The County is a leading health sciences and biomedical center. Approximately 35,000 persons are engaged in life sciences-related activities in the metropolitan area, with over 28,000 employed directly in health services. In addition to UCSD, other established research institutions in the La Jolla area of the City include the Salk Institute for Biological Studies, the Scripps Clinic and Research Foundation, and the Scripps Institution of Oceanography.

APPENDIX B

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

[insert appendices C-1 and C-2]

APPENDIX C-3

SUMMARY OF CERTAIN PROVISIONS OF THE TIFIA LOAN AGREEMENT

Disbursement Requirements. The proceeds of the Junior Subordinate TIFIA Loan are expected to be fully drawn by the Commission in a single disbursement no later than October 1, 2022. Any requests to disburse the Junior Subordinate TIFIA Loan proceeds must be submitted by the Commission to the TIFIA Lender in the form of a requisition attached to the TIFIA Loan Agreement. Disbursement of Junior Subordinate TIFIA Loan proceeds is subject to certain conditions precedent, including, among others, the following:

(a) the Commission shall have delivered all required invoices and records evidencing Eligible Project Costs relating to the Mid-Coast Corridor Transit Project;

(b) all required insurance policies are in full force and effect;

(c) no event of default or prospective event of default under the TIFIA Loan Agreement has occurred and is continuing;

(d) all representations and warranties are true, correct and complete as of the date of disbursement; and

(e) no material adverse effect, or any event or condition that could reasonably be expected to result in a material adverse effect, shall have occurred and be continuing.

Events of Default and Remedies.

Certain Definitions used under this Caption.

"Pledged Revenues" means (a) all Sales Tax Revenues, (b) all regularly-scheduled amounts (but not termination payments) owed or paid to the Commission by any Qualified Counterparty under any Interest Rate Swap Agreement after offset for the regularly-scheduled amounts (but not termination payments) owed or paid by the Commission to such Qualified Counterparty under such Interest Rate Swap Agreement, (c) any additional revenues or assets of the Commission to be included in the definition of Pledged Revenues pursuant to a Supplemental Indenture; provided, however, that after making the required monthly deposits of Pledged Revenues from the Revenue Fund pursuant to Section 5.02 of the Indenture and Section 8(d) (Security and Priority; Flow of Funds), any remaining amounts transferred to the Commission pursuant to Section 5.02(B) of the Indenture, shall continue to be subject to the lien of the Indenture as Revenues.

"Indenture Documents" means the Indenture, the Seventh Supplemental Indenture, each Supplemental Indenture executed on or after the effective date of the TIFIA Loan Agreement, the Subordinate Indenture, each Interest Rate Swap Agreement, each Credit Enhancement, and each other agreement, instrument and document executed and delivered pursuant to or in connection with any of the foregoing.

"MTS" means the San Diego Metropolitan Transit System, a public agency in the State.

"MTS Direct Agreement" means the Direct Agreement, dated January 14, 2023, by and among the TIFIA Lender, the Borrower and MTS.

"SANDAG Direct Agreement" means the Direct Agreement, dated January 14, 2023, by and among the TIFIA Lender, the Commission and SANDAG.

"TIFIA Loan Documents" means the TIFIA Loan Agreement, the TIFIA Bond, each Direct Agreement, the Tenth Supplemental Indenture and the other Indenture Documents.

Events of Default. The following events constitute events of default under the TIFIA Loan Agreement:

(i) Payment Default. The Commission shall fail to pay any of the principal amount of or interest on the TIFIA Loan, when and as the payment thereof shall be required under the TIFIA Loan Agreement or the TIFIA Bond (as defined herein) or on October 1, 2045, the final maturity date (each such failure, a "Payment Default").

(ii) Covenant Default. (A) The Commission shall fail to observe or perform any covenant, agreement or obligation of the Commission under the TIFIA Loan Agreement, the TIFIA Bond or any other TIFIA Loan Document (other than in the case of any Payment Default or any Development Default), (B) SANDAG shall fail to observe or perform any covenant, agreement or obligation of SANDAG under the SANDAG Direct Agreement or (C) MTS shall fail to observe or perform any covenant, agreement or obligation of MTS under the MTS Direct Agreement, and any such failure described in clauses (A), (B) or (C) shall not be cured within thirty (30) days after receipt by the applicable Commission Related Party from the TIFIA Lender of written notice thereof; provided, however, that if such failure is capable of cure but cannot reasonably be cured within such thirty (30) day cure period, then no Event of Default shall be deemed to have occurred or be continuing under Section 20(a)(ii) of the TIFIA Loan Agreement (*Covenant Default*), and such thirty (30) day cure period shall be extended by up to one hundred fifty (150) additional days, if and so long as (x) within such thirty (30) day cure period the Commission, SANDAG or MTS, as applicable, shall commence actions reasonably designed to cure such failure and shall diligently pursue such actions until such failure is cured, and (y) such failure is cured within one hundred eighty (180) days of the date of the notice of default from the TIFIA Lender.

(iii) Development Default. A Development Default shall occur, in which case the TIFIA Lender may (A) suspend the disbursement of TIFIA Loan proceeds under the TIFIA Loan Agreement and (B) pursue such other remedies as provided in Section 20 of the TIFIA Loan Agreement (*Events of Default and Remedies*). If so requested by the TIFIA Lender in connection with a Development Default, the Commission shall immediately repay any unexpended TIFIA Loan proceeds previously disbursed to the Commission.

(iv) Misrepresentation Default. Any of the representations, warranties or certifications of (A) the Commission made in or delivered pursuant to the TIFIA Loan Documents (or in any certificates delivered by the Commission in connection with the TIFIA Loan Documents), (B) SANDAG made in or delivered pursuant to the SANDAG Direct Agreement (or in any certificates delivered by SANDAG in connection with the SANDAG Direct Agreement) or (C) MTS made in or delivered pursuant to the MTS Direct Agreement (or in any certificates delivered by MTS in connection with the MTS Direct Agreement), shall prove to have been false or misleading in any material respect when made or deemed made (or any representation and warranty that is subject to a materiality qualifier shall prove to have been false or misleading in any respect); provided that no Event of Default shall be deemed to have occurred under Section 20(a)(iv) of the TIFIA Loan Agreement (*Misrepresentation Default*) if and so long as:

(1) such misrepresentation is not intentional;

(2) in the case of the Commission, such misrepresentation is not a misrepresentation in respect of Section 14(h) (No Debarment), Section 14(j) (Compliance with Federal Requirements), Section 14(k) (Transportation Improvement Program), Section 14(p) (Information), Section 14(q) (OFAC; Anti-Corruption Laws), Section 14(x) (Financial Statements) or Section 14(cc) (Patriot Act);

(3) in the case of SANDAG, such misrepresentation is not a misrepresentation in respect of Sections 5(g), 5(i), 5(m) or 5(n) of the SANDAG Direct Agreement;

(4) in the case of MTS, such misrepresentation is not a misrepresentation in respect of Sections 4(g), 4(i), 4(m) or 4(n) of the MTS Direct Agreement;

(5) in the reasonable determination of the TIFIA Lender, such misrepresentation has not had, and would not reasonably be expected to result in, a material adverse effect;

(6) in the reasonable determination of the TIFIA Lender, the underlying issue giving rise to the misrepresentation is capable of being cured;

(7) the underlying issue giving rise to the misrepresentation is cured by the applicable Commission Related Party within thirty (30) days from the date on which such Commission Related Party first became aware (or reasonably should have become aware) of such misrepresentation; and

(8) the applicable Commission Related Party diligently pursues such cure during such thirty (30) day period.

(v) Acceleration of Secured Obligations or Other Material Indebtedness. Any acceleration shall occur of the maturity of any (A) Secured Obligations or (B) any indebtedness or other payment obligations of the Commission secured by Pledged Revenues in an aggregate principal amount equal to or greater than $1,000,000 that is senior to, or in parity with, the TIFIA Loan in right of payment or in right of security ("Other Material Indebtedness"), or any other indebtedness shall not be paid in full upon the final maturity thereof. For the avoidance of doubt, swap termination payments and term-outs of Secured Obligations that occur in accordance with the terms of such Secured Obligations shall not be considered acceleration.

(vi) Cross Default. (A) Any of the representations, warranties or certifications of the Commission made in or delivered pursuant to the Indenture Documents, or made in or delivered pursuant to the documents (the "Other Loan Documents") under which any Secured Obligations is created or incurred, shall prove to be false or misleading in any material respect (each an "Other Indebtedness Misrepresentation Default"), or any default shall occur in respect of the performance of any covenant, agreement or obligation of the Commission under the Indenture Documents or the Other Loan Documents, and such default shall be continuing after the giving of any applicable notice and the expiration of any applicable grace period specified in the Indenture Documents or the Other Loan Documents (as the case may be) with respect to such default (each an "Other Indebtedness Covenant Default"), if the effect of such Other Indebtedness Misrepresentation Default or Other Indebtedness Covenant Default shall be to permit the immediate acceleration of the maturity of any or all of the Secured Obligations, and, in the case of any such Other Indebtedness Misrepresentation Default or Other Indebtedness Covenant Default, the Commission shall have failed to cure such Other Indebtedness Misrepresentation Default or Other Indebtedness Covenant Default or to obtain an effective written waiver thereof in accordance with the terms of such Secured Obligations. For the avoidance of doubt, swap termination payments and term-outs of Secured Obligations that occur in accordance with the terms of such Secured Obligations shall not be considered acceleration.

(B) A Commission Related Party shall default in the timely performance of any covenant, agreement or obligation under any Related Document to which it is party or any Related Document shall be terminated prior to its scheduled expiration (unless in any case such default or termination could not reasonably be expected to have a material adverse effect), and the applicable Commission Related Party shall have failed to cure such default or to obtain an effective written waiver or revocation thereof prior to the expiration of the applicable grace period specified in any such Related Document, or to obtain an effective revocation of such termination (as the case may be); provided, however, that no Event of Default shall be deemed to have occurred or be continuing under Section 20(a)(vi)(B) of the TIFIA Loan Agreement (*Cross Default*) if, in the case of any termination of a Principal Project Contract, the applicable Commission Related Party replaces such Principal Project Contract with a replacement agreement (1) entered into with another counterparty that (x) is of similar or greater creditworthiness and experience as the counterparty being replaced was at the time the applicable Principal Project Contract was originally executed (or otherwise reasonably acceptable to the TIFIA Lender) and (y) is not, at the time of such replacement, suspended or debarred or subject to a proceeding to suspend or debar from bidding, proposing or contracting with any federal or state department or agency, (2) on substantially the same terms and conditions as the Principal Project Contract being replaced (or otherwise reasonably acceptable to the TIFIA Lender) and (3) effective as of the date of termination of the Principal Project Contract being replaced. For the avoidance of doubt, swap termination payments and term-outs of Secured Obligations that occur in accordance with the terms of such Secured Obligations shall not be considered acceleration.

(vii) Judgments. One or more judgments (A) for the payment of money that are payable from Sales Tax Revenues and the aggregate amount not otherwise fully covered by insurance (for which the insurer has acknowledged and not disputed coverage) is in excess of $1,000,000 (inflated annually by CPI) or (B) that would reasonably be expected to result in a material adverse effect shall, in either case, be rendered against a Commission Related Party, and the same shall remain undischarged for a period of thirty (30) consecutive days during which time period execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon all or any portion of the Trust Estate to enforce any such judgment.

(viii) Failure to Maintain Existence. The Commission shall fail to maintain its existence as a public entity, unless at or prior to the time the Commission ceases to exist in such form a successor public agency or governing body has been created by the State pursuant to a valid and unchallenged State law and has succeeded to the assets of the Commission and has assumed all of the obligations of the Commission under the TIFIA Loan Documents and the Indenture Documents, including the payment of all secured obligations.

(ix) Occurrence of a Bankruptcy Related Event. (A) A bankruptcy related event shall occur with respect to the Commission or (B) a bankruptcy related event shall occur with respect to any Commission Related Party (other than the Commission) or any Principal Project Party; provided, that: (1) a bankruptcy related event in connection with a Principal Project Party shall not constitute an Event of Default if the relevant Commission Related Party shall have promptly provided evidence satisfactory to the TIFIA Lender demonstrating that any substitute Principal Project Party has sufficient financial resources and operating expertise to complete the

Principal Project Contract to which such principal project party was a party; and (2) after the substantial completion date, the occurrence of a bankruptcy related event in connection with any Principal Project Party shall not constitute an Event of Default if at the time of such occurrence, (x) each applicable warranty period shall have ended and no claim against any warranty under the applicable principal project contract shall exist or remain outstanding, or (y) if any applicable warranty period has not yet ended or any claim against any warranty remains outstanding, the Commission promptly provides evidence satisfactory to the TIFIA Lender showing that SANDAG or MTS has (I) sufficient moneys to correct any defect or nonconforming work of such principal project party, and (II) a plan to carry out such works referred to in clause (I) hereof.

(x) Project Abandonment. Any Commission Related Party shall abandon the Project.

(xi) Invalidity of TIFIA Loan Documents. (A) Any TIFIA Loan Document ceases to be in full force and effect (other than as a result of the termination thereof in accordance with its terms) or becomes void, voidable, illegal or unenforceable, or any Commission Related Party contests in any manner the validity or enforceability of any TIFIA Loan Document to which it is a party or denies it has any further liability under any TIFIA Loan Document to which it is a party, or purports to revoke, terminate or rescind any TIFIA Loan Document to which it is a party; or (B) any Indenture Document ceases (other than as expressly permitted thereunder) to be effective to grant a valid and binding security interest on any material portion of the Trust Estate other than as a result of actions or a failure to act by, and within the control of, the Subordinate Trustee or any Secured Party, and with the priority purported to be created thereby.

(xii) Cessation of Operations. Operation of the Project shall cease for a continuous period of not less than one hundred eighty (180) days unless such cessation of operations shall occur by reason of an Uncontrollable Force that is not due to the fault of any Commission Related Party (and which none of the Commission Related Parties could reasonably have avoided or mitigated).

Remedies. Upon the occurrence of an Event of Default described in Section 20(a)(iii) of the TIFIA Loan Agreement (Development Default), all obligations of the TIFIA Lender thereunder with respect to the disbursement of any undisbursed amounts of the TIFIA Loan shall immediately be deemed terminated.

Upon the occurrence of any bankruptcy related event with respect to the Commission, all obligations of the TIFIA Lender thereunder with respect to the disbursement of any undisbursed amounts of the TIFIA Loan shall automatically be deemed terminated, and, if an Event of Default described in the TIFIA Loan Agreement (Acceleration of Secured Obligations or Other Material Indebtedness) shall occur or if the TIFIA Lender has a right to accelerate the TIFIA Loan pursuant to the TIFIA Loan Agreement (Additional Rights), the Outstanding TIFIA Loan Balance, together with all interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents, shall automatically become immediately due and payable, without presentment, demand, notice, declaration, protest or other requirements of any kind, all of which are hereby expressly waived. Upon the occurrence of any other Event of Default, the TIFIA Lender, by written notice to the Commission, may (i) suspend or terminate all of its obligations thereunder with respect to the disbursement of any undisbursed amounts of the TIFIA Loan and (ii) if an Event of Default described in Section 20(a)(v) of the TIFIA Loan Agreement (Acceleration of Secured Obligations or Other Material Indebtedness) shall occur or if the TIFIA Lender has a right to accelerate the TIFIA Loan pursuant to Section 17(n) of the TIFIA Loan Agreement (Additional Rights), declare the unpaid principal amount of the TIFIA Bond to be, and the same shall thereupon forthwith become, immediately due and payable, together with the interest accrued thereon and all fees, costs, expenses, indemnities and other amounts payable under the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents, all without presentment, demand, notice, protest or other requirements of any kind, all of which are hereby expressly waived.

Whenever any Event of Default thereunder shall have occurred and be continuing, the TIFIA Lender shall be entitled and empowered to institute any actions or proceedings at law or in equity for the collection of any sums due and unpaid thereunder or under the TIFIA Bond or the other TIFIA Loan Documents, and may prosecute any such judgment or final decree against the Commission and collect in the manner provided by law out of the property of the Commission the moneys adjudged or decreed to be payable, and the TIFIA Lender shall have all of the rights and remedies of a creditor, including all rights and remedies, to the extent applicable to the Trust Estate, of a secured creditor under the Uniform Commercial Code and may take such other actions at law or in equity as may appear necessary or desirable to collect all amounts payable by Commission under the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Commission under the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents; provided, however, that any monetary judgment against the Commission shall be payable solely from the Trust Estate or from any other funds made available by the Commission, in its discretion. Whenever any Event of Default under the TIFIA Loan Agreement shall have occurred and be continuing, the TIFIA Lender may suspend or debar the Commission from further participation in any Government program administered by the TIFIA Lender and to notify other departments and agencies of such default. No action taken pursuant to this Section of the TIFIA Loan Agreement (Events of Default and Remedies) shall relieve Commission from its obligations pursuant to the TIFIA Loan Agreement, the TIFIA Bond or the other TIFIA Loan Documents, all of which shall survive any such action. The parties to the TIFIA Loan Agreement acknowledge and agree that the rights and remedies of the TIFIA Lender as the Holder of the TIFIA Bond, including any rights and remedies with respect to the payment thereof, shall be governed exclusively by the Indenture.

In addition to the rights and remedies of Holders set forth in the Indenture, the parties further acknowledge and agree in the TIFIA Loan Agreement that the TIFIA Loan shall be made under and subject to, the terms and conditions set forth in the TIFIA Loan Agreement and the rights and remedies of the TIFIA Lender, including the right to enforce the representations, warranties and covenants made by the Commission exclusively for the benefit of the TIFIA Lender, shall be governed exclusively by those remedies set forth in TIFIA Loan Agreement. In the event of a conflict between the Indenture and the TIFIA Loan Agreement, the provisions of the TIFIA Loan Agreement shall be given precedence; provided, however, in the event there exists a conflict between the provisions of the TIFIA Loan Agreement and the Indenture and performance with the provisions of the TIFIA Loan Agreement is contrary to or inconsistent with the rights of the Holders of other secured obligations under the Indenture, then the provisions of the Indenture shall be given precedence and performance with the provisions thereof shall not constitute a violation of the TIFIA Loan Agreement. Subject to the immediately previous sentence, the Commission shall comply with all provisions of the Indenture and with all documents entered into or delivered in connection with this transaction.

[insert appendix D]

APPENDIX E

BOOK-ENTRY ONLY SYSTEM

Introduction

Unless otherwise noted, the information contained under the subcaption "– General" below has been provided by DTC. Commission makes no representations as to the accuracy or completeness of such information. Further, Commission undertakes no responsibility for and makes no representations as to the accuracy or the completeness of the content of such material contained on DTC's websites as described under "– General," including, but not limited to, updates of such information or links to other Internet sites accessed through the aforementioned websites. The Beneficial Owners of the 2023 Series A Bonds should confirm the following information with DTC, the Direct Participants or the Indirect Participants.

NEITHER COMMISSION NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT OR ANY INDIRECT PARTICIPANT; (B) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE 2023 SERIES A BONDS UNDER THE RESOLUTIONS; (C) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE 2023 SERIES A BONDS, IF APPLICABLE; (D) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT TO THE OWNERS OF THE 2023 SERIES A BONDS; (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF 2023 SERIES A BONDS; OR (F) ANY OTHER MATTER REGARDING DTC.

General

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2023 Series A Bonds. The 2023 Series A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2023 Series A Bond certificate will be issued for each maturity of the 2023 Series A Bonds and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). Standard & Poor's has rated DTC "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at *www.dtcc.com*. The information set forth on such website is not incorporated herein by reference.

Purchases of the 2023 Series A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2023 Series A Bonds on DTC's records. The ownership interest of each actual purchaser of each 2023 Series A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2023 Series A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2023 Series A Bonds, except in the event that use of the book-entry system for the 2023 Series A Bonds is discontinued.

To facilitate subsequent transfers, all 2023 Series A Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the 2023 Series A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2023 Series A Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such 2023 Series A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the 2023 Series A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2023 Series A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2023 Series A Bonds documents. For example, Beneficial Owners of the 2023 Series A Bonds may wish to ascertain that the nominee holding the 2023 Series A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2023 Series A Bonds of like maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2023 Series A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Commission as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2023 Series A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, premium, if any, and interest on the 2023 Series A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Commission or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or Commission, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, premium, if any, and interest on the 2023 Series A Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Commission or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

NEITHER COMMISSION NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO THE PAYMENTS OR THE PROVIDING OF NOTICE TO DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS.

Commission, the Trustee and the Underwriters cannot and do not give any assurances that DTC, the DTC Participants or others will distribute payments of principal or interest on the 2023 Series A Bonds paid to DTC or its nominee as the registered owner, or will distribute any notices, to the Beneficial Owners, or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. Commission, the Trustee and the Underwriters are not responsible or liable for the failure of DTC or any DTC Participant to make any payment or give any notice to a Beneficial Owner with respect to the 2023 Series A Bonds or for an error or delay relating thereto.

DTC may discontinue providing its services as depository with respect to the 2023 Series A Bonds at any time by giving reasonable notice to Commission or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, 2023 Series A Bond certificates are required to be printed and delivered.

Commission may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, 2023 Series A Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Commission believes to be reliable, but Commission takes no responsibility for the accuracy thereof.

BENEFICIAL OWNERS WILL NOT RECEIVE PHYSICAL DELIVERY OF 2023 SERIES A BONDS AND WILL NOT BE RECOGNIZED BY THE TRUSTEE AS OWNERS THEREOF, AND BENEFICIAL OWNERS WILL BE PERMITTED TO EXERCISE THE RIGHTS OF OWNERS ONLY INDIRECTLY THROUGH DTC AND THE DTC PARTICIPANTS.

APPENDIX F

PROPOSED FORM OF OPINION OF BOND COUNSEL

Stradling

Stradling Yocca Carlson & Rauth
A Professional Corporation
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660-6422
949 725 4000
stradlinglaw.com

[Closing Date]

San Diego County Regional Transportation Commission
San Diego, California

Re: $[PRINCIPAL AMOUNT] San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A

Ladies and Gentlemen:

We have acted as Bond Counsel to the San Diego County Regional Transportation Commission (the "Commission") in connection with issuance of $[PRINCIPAL AMOUNT] aggregate principal amount of San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A (the "Bonds"), issued pursuant to an Indenture, dated as of March 1, 2008, as amended and supplemented, including as supplemented by the Thirteenth Supplemental Indenture, dated as of July 1, 2023 (as supplemented and amended, the "Indenture"), between the Commission and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). We have examined the law and such certified proceedings and other documents, agreements, opinions and matters as we deem necessary to render this opinion. We have not undertaken to verify through independent investigation the accuracy of the representations and certifications relied upon by us. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Indenture.

Based on and subject to the foregoing, we are of the opinion, as of the date hereof, that:

1. The Bonds constitute the valid and binding limited obligations of the Commission.

2. The Indenture has been duly executed and delivered by, and constitutes the valid and binding obligation of, the Commission.

3. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, for tax years beginning after December 31, 2022, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), interest (and original issue discount) on the Bonds might be taken into account in determining adjusted financial statement income for the purposes of computing the alternative minimum tax imposed on such corporations.

4. Interest on the Bonds is exempt from State of California personal income tax.

5. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity are to be sold to the public) and the stated redemption price at maturity with respect to such Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bond Owner will increase the Bond Owner's basis in the applicable Bond.

6. The amount by which a Bond Owner's original basis for determining loss on sale or exchange in the applicable Bond (generally the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bond Owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bond Owner realizing a taxable gain when a Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Owner.

The opinions expressed herein as to the exclusion from gross income of interest (and original issue discount) on the Bonds are based upon certain representations of fact and certifications made by the Commission and are subject to the condition that the Commission comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) on the Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Commission has covenanted to comply with all such requirements.

The opinions expressed herein may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. Our engagement with respect to the Bonds terminates on the date of their issuance. The Indenture and the 2023 Series A Bonds Tax Certificate permit certain actions to be taken or to be omitted if a favorable opinion of Bond Counsel is provided with respect thereto. No opinion is expressed herein as to the effect on the exclusion from gross income of interest (and original issue discount) on the Bonds for federal income tax purposes with respect to any Bond if any such action is taken or omitted based upon the opinion or advice of counsel other than ourselves. Other than expressly stated herein, we express no other opinion regarding tax consequences with respect to the Bonds.

By delivering this letter, we are not expressing any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the Indenture or the Bonds, nor are we expressing any opinion with respect to the state or quality of title to or interest in any assets described in or as subject to the lien of the Indenture or the Bonds or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets.

The opinions that are expressed herein are based upon our analysis and interpretation of existing laws, regulations, rulings and judicial decisions and cover certain matters which are not directly addressed by such authorities. We call attention to the fact that the rights and obligations under the Indenture and the Bonds are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of California.

Our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

We express no opinion herein as to the accuracy, completeness or sufficiency of the Official Statement relating to the Bonds or other offering material relating to the Bonds and expressly disclaim any duty to advise the owners of the Bonds with respect to matters contained in the Official Statement.

Respectfully submitted,

APPENDIX D

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") is executed and delivered by the San Diego County Regional Transportation Commission (the "Commission") and Digital Assurance Certification LLC, as dissemination agent (the "Dissemination Agent"), in connection with the issuance of $__________ San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A (the "Bonds"). The Bonds are being issued pursuant to the Indenture, dated as of March 1, 2008 (as amended and supplemented, including by a Thirteenth Supplemental Indenture, dated as of July 1, 2023 (collectively, the "Indenture"), between the Commission and U.S. Bank Trust Company, National Association, as successor trustee. Pursuant to the Indenture, the Commission and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Commission for the benefit of the Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (as defined herein).

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Commission pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Audited Financial Statements" means the audited financial results of the Commission for the applicable Fiscal Year.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" shall mean a day other than (a) Saturday or Sunday, (b) a day on which banking institutions in the city in which the Principal Office of the Trustee is located are authorized or required by law to be closed, and (c) a day on which the New York Stock Exchange is authorized or obligated by law or executive order to be closed.

"Disclosure Representative" shall mean the designee of the Commission designated to act as the Disclosure Representative, or such other person as the Commission shall designate in writing to the Dissemination Agent from time to time.

"Dissemination Agent" means an entity selected and retained by the Commission, or any successor thereto selected by the Commission. The initial Dissemination Agent shall be Digital Assurance Certification LLC.

"Financial Obligation" shall mean, for purposes of the Listed Events set out in Section 5(a)(10) and Section 5(b)(8), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planed debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"EMMA" shall mean the MSRB's Electronic Municipal Market Access System for Municipal Securities disclosures, currently maintained on the internet at *http://emma.msrb.org*.

"Listed Events" shall mean any of the events listed in Section 5(a) and (b) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934 or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the SEC, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at *http://emma.msrb.org*.

"Official Statement" shall mean the final official statement, dated June __, 2023, relating to the Bonds.

"Participating Underwriter" shall mean any original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean, until otherwise designated by the SEC, EMMA.

"Rule" shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as amended from time to time.

"SEC" shall mean the U.S. Securities and Exchange Commission.

"State" shall mean the State of California.

Section 3. Provision of Annual Reports.

(a) The Commission shall, or shall cause the Dissemination Agent to, not later than two hundred ten (210) days after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2023, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided, that the audited financial statements of the Commission may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Commission's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(e). The Annual Report shall be submitted on a standard form in use by industry participants or other appropriate form and shall identify the Bonds by name and CUSIP number.

(b) Not later than one Business Day prior to the date specified in subsection (a) for providing the Annual Report to the Repository, the Commission shall provide the Annual Report to the Dissemination Agent (if other than the Commission). The Commission shall provide, or cause the preparer of the Annual Report to provide, a written certificate with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished to it hereunder. The Dissemination Agent may conclusively rely upon such certification and shall have no duty or obligation to review such Annual Report.

(c) If the Commission is unable to provide to the Repository an Annual Report by the date required in subsection (a), the Commission shall send, or shall cause the Dissemination Agent to send, a notice to the Repository or to the MSRB, in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine the electronic filing address of, and then-current procedures for submitting Annual Reports to, the MSRB each year prior to the date for providing the Annual Report; and

(ii) file a report with the Commission certifying that the Annual Report has been provided to the MSRB pursuant to this Disclosure Agreement, and stating the date it was provided.

Section 4. Content of Annual Reports. The Annual Report shall contain or include by reference the following:

(a) The Audited Financial Statements of the Commission for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Audited Financial Statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the Audited Financial Statements shall be filed in the same manner as the Annual Report when such Audited Financial Statements become available.

(b) The debt service schedule for the Bonds, if there have been any unscheduled redemptions, retirements or defeasances, and the debt service on any additional parity bonds issued, in each case during the prior Fiscal Year.

(c) The amount of Sales Tax Revenues (as such term is defined in the Official Statement) received as of the most recently ended Fiscal Year.

(d) The quotient of Sales Tax Revenues received as of the most recently ended Fiscal Year divided by Maximum Annual Debt Service on outstanding bonds payable from such Sales Tax Revenues.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Commission or related public entities, which have been submitted to the Repository or the SEC. If the document included by reference is a final official statement, it must be available from the MSRB. The Commission shall clearly identify each such other document so included by reference.

Section 5. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 5, the Commission shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the occurrence of the event:

(1) principal and interest payment delinquencies;

(2) defeasances;

(3) tender offers;

(4) rating changes;

(5) adverse tax opinions or the issuance by the Internal Revenue Service of a proposed or final determination of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other

material notices or determinations with respect to the tax- status of the Bonds or other material events affecting the tax status of the Bonds;

(6) unscheduled draws on the debt service reserves reflecting financial difficulties;

(7) unscheduled draws on credit enhancements reflecting financial difficulties;

(8) substitution of credit or liquidity providers or their failure to perform;

(9) bankruptcy, insolvency, receivership or similar proceedings; or

(10) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Commission, any of which reflect financial difficulties.

For these purposes, any event described in the immediately preceding paragraph (9) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Commission in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Commission, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Commission.

(b) Pursuant to the provisions of this Section 5, the Commission shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten (10) Business Days after the occurrence of the event:

(1) unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;

(2) modifications to the rights of Holders;

(3) optional, unscheduled or contingent Bond calls;

(4) release, substitution or sale of property securing repayment of the Bonds;

(5) non-payment related defaults;

(6) consummation of a merger, consolidation or acquisition involving the Commission or the sale of all or substantially all of the assets of the obligated persons, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; or

(7) appointment of a successor or additional trustee or the change of the name of a trustee; or

(8) incurrence of a Financial Obligation of the Commission, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Commission, any of which affect security holders.

(c) Upon the occurrence of a Listed Event described in Section 5(a), or upon the occurrence of a Listed Event described in Section 5(b) which the Commission determines would be material under applicable federal securities laws, the Commission shall within ten business days of occurrence file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in Section 5(b)(3) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Indenture.

(d) The Commission intends to comply with the Listed Events described in Section 5(a)(10) and Section 5(b)(8), and the definition of "Financial Obligation" in Section 1, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the SEC in Release No. 34-83885 dated August 20, 2018 (the "2018 Release"), and any further amendments or written guidance provided by the SEC or its staff with respect the amendments to the Rule effected by the 2018 Release.

(e) If the Dissemination Agent has been instructed by the Commission to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB.

Section 6. Filings with the MSRB. All information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Disclosure Agreement shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The Commission's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Commission shall give notice of such termination in the same manner as for a Listed Event under Section 5(e).

Section 8. Dissemination Agent. The Commission may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign by providing thirty (30) days written notice to the Commission.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Commission may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived; provided that in the opinion of nationally recognized bond counsel, such amendment or waiver is permitted by the Rule.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Commission from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Commission chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Commission shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Commission to comply with any provision of this Disclosure Agreement, any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Commission to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Commission or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Commission agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their respective powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the Commission for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it hereunder and shall not be deemed to be acting in any fiduciary capacity for the Commission, the Trustee, the Holders, or any other party. The obligations of the Commission under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 13. Notices. Any notices or communications herein required or permitted to be given shall be in writing and shall be delivered in such manner and to such addresses as are specified in the Indenture.

Section 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Commission, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: __________, 2023

SAN DIEGO COUNTY REGIONAL
TRANSPORTATION COMMISSION

By: ____
Chief Executive Officer

DIGITAL ASSURANCE CERTIFICATION LLC,
as Dissemination Agent

By: ____
Authorized Representative

Exhibit A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: San Diego County Regional Transportation Commission (the "Commission")

Name of Issue: $__________ San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A

Date of Issuance: ___________, 2023

NOTICE IS HEREBY GIVEN that the Commission has not provided an Annual Report with respect to the above-captioned Bonds as required by the Indenture, dated as of March 1, 2008 (as amended and supplemented, including by a Thirteenth Supplemental Indenture, dated as of July 1, 2023 (collectively, the "Indenture"), between the Commission and U.S. Bank Trust Company, National Association, as successor trustee thereunder. [The Commission anticipates that the Annual Report will be filed by [date].]

Dated: _____________, 20__

Digital Assurance Certification LLC,
as Dissemination Agent

cc: San Diego County Regional Transportation Commission

NP DRAFT 5/3

DEALER MANAGER AGREEMENT

__________, 2023

Goldman Sachs & Co. LLC
Wells Fargo Bank, N.A.
each as a Dealer Manager

Ladies and Gentlemen:

This Dealer Manager Agreement (as amended and supplemented hereafter, this "Agreement") is entered into by and among the San Diego County Regional Transportation Commission (the "Commission"), and the Dealer Managers (as defined below). The Commission proposes to invite offers to tender for sale to the Commission of any or all of the following outstanding bonds (collectively, the "Securities"):

SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
SALES TAX REVENUE BONDS (LIMITED TAX BONDS) 2019 SERIES A (TAXABLE)
(COLLECTIVELY, THE "BONDS")
with the following CUSIP numbers:

Maturity Date	Interest Rate	Outstanding Par Amount	CUSIP No.+
[04/01/2024	1.926%	$6,640,000	797400LB2
04/01/2025	2.085	6,585,000	797400LC0
04/01/2026	2.185	6,570,000	797400LD8
04/01/2027	2.279	7,185,000	797400LE6
04/01/2028	2.369	6,940,000	797400LF3
04/01/2029	2.429	7,045,000	797400LG1
04/01/2030	2.499	7,175,000	797400LH9
04/01/2031	2.599	7,945,000	797400LJ5
04/01/2032	2.699	8,185,000	797400LK2
04/01/2033	2.799	8,175,000	797400LL0
04/01/2034	2.849	8,515,000	797400LM8]
04/01/2039	3.198	50,425,000	797400LN6
04/01/2048	3.248	304,800,000	797400LP1

† CUSIP numbers have been assigned by an organization not affiliated with the Commission or the Dealer Managers. Neither the Commission nor the Dealer Managers are responsible for the selection or uses of these CUSIP numbers, nor is any representation made as to their correctness on the Securities or as indicated above.

The invitation will be on the terms and subject to the conditions set forth in the following documents:

(a) The Invitation To Tender Bonds dated _______, 2023, with respect to the Securities (the "Invitation"); and

(b) The Preliminary Official Statement of the Commission dated ______, 2023, attached as Appendix A to the Invitation (the "Disclosure Statement").

The Invitation and the Disclosure Statement, as such documents may be amended or supplemented, are collectively referred to herein as the "Tender Materials."

The process of inviting offers to tender the Securities pursuant to the Invitation, the process for holders of the Securities to tender such Securities for purchase by the Commission, the process for the Commission determining which tendered Securities will be purchased, and the process of consummating the purchase of such tendered Securities, all as described in the Tender Materials, is referred to herein as the "Tender Program".

1. Appointment of Dealer Manager

The Commission hereby appoints Goldman Sachs & Co. LLC ("Goldman") and Wells Fargo Bank, N.A. ("Wells Fargo") as co-dealer managers for the Tender Program (each a "Dealer Manager" and, collectively, the "Dealer Managers") and authorizes the Dealer Managers to act on the Commission's behalf in accordance with the terms of the Tender Materials.

In connection therewith, each Dealer Manager agrees, in accordance with its customary practice, to perform those services in connection with the Tender Program as are customarily performed by investment banks in connection with tender offers of like nature, including, without limitation, using reasonable efforts to solicit tenders of Securities in the United States pursuant to the Tender Program and communicating generally in the United States regarding the Tender Program with brokers, dealers, commercial banks and trust companies and other holders of the Securities. The parties acknowledge and agree that each Dealer Manager may perform certain of its services contemplated hereby through its affiliates and any of its affiliates performing services hereunder shall be entitled to the benefits and be subject to the terms and conditions of this Agreement.

The Commission has approved and prepared the Tender Materials and is solely responsible for the Tender Materials and authorizes the Dealer Managers to use the Tender Materials in connection with the solicitation of tenders as described in the Tender Materials. The Commission shall have sole authority for acceptance or rejection of any and all tenders of Securities.

The Dealer Managers agree to furnish no written material to holders of the Securities in connection with the Tender Program other than the Tender Materials. The Commission acknowledges the Dealer Managers are not acting as municipal advisors, financial advisors or fiduciaries to the Commission or any other person or entity and that the Dealer Managers have not assumed any advisory or fiduciary responsibility to the Commission with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Dealer Managers have provided other services or are currently providing other services to the Commission on other matters). It is understood that nothing in this Agreement nor the nature of any Dealer Manager services shall be deemed to create a fiduciary or agency relationship between either Dealer Manager and the Commission and the Commission expressly disclaims any such fiduciary or agency relationship with the Dealer Managers.

The Commission authorizes the Dealer Managers to communicate regarding the Tender Program with The Depository Trust Company ("DTC"), _______ as information and tender agent (the "Information and Tender Agent"), and U.S. Bank, National Association, as trustee.

2. Delivery of Tender Materials

The Commission shall cause the Information and Tender Agent to deliver to each registered holder of any Securities, to each participant in DTC appearing in the most recently available DTC securities position listing as a holder of the Securities and to each known holder (each such registered holder, participant or owner, a "Registered or Beneficial Owner"), as soon as practicable, by electronic delivery, by overnight courier or first class USPS (if deemed adequate) copies of the Tender Materials. Thereafter, to the extent practicable until the expiration of the Tender Program, the Commission shall direct the Information and Tender Agent to cause copies of such material to be mailed to each person who becomes a Registered or Beneficial Owner of the Securities.

3. Solicitation of Tenders

(a) Each Dealer Manager agrees to use its reasonable efforts to solicit tenders of the Securities pursuant to the Tender Materials. Neither Dealer Manager nor any of its respective affiliates, nor any partners, directors, officers, agents, employees or controlling persons (if any) of a Dealer Manager nor any of its respective affiliates (each Dealer Manager and any of its respective affiliates, and any partners, directors, officers, agents, employees or controlling persons (if any) of the respective Dealer Manager or any of the respective Dealer Manager's affiliates being collectively hereinafter referred to as the "Dealer Managers Parties"), shall have any liability in tort, contract or otherwise to the Commission or any other person for any act or omission on the part of any securities broker or dealer (other than any related Dealer Managers Party), commercial bank or trust company that solicits tenders, and no Dealer Managers Party shall have any liability to the Commission or any person asserting claims on behalf of or in right of the Commission in connection with or as a result of either its engagement or any matter governed by this Agreement except to the extent that such liability is finally judicially determined by a court of competent jurisdiction to have resulted from such Dealer Managers Party's own gross negligence, willful misconduct or bad faith in performing the services that are the subject of this Agreement. In soliciting tenders, no securities broker or dealer (other than the Dealer Managers), commercial bank or trust company shall be deemed to act as the agent of the Commission or the Dealer Managers. The Dealer Managers shall not be deemed the agent of any securities broker or dealer or of any commercial bank or trust company.

(b) The Commission agrees to furnish to the Dealer Managers as many copies as the Dealer Managers may reasonably request of the Tender Materials in final form for use by the Dealer Managers in connection with the Tender Program. The Commission shall not amend or supplement the Tender Materials, or prepare or approve any additional material for use in connection with the Tender Program, without the Dealer Managers' prior written consent, which consent shall not be unreasonably withheld, and if such consent is withheld for any reason, the Commission may terminate this Agreement.

(c) The Commission will advise you promptly, after it receives notice, or otherwise becomes aware, of (i) the occurrence of any event that could reasonably be expected to cause the Commission to withdraw, rescind or terminate the Tender Program or would permit the Commission to exercise any right not to purchase Securities tendered pursuant to the Tender Program, (ii) the occurrence of any event, or the discovery of any fact, the occurrence or existence of which would require the making of any change in any of the Tender Materials then being used or would cause any representation or warranty contained in this Agreement to be untrue or inaccurate in any material respect, (iii) any proposal by the Commission or requirement to make, amend or supplement any Tender Materials, (iv) any material developments in connection with the Tender Program, including, without limitation, the commencement of any lawsuit concerning or related to the Tender Program, (v) the issuance by a federal or state agency of competent jurisdiction and authority of any comment or order or the taking of any other action concerning the Tender Program (and, if in writing, the Commission will furnish you with a copy thereof), and (vi) any other information relating to the Tender Program, the Tender Materials or this Agreement that you may from time to time reasonably request.

(d) Except with respect to the disclosure documents referenced in the second immediately following sentence, the Commission will not use or publish any material in connection with the Tender Program that is reasonably expected to be viewed by potential investors, or refer to the Dealer Managers in any such material, without the Dealer Managers' consent, which consent shall not be unreasonably withheld. The Commission will promptly inform the Dealer Managers of any litigation or administrative action or claim with respect to the Tender Program. The Dealer Managers consent to the references to the Tender Program and the Dealer Managers in the Preliminary Official Statement and final Official Statement relating to the San Diego County Regional Transportation Commission Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A (the "2023A Bonds"). The Dealer Managers also consent to the references to the Tender Program and the Dealer Managers in connection with submissions to the Commission's Board and Committees and in the transcript for the 2023A Bonds.

(e) The Commission agrees to furnish or cause to be furnished to the Dealer Managers, to the extent the same is available to the Commission, lists showing the names and addresses of, and principal amount of the Securities held by, the Registered or Beneficial Owners of the Securities as of a recent date, and shall use commercially reasonable efforts to cause the Dealer Managers to be advised from day to day during the period of the Tender Program as to any transfers of the Registered or Beneficial Owners of the Securities. The Dealer Managers agree to use such information only in connection with the Tender Program and not to furnish such information to any other person except in connection with the Tender Program.

(f) The Commission shall use commercially reasonable efforts to cause the Information and Tender Agent to orally inform the Dealer Managers during each business day during the Tender Program (to be followed on a daily basis by written confirmation) as to the principal amount of the Securities which have been tendered pursuant to the Tender Program during the time period since its previous daily report to the Dealer Managers under this provision.

(g) The Commission shall advise the Dealer Managers promptly upon its becoming aware of any of the following: (i) the occurrence of any event which could cause the Commission to withdraw, rescind or terminate the Tender Program or would permit the Commission to exercise any right not to purchase Securities tendered under the Tender Program, (ii) the occurrence of any event, or the discovery of any fact, the occurrence or existence of which the Commission believes would make it necessary or advisable to make any change in the Tender Materials being used or would cause any representation or warranty contained in this Agreement to be untrue or inaccurate, (iii) any proposal by the Commission or requirement to make, amend or supplement any Tender Materials or any filing in connection with the Tender Program pursuant to the Securities Exchange Act of 1934 (the "1934 Act") or any applicable law, rule or regulation, (iv) the issuance by any state or federal regulatory authority of competent jurisdiction of any comment or order or the taking of any other action concerning the tender offer (and, if in writing, the Commission will furnish the Dealer Manager with a copy thereof), (v) any material developments in connection with the Tender Program or the financing thereof, including, without limitation, the commencement of any lawsuit relating to the Tender Program and (vi) any other material information relating to the Tender Program, the Tender Materials or this Agreement which the Dealer Managers may from time to time reasonably request.

4. <u>Compensation and Expenses</u>

(a) The Commission shall pay as compensation for its respective services as Dealer Manager, a fee of $____ for each [$1,000] principal amount of the Securities purchased pursuant to the Tender Program. Each party to this Agreement agrees that the Fee shall be split [50%/50%] between Goldman and Wells Fargo, respectively (provided, that, if either Dealer Manager withdraws prior to the completion of the Tender Program any remaining Dealer Manager shall be entitled to the entire Fee for any Bonds tendered after the date of such withdrawal). Such fees shall be payable concurrently with the payment for the Securities under the Tender Program.

(b) Whether or not any Securities are tendered pursuant to the Tender Program, the Commission shall pay all reasonable expenses of the preparation, printing, mailing and publishing of the Tender Materials, all reasonable fees, if any, payable to securities dealers (including the Dealer Managers), commercial banks, trust companies and nominees as reimbursement of their customary mailing and handling expenses incurred in forwarding the Tender Materials to their customers, all fees and expenses of DTC, all fees and expenses of the Information and Tender Agent, all advertising charges, and all other expenses incurred by the Dealer Managers in connection with the Tender Program, including, without limitation, the reasonable fees and the disbursements of the Dealer Managers' counsel, Nixon Peabody LLP.

5. <u>Representations and Warranties by the Commission</u>

The Commission represents and warrants to, and agrees with, the Dealer Managers that, as of the date hereof and through and including the Settlement Date (as defined in the Invitation to Tender):

(a) The Commission has been duly created and is validly existing under the laws of the State of California.

(b) The Commission has the requisite power and authority and has duly taken all necessary action to authorize the making and consummation of the Tender Program (including any related borrowings or other provisions for the payment for the Securities by the Commission), and this Agreement has been duly executed and delivered by, and constitutes a valid and binding agreement of, the Commission, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium, and other laws relating to or affecting creditors' rights, to general equity principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against county transportation commissions in the State of California.

(c) The Tender Materials comply and (as amended or supplemented, if amended or supplemented) will comply in all material respects with all applicable requirements of the federal securities laws; and the Tender Materials do not and (as amended or supplemented, if amended or supplemented) will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(d) The making and consummation of the Tender Program (including any related borrowings or other provisions for the payment for the Securities by the Commission), the execution, delivery and performance by the Commission of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) conflict with, or result in the acceleration of any obligation under or in a breach of, or constitute a default under, any of the provisions of any ordinance, indenture, agreement or undertaking to which the Commission is a party or by which it is bound or to which any of its property or assets is subject, (ii) result in any violation of any charter provision, ordinance or statute, as amended, or (iii) contravene any federal, state or local law, rule or regulation applicable to the Commission, or any order applicable to the Commission of any court or of any other governmental agency or instrumentality having jurisdiction over it or any of its property.

(e) The Commission has taken all necessary action to authorize the execution, delivery, and performance by the Commission of the Tender Materials, and the execution, delivery, and performance by the Commission of the Tender Program has been duly authorized. No additional consent, approval, authorization or order of, or registration, qualification or filing with, any court or regulatory agency or other governmental agency or instrumentality is required in connection with the making and consummation of the Tender Program.

(f) Except as described in the Tender Materials, no litigation or other proceeding before or by any court or agency or other administrative body of competent jurisdiction (either State or Federal) is pending against the Commission or, to the knowledge of the Commission, threatened against it, in any way restraining or enjoining, or threatening or seeking to restrain or enjoin, the making and consummation of the Tender Program or in any way questioning or affecting: (i) the proceedings under which the Tender Program is to be made and consummated, (ii) the validity or enforceability of any provision of the Tender Materials, (iii) the accuracy, completeness or fairness of the Tender Materials, (iv) the legal existence of the Commission or its right to conduct its operations as presently conducted, or (v) the title of its members or officers to their respective offices in such manner as to adversely affect the ability of the Commission to authorize the making and consummation of the Tender Program or to consummate any of the transactions to which it is or is to be a party as contemplated by the Tender Materials.

(g) To the knowledge of the Commission, except as described in Tender Materials, there is no litigation or other proceeding pending or threatened before or by any court, agency or other administrative body of competent jurisdiction (either State or Federal), which, if decided adversely to the Commission, would have a material adverse effect on the power or ability of the Commission to perform its obligations hereunder or with respect to the Tender Program or to consummate the transactions to which it is or is to be a party as contemplated by the Tender Materials.

(h) The Commission intends to issue the 2023A Bonds. The delivery of the 2023A Bonds, in an amount sufficient to pay the full purchase price of the Securities that the Commission may elect to purchase pursuant to the Tender Program (and all related fees and expenses) subject to the terms and conditions of this Agreement, is a condition of the Commission's purchase of the Securities pursuant to the Tender Program.

(i) Subject to the successful issuance of the 2023A Bonds as described in Section 5(h), the Commission agrees to pay in accordance with the terms and subject to the conditions of the Tender Materials, the designated purchase price of the Securities and all related fees and expenses and then cancel or cause to be cancelled the Securities it purchases pursuant to the Tender Program.

(j) The Commission has engaged the Information and Tender Agent to make appropriate arrangements with DTC to allow for the book-entry movement of tendered Securities as described in the Tender Materials.

(k) Except as may have been publicly disclosed prior to the date hereof, since the date of the Commission's most recent publicly disseminated disclosure, there has not been any material adverse change in the financial condition of the Commission, or any development that would reasonably be expected to have a material adverse effect on the Commission's making and consummation of the Tender Program and the transactions contemplated hereby.

(l) In connection with the Tender Program, the Commission has complied, and will continue to comply, in all material respects with the applicable requirements of the federal securities laws.

(m) The financial statements of the Commission have been prepared in accordance with generally accepted accounting principles consistently applied.

(n) Neither the Commission nor, to the knowledge of the Commission, any director, officer, or employee of the Commission is an individual or entity ("Person") that is currently the target or subject of any sanctions administered or enforced by the U.S. government, including without limitation, the Office of Foreign Assets Control of the U.S. Treasury Department, the U.S. Department of Commerce, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority (collectively, "Sanctions"), nor is the Commission located, organized or resident in a country or territory that is the subject or target of Sanctions.

6. Representations and Warranties of the Dealer Managers. Each Dealer Manager hereby represents and warrants to, and agrees with, the Commission that, as of the date hereof and through and including the Settlement Date (as defined in the Invitation to Tender):

(a) This Agreement has been duly authorized, executed and delivered by the respective Dealer Manager and constitutes its respective legal, valid and binding obligation, enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization and similar laws affecting creditors' rights and by general principles of equity.

(b) The execution, delivery and performance of this Agreement by such Dealer Manager does not and will not violate, in any material respect, any law, regulation or rule customarily applicable to the Dealer Manager when acting in such capacity for transactions of this type.

(c) Each Dealer Manager shall assist the Commission in disseminating the Tender Materials but will not have any obligation to cause copies of the Tender Materials to be transmitted generally to the Registered or Beneficial Owners of the Securities.

(d) Each Dealer Manager warrants and confirms to the Commission that: (i) it is duly registered under the 1934 Act, as a broker/dealer or municipal securities dealer and has duly paid the fee prescribed by MSRB Rule A-12 or is exempt from such requirements, and (ii) it has complied with the dealer registration requirements, if any, of the various jurisdictions in which it respectively acts as Dealer Manager for the Securities.

(e) Each Dealer Manager shall comply with applicable federal securities laws, including MSRB Rule G-17, in connection with its provision of services hereunder.

7. <u>Conditions of Obligation</u>

The Dealer Managers' obligation to act as a dealer manager hereunder shall at all times be subject, in the Dealer Managers' discretion, to the conditions that:

(a) All representations, warranties and other statements of the Commission contained herein are now, and at all times during the Tender Program, will be, true and correct.

(b) The Commission at all times during the Tender Program shall have performed all of its obligations hereunder required to have been performed.

(c) (i) Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California ("<u>Bond Counsel</u>"), shall have furnished to the Dealer Managers, concurrently with the execution of this Agreement, its opinions, dated the date of the Invitation and in the forms attached hereto as [Annex B-1].

(ii) Norton Rose Fulbright, Disclosure Counsel, shall have furnished to the Dealer Managers, concurrently with the execution of this Agreement, an opinion in form and substance satisfactory to the Dealers in the form attached hereto as [Annex B-2].

(iii) Nixon Peabody LLP shall have furnished to the Dealer Managers, concurrently with the execution of this Agreement, an opinion in in the form attached hereto as [Annex B-3].

(iv) [The Dealer Managers shall have received opinions, dated as of the Launch Date and as of the Settlement Date, substantially in the forms attached hereto as [Annex B-4 and Annex B-5], respectively, from the General Counsel of the Commission].

(d) No stop order, restraining order or injunction has been issued by the SEC or any court of competent jurisdiction, and no litigation shall have been commenced or threatened before the SEC or any court, with respect to (i) the making or the consummation of the Tender Program, (ii) the execution, delivery or performance by the Commission of this Agreement or (iii) any of the transactions in connection with, or contemplated by, the Tender Materials which the Dealer Managers or their legal counsel in good faith believes makes it impossible for the Dealer Managers to continue to render services pursuant hereto and it shall not have otherwise become unlawful under any law or regulation, federal, state or local, for the Dealer Managers so to act, or continue so to act, as the case may be.

(e) At the Closing Date, there shall have been delivered to the Dealer Managers, on behalf of the Commission, a certificate of an authorized officer of the Commission, dated the Closing Date, and stating that the representations and warranties set forth herein are true and accurate as if made on such Closing Date.

8. <u>Survival of Certain Provisions</u>

The agreements contained in Section 3(a) and Section 4 hereof, the representations and warranties of the Commission set forth in Section 5 hereof and the representations and warranties of the Dealer Managers set forth in Section 6 hereof shall survive any termination or cancellation of this Agreement, any completion of the engagement as provided by this Agreement.

9. <u>Miscellaneous</u>

(a) This Agreement is made solely for the benefit of the Commission and the Dealer Managers and any director, officer, agent, employee, controlling person or affiliate thereof, and their respective successors, assigns, and legal representatives, and no other person shall acquire or have any right under or by virtue of this Agreement.

(b) If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable or against public policy, the remainder of the terms, provisions, covenants, and restrictions contained herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated. The Commission and the Dealer Managers shall endeavor in good faith negotiations to replace the invalid, void or unenforceable provisions with valid provisions, the economic effect of which comes as close as possible to that of the invalid, void or unenforceable provisions.

(c) Except as otherwise expressly provided in this Agreement, whenever notice is required by the provisions of this Agreement, it shall be given to:

The Commission at:

San Diego County Regional Transportation Commission
401 B Street, Suite 800
San Diego, California 92101
Attention: Chief Financial Officer

Each Dealer Manager at:

Goldman Sachs & Co. LLC
2121 Avenue of the Stars, Suite 2600
Los Angeles, CA 90067
Attention: Ruth Pan, Vice President

and

Wells Fargo Bank, N.A.
150 East 42nd Street, 25th Floor
New York, New York 10017
Attention: Julie Burger, Managing Director

Any notice or other communication provided for herein may be mailed to the applicable Dealer Manager at its respective address set forth above or to the Commission at its address above, unless either party notifies the other in writing of a different address, or may also be sent by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram, facsimile (fax), e-mail; (c) overnight courier or (d) registered or certified first class mail, return receipt requested.

(d) This Agreement contains the entire understanding of the parties with respect to the matters hereof, and supersedes any prior agreements with respect hereto, and may not be modified or amended except in writing executed by the parties hereto. This Agreement may be executed in any number of separate counterparts, each of which shall be an original, but all such counterparts shall together constitute one and the same agreement.

(e) The validity and interpretation of this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California. The parties hereto consent to the exclusive jurisdiction of the courts of the State of California and the federal courts located in the County of San Diego, California (the "Specified Courts") in any action or proceeding related to this Agreement (except that a judgment obtained in such courts may be enforced in any jurisdiction).

(f) This Agreement may not be modified or amended except in writing executed by the parties hereto. This Agreement may be signed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

(g) The Commission acknowledges and agrees that (i) the transactions contemplated by this Agreement between the Dealer Managers and the Commission are arm's-length commercial transactions between the Commission, on the one hand, and the Dealer Manager, on the other, (ii) in connection therewith and with the process leading to such transaction each Dealer Manager is acting solely as a principal and not the agent (except as described in this Agreement) or fiduciary of the Commission, (iii) the Dealer Manager has not assumed an advisory or fiduciary responsibility in favor of the Commission with respect to the Tender Program and the other transactions contemplated hereby or the process leading thereto (irrespective of whether the Dealer Manager has advised or is currently advising the Commission on other matters) or any other obligation to the Commission except the obligations expressly set forth in this Agreement, and (iv) the Commission has consulted its own legal and financial advisors to the extent it deemed appropriate.

(h) This Agreement shall terminate upon the earlier of (i) the tenth day following the settlement, withdrawal or termination of the Tender Program, (ii) notice by either the Commission or the Dealer Managers at any time, with or without cause, effective upon receipt by the other party of written notice to that effect, or (iii) 90 days from the date first written above, it being understood that as set forth in Section 8, certain provisions of this Agreement shall survive the termination or cancellation of this Agreement.

(i) The Dealer Managers do not provide accounting, tax or legal advice. The Commission is authorized, subject to applicable law, to disclose any and all aspects of this potential transaction that are necessary to support any U.S. federal income tax benefits expected to be claimed with respect to such transaction, without the Dealer Managers imposing any limitation of any kind.

[As of the date of this Agreement, the Dealer Managers do not hold any of the Securities.] One or more of affiliates of the Dealer Managers may own or hold the Securities for its own account or the account of its customers. The Dealer Managers have not engaged any affiliates in any manner related to the Tender Program. To the extent they hold any of the Securities, these affiliates would be engaged like any other investor or holder of the Securities.

(j) The obligations of the Dealer Managers hereunder are several and not joint. No Dealer Manager shall be liable for the acts or omissions of any other Dealer Manager.

(k) To the fullest extent permitted by applicable law, each party irrevocably waives, all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, service of process, attachment (both before and after judgment) and execution to which it might otherwise be entitled in the Specified Courts, and will not raise or claim or cause to be pleaded any such immunity at or in respect of any such proceeding.

(l) In consideration of the engagement hereunder, the Commission shall indemnify and hold the Dealer Managers harmless to the extent set forth in Annex A hereto, which provisions are incorporated by reference herein and constitute a part hereof. Annex A hereto is an integral part of this Agreement and shall survive any termination, expiration or cancellation of this Agreement.

(m) EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER RELATED DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION. IF AND TO THE EXTENT THAT THE FOREGOING WAIVER OF THE RIGHT TO A JURY TRIAL IS UNENFORCEABLE FOR ANY REASON IN SUCH FORUM, THE COMMISSION AND THE DEALER MANAGERS HEREBY CONSENT TO THE ADJUDICATION OF ANY AND ALL CLAIMS PURSUANT TO JUDICIAL REFERENCE AS PROVIDED IN CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638, AND THE JUDICIAL REFEREE, WHO SHALL BE A BENCH OFFICER OR RETIRED BENCH OFFICER, SHALL BE EMPOWERED TO HEAR AND DETERMINE ANY AND ALL ISSUES IN SUCH REFERENCE WHETHER FACT OR LAW. THE COMMISSION AND THE DEALER REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND CONSENT AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS AND CONSENTS TO JUDICIAL REFERENCE FOLLOWING THE OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL OF ITS CHOICE ON SUCH MATTERS. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT OR TO JUDICIAL REFERENCE UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638 AS PROVIDED HEREIN.

[SIGNATURE PAGE FOLLOWS]

Please sign and return to us a duplicate of this letter, whereupon it will become a binding agreement.

Sincerely,

SAN DIEGO COUNTY REGIONAL
TRANSPORTATION COMMISSION

By: ____

Its: ____

Acknowledged and Agreed to:

Dealer Manager: GOLDMAN SACHS & CO. LLC

By: ____

Its: ____

Dealer Manager: WELLS FARGO BANK, N.A.

By: ____

Its: ____

4862-9089-7760.3

Annex A Indemnification

The Commission (a "Commission Indemnifying Party") shall indemnify and hold harmless, to the extent permitted by law, the Dealer Managers and their respective directors, officers, employees and agents and each person who controls the Dealer Managers within the meaning of Section 15 of the Securities Act of 1933 (the "1933 Act") (any such person being therein sometimes called a "Commission Indemnified Party"), against any and all losses, claims, damages or liabilities, joint or several, to which such Commission Indemnified Party may become subject under any statute or at law or in equity or otherwise, and shall promptly reimburse any such Commission Indemnified Party for any reasonable legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, but only to the extent that such losses, claims, damages, liabilities or actions arise out of or are based upon any untrue statement of a material fact contained in (i) the Disclosure Statement under the captions "DESCRIPTION OF THE SERIES 2023A BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2023A BONDS," "SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION," "THE SALES TAX," "FINANCING PLAN," "COMMISSION INVESTMENT PORTFOLIO," and "ABSENCE OF MATERIAL LITIGATION," excluding therefrom all information concerning the book-entry system, clearance and settlement procedures, secondary market trading, and sales, trade and settlement outside of the United States and (ii) the Invitation under the caption "TERMS OF THE INVITATION," excluding thereform all information concerning the Dealer Managers, the book-entry system, clearance and settlement procedures, Automated Tender Offer Accounts, or any amendment or supplement of either thereof, or the omission to state therein a material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading. This indemnity agreement shall not be construed as a limitation on any other liability which the Commission may otherwise have to any Commission Indemnified Party, provided that in no event shall the Commission be obligated for double indemnification.

The Dealer Managers (collectively, the "Dealer Managers Indemnifying Party") shall indemnify and hold harmless, to the extent permitted by law, the Commission and its directors, officers, members, employees and agents and each person who controls the Commission within the meaning of Section 15 of the 1933 Act (any such person being therein sometimes called a "Dealer Manager Indemnified Party"), against any and all losses, claims, damages or liabilities, joint or several, to which such Dealer Manager Indemnified Party may become subject under any statute or at law or in equity or otherwise, and shall promptly reimburse any such Dealer Manager Indemnified Party for any reasonable legal or other expenses incurred by it in connection with investigating any claims against it and defending any actions, but only to the extent that such losses, claims, damages, liabilities or actions arise out of or are based upon any untrue statement of a material fact contained in (i) [the Disclosure Statement under the captions "IMPORTANT INFORMATION CONCERNING OFFERING RESTRICTIONS IN CERTAIN JURISDICTIONS OUTSIDE THE UNITED STATES" and] "UNDERWRITING" and (ii) the Invitation under the captions "INTRODUCTION — Dealer Managers And Tender Agent" (solely with respect to information relating to the Dealer Managers), and

"DEALER MANAGERS" or any amendment or supplement of either thereof, or the omission to state therein a material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading. This indemnity agreement shall not be construed as a limitation on any other liability which the Dealer Managers may otherwise have to any Dealer Manager Indemnified Party, provided that in no event shall the Dealer Managers be obligated for double indemnification.

For purposes of this paragraph and the immediately succeeding paragraph, an "Indemnified Party" means a Commission Indemnified Party or a Dealer Manager Indemnified Party as the context dictates and an "Indemnifying Party" means a Commission Indemnifying Party or a Dealer Manager Indemnifying Party as the context dictates. An Indemnified Party shall, promptly after the receipt of notice of the commencement of any action against such Indemnified Party in respect of which indemnification may be sought against an Indemnifying Party, notify the Indemnifying Party in writing of the commencement thereof, but the omission to notify the Indemnifying Party of any such action shall not relieve the Indemnifying Party from any liability that it may have to such Indemnified Party otherwise than under the indemnity agreement contained herein. In case any such action shall be brought against an Indemnified Party and such Indemnified Party shall notify the Indemnifying Party of the commencement thereof, the Indemnifying Party may, or if so requested by such Indemnified Party shall, participate therein or assume the defense thereof, with counsel satisfactory to such Indemnified Party, and after notice from the Indemnifying Party to such Indemnified Party of an election so to assume the defense thereof, the Indemnifying Party will not be liable to such Indemnified Party under this paragraph for any legal or other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof other than reasonable costs of investigation. If the Indemnifying Party shall not have employed counsel to have charge of the defense of any such action or if the Indemnified Party shall have reasonably concluded that there may be defenses available to it or them that are different from or additional to those available to the Indemnifying Party (in which case the Indemnifying Party shall not have the right to direct the defense of such action on behalf of such Indemnified Party), such Indemnified Party shall have the right to retain legal counsel of its own choosing and reasonable legal and other expenses incurred by such Indemnified Party shall be borne by the Indemnifying Party.

An Indemnifying Party shall not be liable for any settlement of any such action effected without its consent by any Indemnified Party, which consent shall not be unreasonably withheld, but if settled with the consent of the Indemnifying Party or if there be a final judgment for the plaintiff in any such action against the Indemnifying Party or any Indemnified Party, with or without the consent of the Indemnifying Party, the Indemnifying Party agrees to indemnify and hold harmless such Indemnified Party to the extent provided herein.

In order to provide for just and equitable contribution in circumstances in which indemnification hereunder is for any reason held to be unavailable from the Commission or the Dealer Managers, to the extent permitted by law, the Commission and the Dealer Managers shall contribute to the aggregate losses, claims, damages and liabilities (including any investigation, legal and other expenses incurred in connection with, and any amount paid in settlement of, any action, suit or proceeding or any claims asserted, to which the Commission and the Dealer Managers may be subject) in such proportion so that the Dealer Managers are jointly and severally responsible for that portion represented by the percentage that the Dealer Managers' discount set forth in the Tender Materials bears to the public offering price appearing thereon and the Commission is responsible for the balance; provided, however, that no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this paragraph, each person, if any, who controls the Dealer Managers within the meaning of the 1933 Act shall have the same rights to contribution as the Dealer Managers. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this paragraph, notify such party or parties from whom contribution may be sought, but the omission so to notify shall not relieve that party or parties from whom contribution may be sought from any other obligation it or they may have hereunder or otherwise than under this paragraph. No party shall be liable for contribution with respect to any action or claim settled without its consent.

[Nothing in this Annex A shall relate to, have any effect on, or provide any obligation for or right to indemnification or contribution with respect to any action, expense, judgment, order, ruling, award or settlement in the litigation brought by the Commission against affiliates of the Dealer Managers alleging that the defendants conspired to suppress the U.S. dollar London Interbank Offered Rate.]

ANNEX B

FORMS OF OPINIONS

[TO COME]

INVITATION TO TENDER BONDS
(the "Invitation")
made by
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
(the "Issuer")

The Issuer invites Bondholders to offer to sell to the Issuer for cash its selected Sales Tax Revenue Bonds (Limited Tax Bonds) 2019 Series A (Taxable) (collectively, the "Target Bonds") bonds held by Bondholders with the following CUSIP numbers:

Maturity Date	Interest Rate	Outstanding Par Amount	Maximum Principal Amount to be Accepted for Purchase	Par Call Date	Benchmark Treasury Security	Indicative Fixed Spread (Basis Points)[1]	CUSIP No.
04/01/2039	3.198	50,425,000		04/01/2030			797400LN6
04/01/2048	3.248	304,800,000		04/01/2030			797400LP1

(1) Indicative Fixed Spread (as defined herein) are preliminary and subject to change. Actual Fixed Spread will appear in the Pricing Notice. Each Benchmark Treasury Security (as defined herein) will be the most recently auctioned "on-the-run" United States Treasury Security for the maturity indicated as of date and time that the Purchase Price for the Target Bonds is set, currently expected to be June [ ], 2023

[Key Dates and Times

All of these dates and times are subject to change and to all conditions described in this Invitation and related tender materials. All times are New York City time.
Notices of changes will be sent in the manner provided for in this Invitation.

Launch Date and 2023 Bonds Preliminary Official Statement Posting: .... , ____, 2023
Pricing Notice .... ____, 2023
Offer Expiration Time (unless extended) .... 5:00 p.m., ____, 2023
Preliminary Notice of Results .... ____, 2023
Determination of Purchase Price: .... 10:00 a.m., ____, 2023
Notice of Purchase Price: .... 5:00 p.m., ____, 2023
Notice of Acceptance of Target Bonds Tendered for Purchase: .... 5:00 p.m., ____, 2023
Settlement Date (unless extended as described herein) .... ____, 2023]

To make an informed decision as to whether, and how, to offer Target Bonds, beneficial owners of Target Bonds ("Bondholders") must read this Invitation to Tender Bonds carefully and should consult their brokers, account executives or other financial advisors.

The Dealer Managers for this Invitation are:

WELLS FARGO BANK N.A.	**GOLDMAN SACHS & CO. LLC**
Julie Burger (212) 214-2825 julie.burger@wellsfargo.com	Ruth Pan (310) 407-5848 ruth.pan@gs.com

GLOBIC ADVISORS
Attn: Robert Stevens
Tel: (212) 227-9622 Toll-free: 800-974-5771 E-Mail: rstevens@globic.com
Document Website: www.globic.com/sandag

Investors with questions about this Invitation should contact the Information and Tender Agent.

The date of this Invitation is _____, 2023.

IMPORTANT INFORMATION

*This Invitation to Tender and other information with respect thereto are and will be available from Wells Fargo Bank N.A. and Goldman Sachs & Co. LLC ("**Goldman Sachs**") (together, the "**Dealer Managers**") and Globic Advisors (the "**Information and Tender Agent**") at [emma link] and http://globic.com/sandag. Bondholders wishing to tender their Target Bonds for purchase pursuant to this Invitation should follow the procedures described in this Invitation. The Issuer reserves the right to cancel or modify this Invitation at any time at or prior to the Expiration Time as provided herein and reserves the right to issue a future invitation or tender offer for Target Bonds on terms different than those described herein in its sole discretion. The Issuer will have no obligation to accept tendered Target Bonds for purchase or to purchase Target Bonds tendered and accepted for purchase if this Invitation is cancelled or the Issuer fails to accept offers or the Issuer is unable to issue the 2023 Bonds (as defined herein) or any other conditions set for the herein are not satisfied. The Issuer further reserves the right to accept nonconforming offers and tenders or waive irregularities in any offer or tender. The Issuer also reserves the right in the future to refund any Untendered Bonds (as defined herein) through the issuance of publicly offered or privately placed taxable or tax-exempt obligations of the Issuer. The consummation of this Invitation is subject to certain other conditions, including, without limitation to the conditions that are anticipated to occur after the Expiration Time (as defined herein) but prior to the Settlement Date.*

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THIS INVITATION OR PASSED UPON THE FAIRNESS OR MERITS OF THIS INVITATION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS INVITATION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Invitation is not being extended to, and offers and Target Bonds tendered in response to this Invitation will not be accepted from or on behalf of, Bondholders in any jurisdiction in which this Invitation or such offer or acceptance would not be in compliance with the laws of such jurisdiction. In any jurisdictions where the securities, "blue sky" or other laws require this Invitation to be made through a licensed or registered broker or dealer, this Invitation shall be deemed to be made on behalf of the Issuer through the Dealer Managers or one or more registered brokers or dealers licensed under the laws of that jurisdiction.

References to website addresses herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not a part of, this Invitation.

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Invitation, and, if given or made, such information or representation may not be relied upon as having been authorized by the Issuer.

The delivery of this Invitation shall not under any circumstances create any implication that any information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachment hereto or materials delivered herewith or in the affairs of the Issuer since the date hereof. The information contained in this Invitation is as of the date of this Invitation only and is subject to change, completion, and amendment without notice.

The Dealer Managers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, including the Preliminary Official Statement. The Dealer Managers have not independently verified any of the information contained herein, and assume no responsibility for the accuracy or completeness of any such information.

The Issuer, the Dealer Managers and the Information and Tender Agent are not responsible for (i) making or transmitting any offer to sell Target Bonds nor (ii) the DTC process and Holders interactions with DTC and the DTC participants.

Certain statements contained in or incorporated by reference into this Invitation are "forward-looking statements." Forward-looking statements are based on the Issuer's current expectations, estimates, beliefs, assumptions and projections of future performance, taking into account the information currently available to the Issuer. These statements may be identified by the use of words like "expects," "intends," "plans," "aims," "projects," "believes," "anticipates," "estimates," "will," "should," "could" and other expressions that indicate future events and trends. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such statements. Inevitably, some assumptions used in connection with the forward-looking statements will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between such statements and actual results, and those differences may be material.

Forward-looking statements speak only as of the date of the document in which they are made or as otherwise specified therein. The Issuer disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statement to reflect any change in the Issuer's expectations or any change in events, conditions or circumstances on which the forward-looking statement is based.

This Invitation contains important information which should be read before any decision is made with respect to this Invitation.

TABLE OF CONTENTS

INVITATION TO TENDER BONDS
made by
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION
to the Bondholders described herein of its
Sales Tax Revenue Bonds (Limited Tax Bonds), 2019 Series A (Taxable)

INTRODUCTION

General

This Invitation to Tender Bonds, dated [___] (as it may be amended or supplemented as provided herein, including the cover page and attachment hereto, this "***Invitation***"), is issued by the San Diego County Regional Transportation Commission (the "***Issuer***"), with the assistance of Wells Fargo Bank N.A. and Goldman Sachs & Co. LLC ("***Goldman Sachs***"), as dealer managers (together, the "***Dealer Managers***"), to the beneficial owners (the "***Bondholders***") of the above-captioned bonds of the Issuer with the maturities and CUSIP numbers identified (collectively, the "***Target Bonds***"), and invites Bondholders to offer to sell Target Bonds for purchase by the Issuer at the purchase prices as described below.

Each Bondholder is invited by the Issuer to offer (an "***Offer***") to sell to the Issuer, for payment in cash, all or part of its beneficial ownership interests in the Target Bonds in authorized denominations, as set forth herein. The Issuer may decide to purchase less than all (or none) of the Target Bonds offered to the Issuer. (See Section 10—"Determination of Amounts to be Purchased" herein.) Offers must be submitted by the Expiration Time specified on the cover page or such later date to which it may be deferred as herein provided (the "***Expiration Time***"). Target Bonds which the Issuer purchases pursuant to this Invitation will be cancelled. Bondholders will not be obligated to pay any brokerage commissions or solicitation fees to the Issuer, the Dealer Managers or the Information and Tender Agent in connection with this Invitation. Bondholders should consult with their brokers, account executives, banks, financial institutions or financial advisors to determine whether they will charge any commissions or fees.

The purchase prices (the "Purchase Prices") for Target Bonds which the Issuer decides to purchase, if any, will be paid on the Settlement Date specified on the cover page or such later date to which settlement may be deferred as herein provided (the "***Settlement Date***"). (See Section 12—"Settlement Date; Purchase of Target Bonds" herein.). The Purchase Prices for the Target Bonds will be based on a fixed spread added to the yields on certain benchmark United States Treasury Securities, plus accrued interest on the Target Bonds tendered for purchase up to but not including the Settlement Date ("Accrued Interest"). On or about June [_], 2023, the Issuer will publish a pricing notice in the form attached hereto as APPENDIX B, which will either confirm or amend the "Indicative Fixed Spread" as listed on page (i) of this Invitation for each maturity and corresponding CUSIP of the respective Target Bonds.

Target Bonds which the Issuer does not purchase pursuant to this Invitation will be returned to the Bondholder that offered such Target Bonds and will remain outstanding. The Bondholders whose Target Bonds are not purchased pursuant to this Invitation will continue to bear the risk of ownership of such Target Bonds. The purchase of a significant portion of Target Bonds of a particular CUSIP pursuant to this Invitation may have an adverse effect on the liquidity for the remaining Target Bonds of such CUSIP. (See "ADDITIONAL CONSIDERATIONS" herein.)

Among other conditions, the Issuer's obligation to purchase tendered Target Bonds will be subject to the sale and delivery of the Issuer's Sales Tax Revenue Bonds (Limited Tax Bonds), 2023 Series A (the "***2023 Bonds***") as described in the Issuer's Preliminary Official Statement, dated of even date with this Invitation, relating to such bonds (the "***Preliminary Official Statement***"), copies of which are available from the Dealer Managers.

The Issuer is soliciting Offers to sell Target Bonds and intends to issue the 2023 Bonds in order to refund the Target Bonds and reduce associated debt service requirements. The Issuer intends, but is not obligated to, accept Offers that will enable it to refund a sufficient amount of Target Bonds with 2023 Bonds on the Settlement Date.

BONDHOLDERS WHO DO NOT TENDER THEIR TARGET BONDS, AS WELL AS BONDHOLDERS WHO TENDER TARGET BONDS FOR PURCHASE THAT THE ISSUER, IN ITS DISCRETION, DOES NOT ACCEPT FOR PURCHASE, WILL CONTINUE TO HOLD SUCH TARGET BONDS (COLLECTIVELY, THE "UNTENDERED BONDS") AND SUCH UNTENDERED BONDS WILL REMAIN OUTSTANDING. ANY UNTENDERED BONDS WILL NOT BE REFUNDED AS PART OF THE 2023 BONDS. HOWEVER, THE ISSUER RESERVES THE RIGHT TO, AND MAY DECIDE TO, DEFEASE OR REFUND (ON AN ADVANCE OR CURRENT BASIS) SOME OR ALL OF THE UNTENDERED BONDS THROUGH THE ISSUANCE OF PUBLICLY-OFFERED OR PRIVATELY-PLACED TAXABLE OR TAX-EXEMPT OBLIGATIONS OR FUNDS OF THE ISSUER.

With respect to the Target Bonds that are subject to mandatory redemption from sinking fund installments, the Issuer is permitted under that certain Indenture, dated as of March 1, 2008, as supplemented and amended to the date hereof (the "Indenture"), by and between the Issuer and U.S. Bank Trust Company, National Association, as trustee, to designate the sinking fund installments that are to be reduced as allocated to such cancellation or redemption. If less than all of the Target Bonds of a given CUSIP number for which sinking fund installments have been established are purchased by the Issuer pursuant to the Offer, the Issuer has the right to select which sinking fund installments will be reduced. As a result, the average life of the remaining Target Bonds of that CUSIP number may change.

The Issuer reserves the right, subject to applicable law, to amend or waive any conditions to this Invitation and its obligations under accepted Offers, in whole or in part, at any time prior to the Expiration Time as provided herein, in its sole discretion. This Invitation may be withdrawn by the Issuer at any time prior to the Expiration Time.

TO MAKE AN INFORMED DECISION AS TO WHETHER, AND HOW, TO TENDER TARGET BONDS FOR SALE IN RESPONSE TO THIS INVITATION, BONDHOLDERS SHOULD READ THIS INVITATION CAREFULLY.

Neither the Issuer nor the Dealer Managers nor the Information and Tender Agent makes any recommendation that any Bondholder offer, or refrain from offering, all or any portion of such Bondholder's Target Bonds for sale. Bondholders must make these decisions and should read this Invitation and consult with their brokers, account executives, financial advisors and/or other appropriate professionals in doing so.

Purpose

This Invitation is being issued as part of a plan of finance to use proceeds from the sale of the 2023 Bonds that includes the retirement of the Target Bonds by purchasing them pursuant to this Invitation. Further, as described herein, the Issuer's purchase of Target Bonds pursuant to this Invitation is contingent upon receipt of sufficient proceeds for such purpose from the issuance of the 2023 Bonds. There can be no assurance that the 2023 Bonds will be issued or when the 2023 Bonds will be issued, or that the proceeds thereof will be sufficient to enable the Issuer to purchase any or all of the Target Bonds validly tendered for purchase.

The purpose of the issuance of the 2023 Bonds is to produce present value debt service savings. Thus, the final decision to purchase Target Bonds, and, if less than all of the Target Bonds that are tendered are purchased, which Target Bonds that will be accepted for purchase by the Issuer, will be based upon market conditions associated with the sale of the 2023 Bonds and other factors outside of the control of the Issuer.

Consideration for Tender Offer

On or about June [__], 2023, the Issuer will publish the Pricing Notice in the form attached hereto as APPENDIX B, which Pricing Notice will set forth either a confirmation of the Indicative Fixed Spreads listed on page (i) of this Invitation or an amendment to the Fixed Spreads for each maturity and corresponding CUSIP of the Target Bonds tendered and accepted for purchase pursuant to this Invitation.

The applicable fixed spread (the "**Fixed Spread**") for each CUSIP for the Target Bonds will represent the yield, expressed as an interest rate percentage, above the yield on the Benchmark Treasury Security at which the Issuer will purchase the Target Bonds. The Fixed Spread will be added to the yield on a representative Benchmark Treasury Security for each CUSIP. The Benchmark Treasury Security for each CUSIP is identified on the cover of this Invitation.

The yields on the Benchmark Treasury Securities (the "***Treasury Security Yields***") will be determined at 10:00 AM on June [ ], 2023, based on the bid-side price of the U.S. Benchmark Treasury as quoted on the Bloomberg Bond Trader FIT1 series of pages and calculated in accordance with standard market practice. The Fixed Spread for each maturity will be added to the Treasury Security Yield to arrive at a yield (the "***Purchase Yield***").

The Purchase Yield will be used to calculate the Purchase Prices for the Target Bonds. The Purchase Prices for the Target Bonds will be the sum of the present value of all remaining scheduled principal and interest on the applicable Target Bonds on the Settlement Date, as determined on June ,____, 2023 (the "***Determination of Purchase Price Date***"), minus accrued interest up to but not including the Settlement Date, calculated [by discounting each such scheduled principal and interest payment from the date that each such payment would have been payable but for the purchase of the applicable Target Bonds to the Settlement Date at a discount rate equal to the Purchase Yield] on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), in accordance with standard market practice. The Issuer will publish a Notice of Purchase Price at or around 5:00 p.m. on [ ], 2023. In addition to the Purchase Prices of the Target Bonds accepted for purchase by the Issuer, Accrued Interest on such Target Bonds will be paid by, or on behalf of, the Issuer to the tendering Bondholders on the Settlement Date.

The table below provides an example of the Purchase Prices realized by a Bondholder that submit an offer based on the following closing yields as of [ ] 2023 for the Benchmark Treasury Securities provided below and the Indicative Fixed Spreads listed on page (i) of this Invitation. This example is being provided for convenience only and is not to be relied upon by a Bondholder as an indication of the Purchase Yield or Purchase Prices that may be accepted by the Issuer.

[Insert Table with Purchase Price]

The Notice of Purchase Price will be made available: (i) at the at the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at http://emma.msrb.org ("***EMMA***"), using the CUSIP numbers for the Target Bonds listed in the table on the cover of this Invitation; (ii) to DTC (as defined herein) and to the DTC participants holding the Target Bonds; and (iii) by posting electronically on the website of the Information and Tender Agent at http://www.globic.com/sandag.

Binding Contract to Sell

If a Bondholder's Offer to sell Target Bonds is accepted by the Issuer by the time specified herein, the Bondholder will be obligated to sell, and the Issuer will be obligated to purchase, such Target Bonds on the Settlement Date at the Purchase Price for such Target Bonds plus Accrued Interest to the Settlement Date, subject to the conditions described herein. See "Section 14—Conditions to Purchase" herein.

Brokerage Commissions and Solicitation Fees

Bondholders will not be obligated to pay any brokerage commissions or solicitation fees to the Issuer, the Dealer Managers, or the Information and Tender Agent in connection with this Invitation, Offers, or consummation of accepted Offers. However, Bondholders should check with their brokers, banks, account executives or other financial institutions which maintain the accounts in which their Target Bonds are held ("***Financial Representatives***") to determine whether they will charge any commissions or fees as described in Section 16.

Dealer Managers and Information and Tender Agent

Wells Fargo Bank N.A. and Goldman Sachs are the Dealer Managers for this Invitation. Investors with questions about this Invitation should contact the Dealer Managers or Globic Advisors, which serves as the Information and Tender Agent, at the addresses and telephone numbers set forth on the page preceding the attachment to this Invitation. See "DEALER MANAGERS" and "TENDER AGENT" herein.

TERMS OF THE INVITATION

1. Expiration Time

The Issuer's invitation to submit Offers will expire at the Expiration Time, unless this Invitation is earlier terminated or extended as provided herein.

Offers submitted after the Expiration Time will not be considered.

See "Section 15 – Extension, Termination and Amendment; Changes to Terms" below for a discussion of the Issuer's right to defer the Expiration Time and to terminate or amend this Invitation.

2. Offers Only Through the Issuer's ATOP Accounts

The Target Bonds are all held in book-entry-only form through the facilities of The Depository Trust Company, New York, New York ("***DTC***") through banks, brokers and other institutions that are participants in DTC.

The Issuer, through the Information and Tender Agent, will establish an Automated Tender Offer Account (an "***ATOP Account***") at DTC for the Target Bonds to which this Invitation relates promptly after the date of this Invitation. Bondholders who wish to tender Target Bonds pursuant to this Invitation may do so through the Issuer's ATOP account.

ALL OFFERS TO SELL AND TENDERS OF TARGET BONDS MUST BE THROUGH THE APPLICABLE ATOP ACCOUNTS. THE ISSUER WILL NOT ACCEPT ANY OFFER OR TENDER OF TARGET BONDS THAT IS NOT SUBMITTED THROUGH AN ATOP ACCOUNT. LETTERS OF TRANSMITTAL ARE NOT BEING USED IN CONNECTION WITH THIS INVITATION.

Bondholders who are not DTC participants can make offers to sell their Target Bonds only through the financial institution which maintains the DTC account in which their Target Bonds are held.

Any financial institution that is a participant in DTC may make an Offer and book-entry tender of Target Bonds by submitting a Voluntary Offering Instruction to DTC and causing DTC to transfer such Target Bonds into the applicable ATOP Account in accordance with DTC's procedures for such instructions and transfers. Bondholders who are not DTC participants can submit Offers and tender Target Bonds in response to this Invitation only by making arrangements with and instructing their Financial Representative to do so (or to cause their DTC participant to do so) through the applicable ATOP Account. To ensure that Offers are made and Target Bonds are tendered to the applicable ATOP Account by the Expiration Time, Bondholders must provide instructions to their Financial Representatives in sufficient time for the Financial

Representatives to do so (or cause their DTC participants to do so) by the Expiration Time. Bondholders should contact their Financial Representatives for information as to when they need instructions in order to submit Offers and tender Target Bonds to the applicable ATOP Account by the Expiration Time. See Section 6—"Tender of Target Bonds by Financial Institutions; ATOP Accounts" herein.

Neither the Issuer nor the Dealer Managers nor the Information and Tender Agent is responsible for the submission of Offers or the transfer of tendered Target Bonds to the ATOP Accounts or for any mistakes, errors or omissions in submissions and transfers of any Target Bonds.

3. Information to Bondholders

The Issuer may give information about this Invitation to the market and Bondholders by delivering the information to the following institutions: Bloomberg Financial Market Systems and the Municipal Securities Rulemaking Board through EMMA. These institutions, together with the Information and Tender Agent, are collectively referred to herein as the "***Information Services***." The Information and Tender Agent will deliver information provided to it by the Issuer through its website, https://www.globic.com/sandag. Any delivery of information by the Issuer to the Information Services will be deemed to constitute delivery of the information to each Bondholder.

Neither the Issuer nor the Dealer Managers nor the Information and Tender Agent has any obligation to ensure that a Bondholder actually receives any information given to the Information Services.

Bondholders who would like to receive information transmitted by or on behalf of the Issuer to the Information Services may receive such information from the Dealer Managers or the Information and Tender Agent by contacting them using the contact information on the page preceding the attachment to this Invitation or by making appropriate arrangements with their account executives or directly with the Information Services.

Any updates to this Invitation will be distributed through the Information Services. The final Official Statement with respect to the 2023 Bonds will be posted to EMMA Website subsequent to the Acceptance of Offers and prior to Settlement Date.

4. Minimum Authorized Denominations

A Bondholder may submit one or more Offers to sell Target Bonds of one or more series and maturities in an amount of its choosing, but only in a principal amount equal to an authorized denomination of Target Bonds ($1,000 or any integral multiple thereof) ("***Minimum Authorized Denominations***").

5. Provisions Applicable to All Offers

Need for Advice. Bondholders should ask their Financial Representatives or financial advisors for help in determining (a) whether to offer to sell and tender Target Bonds of a particular CUSIP and (b) the principal amount of such Target Bonds to be offered. Bondholders also should inquire as to whether their Financial Representatives or financial advisors will charge a fee for submitting Offers or tenders if the Issuer purchases tendered Target Bonds. Neither the Issuer nor the Dealer Managers nor the Information and Tender Agent will charge any Bondholder for submitting Offers or tendering or selling Target Bonds.

Need for Specificity of Offer. Neither an Offer nor an accompanying tender of Target Bonds of any CUSIP may exceed the principal amount of Target Bonds of such CUSIP owned by the tendering Bondholder, and each Offer must include the following information: (1) the CUSIP number(s) of the Bond(s) being tendered and (2) the principal amount of Target Bonds with each CUSIP number being tendered. The principal amount must be specified in integral multiples of $1,000 and, if not so specified, will be reduced to the nearest integral multiple of $1,000.

"All or none" offers are not permitted. No alternative, conditional or contingent Offers or tenders will be accepted.

ALL OFFERS FOR AND TENDERS OF TARGET BONDS MUST BE MADE THROUGH THE APPLICABLE ATOP ACCOUNTS. THE ISSUER WILL NOT ACCEPT ANY OFFERS OR TENDERS THAT ARE NOT MADE THROUGH THE APPLICABLE ATOP ACCOUNTS. See Section 6"—Tender of Target Bonds by Financial Institutions; ATOP Accounts" herein.

General. Bondholders may offer to sell and tender only Target Bonds that they own or control. By offering to sell and tendering Target Bonds in response to this Invitation, Bondholders will be deemed to have represented and agreed with the Issuer as set forth below under "– Representations by Tendering Bondholders." All Offers and tenders shall survive the death or incapacity of the tendering Bondholder.

6. Tender of Target Bonds by Financial Institutions; ATOP Accounts

The Issuer, through the Information and Tender Agent, will establish an ATOP Account at DTC for the Target Bonds of each CUSIP to which this Invitation relates for purposes of this Invitation within three business days after the date of this Invitation. Offers to sell Target Bonds may be made to the Issuer only through the applicable ATOP Account. Any financial institution that is a participant in DTC may make a book-entry Offer of the Target Bonds by (a) causing DTC to transfer such Target Bonds into the applicable ATOP Account in accordance with DTC's procedures and (b) concurrently transferring an agent's message in connection with such book-entry transfer to the applicable ATOP Account, in each case by not later than the Expiration Time. In order to ensure accurate receipt of each Bondholder's intended Offer and any subsequent dissemination of funds, participants in DTC must submit an individual Voluntary Offering Instruction for each Beneficial Owner wishing to submit one or more Offers in response to this Invitation. The date and the time of submission of Target Bonds for purchase will be determined by the date and time at which Target Bonds are submitted into the applicable ATOP Account.

ALL OFFERS AND TENDERS OF TARGET BONDS MUST BE MADE THROUGH THE APPLICABLE ATOP ACCOUNT. THE ISSUER WILL NOT ACCEPT ANY OFFERS OR TENDERS THAT ARE NOT MADE THROUGH THE APPLICABLE ATOP ACCOUNT.

Bondholders who are not DTC participants can submit Offers and tender Target Bonds in response to this Invitation only by making arrangements with their Financial Representatives, instructing them to submit and tender (or cause their DTC participant to submit and tender) such Offers and Target Bonds through the applicable ATOP Account. To ensure that Offers are submitted and Target Bonds are tendered to the applicable ATOP Account by the Expiration Time, Bondholders must provide instructions to their Financial Representatives in sufficient time to enable them to do so by the Expiration Time. Bondholders should contact their Financial Representatives for information as to when instructions are needed in order to submit Offers and tender Target Bonds to the applicable ATOP Account by the Expiration Time.

7. Determinations as to Form and Validity; Right of Waiver and Rejection

All questions as to the validity, form, eligibility and acceptance of Offers (including the tender of Target Bonds through the ATOP Accounts) will be determined by the Issuer in its sole discretion, and such determination will be final, conclusive and binding.

The Issuer reserves the right to waive any irregularities or defects in any Offer or tender or to reject any nonconforming Offer or tender. Neither the Issuer nor the Dealer Managers nor the Information and Tender Agent is obligated to give notice of any defect or irregularity in Offers or tenders of Target Bonds, and they will have no liability for failing to give such notice.

The Issuer reserves the absolute right to reject any and all offers, whether or not they comply with the terms of this Invitation.

8. Withdrawals of Offers and Tenders Prior to Expiration Time

Offers and tenders of Target Bonds may be withdrawn by causing a withdrawal message to be received at the applicable ATOP Account prior to the Expiration Time.

Bondholders who have tendered their Target Bonds for purchase will not receive any information from the Issuer, the Dealer Managers or the Information and Tender Agent concerning offers by other Bondholders. Bondholders will not be afforded an opportunity to amend their offers after the Expiration Time.

9. Irrevocability of Offers

All offers to sell Target Bonds will become irrevocable at the Expiration Time.

10. Determination of Amounts to be Purchased; Purchase Prices

This Invitation is part of a plan by the Issuer to refinance a portion of the outstanding Target Bonds. Subject to the terms and conditions set forth in this Invitation, the Issuer intends to purchase validly tendered Target Bonds in amounts expected to result in sufficient economic benefit. Based on the successful completion of the sale and delivery of the 2023 Bonds and subject to market conditions when the 2023 Bonds are sold and the Issuer's determination of a satisfactory and sufficient economic benefit as a result of the consummation of the tender offer made pursuant to this Invitation when taken together with the terms of the 2023 Bonds. The Issuer may determine not to purchase Target Bonds of one or more CUSIPs. With respect to a particular Target Bond CUSIP, the Issuer will determine the portion of the aggregate amount of tenders received for such Target Bond CUSIP to purchase, if any. In no event will the amount of such Target Bond CUSIP purchased by the Issuer exceed the amounts shown on the cover of this Invitation under the header "Maximum Principal Amount to be Accepted for Purchase". The Issuer reserves the right to make different decisions for Target Bonds of different CUSIPs. After the Expiration Time, the Issuer will determine the aggregate amount of tendered Target Bonds to purchase for each CUSIP based on such factors, including those disclosed above, as the Issuer in its sole discretion deems relevant.

Should the Issuer choose to purchase some but not all of the Target Bonds of a particular CUSIP or should the Issuer receive tendered Target Bonds of a particular CUSIP that exceeds the "Maximum Principal Amount that May be Accepted for Purchase" for such CUSIP, the Issuer will accept those tendered Target Bonds on a pro rata basis reflecting the ratio of (a) the principal amount, if any, the Issuer determines to purchase, where applicable up to the "Maximum Principal Amount that May be Accepted for Purchase" of such CUSIP to (b) the aggregate principal amount of valid offers to sell received. In such event, should the principal amount of any individual tender offer, when adjusted by the pro rata acceptance, result in an amount that is not a multiple of the Minimum Authorized Denomination, the principal amount of such offer will be rounded up to the nearest multiple of $1,000.

Any Target Bonds not accepted for purchase as a result of the procedures described herein will be returned to offering institutions promptly in accordance with DTC's procedures.

The Purchase Prices for the Target Bonds will be the sum of the present value of all remaining scheduled principal and interest on the applicable Target Bonds on the Settlement Date, as determined on the Determination of Purchase Price Date, minus accrued interest up to but not including the Settlement Date, calculated [by discounting each such scheduled principal and interest payment from the date that each such payment would have been payable but for the purchase of the applicable Target Bonds to the Settlement Date at a discount rate equal to the Purchase Yield] on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), in accordance with standard market practice. See the caption "INTRODUCTION—Consideration for Tender Offer" above for additional information regarding the determination of the Purchase Prices.

The Issuer will publish a Notice of Purchase Price at or around 5:00 p.m. on [ ], 2023. In addition to the Purchase Prices of the Target Bonds accepted for purchase by the Issuer, Accrued Interest on such Target Bonds will be paid by, or on behalf of, the Issuer to the tendering Bondholders on the Settlement Date.

The aggregate par amounts of these offers cannot exceed the par amount of the Target Bonds of that CUSIP owned by that Bondholder.

11. Acceptance of Offers Constitutes Irrevocable Agreement; Notice of Results

Acceptance by the Issuer of offers to sell tendered Target Bonds will occur by written notification on or about ____, 2023 by 10:00 a.m., following the Expiration Time. The notification will state, for the Target Bonds of each CUSIP (i) the principal amount of the tendered Target Bonds per CUSIP that the Issuer has decided to accept for purchase; or (ii) that the Issuer has decided not to purchase any Target Bonds of such CUSIP.

If the Issuer accepts any Offer to sell validly tendered Target Bonds of any CUSIP, the accepted Offer will constitute an irrevocable agreement by the offering Bondholder to sell and the Issuer to purchase such Target Bonds, subject to satisfaction or waiver of all conditions to the Issuer's obligation to purchase tendered Target Bonds. See Section 14—Conditions to Purchase" below.

Following the giving of notice of its acceptance of tenders, the Issuer will instruct DTC to release from the controls of the Issuer's ATOP account all Target Bonds that were tendered but were not accepted for purchase. The release of such Target Bonds will take place in accordance with DTC's ATOP procedures. The Issuer, the Dealer Managers, and the Information and Tender Agent are not responsible or liable for the operation of the Issuer's ATOP account by DTC to properly credit such released Target Bonds to the applicable account of the DTC participant or Financial Representative or by such DTC participant or Financial Representative for the account of the Bondholder.

Notwithstanding any other provision of this Invitation or Offers, the Issuer's obligation to purchase and pay for Target Bonds validly offered and tendered (and not validly withdrawn) for sale to the Issuer in response to this Invitation is subject to the satisfaction or waiver by the Issuer of the conditions set forth in "Conditions to Purchase" below. The Issuer reserves the right, subject to applicable law, to amend or waive any of the conditions to this Invitation, the Offers, and contracts formed by the acceptance of Offers, in whole or in part, at any time prior to the Expiration Time or from time to time thereafter, in its sole discretion. This Invitation may be withdrawn by the Issuer at any time prior to the Expiration Time.

12. Settlement Date; Purchase of Target Bonds

On the Settlement Date, the Issuer will purchase and pay for all Target Bonds validly tendered for sale to the Issuer pursuant to accepted Offers, at the applicable Purchase Price plus Accrued Interest thereon to the Settlement Date, subject to satisfaction or waiver by the Issuer of all conditions to the Issuer's obligation to sell, and the tendering Bondholders will sell such Target Bonds to the Issuer for such consideration. The Settlement Date is the date specified on the cover page, unless deferred by the Issuer.

The Issuer may, in its sole discretion, change the Settlement Date by giving notice to the Information Services prior to the change. See Section 14—"Conditions to Purchase" below.

If the conditions to the Issuer's obligation to purchase Target Bonds tendered pursuant to accepted Offers are satisfied or waived, the Issuer will pay the Purchase Price plus Accrued Interest in immediately available funds on the Settlement Date by deposit of such amount with DTC. The Issuer expects that, in accordance with DTC's standard procedures, DTC will transmit the Purchase Price with Accrued Interest in immediately available funds to its participant financial institutions that hold such Target Bonds for delivery to the Bondholders. **Neither the Issuer nor the Dealer Managers nor the Information and Tender Agent has any responsibility or liability for the distribution of such purchase prices by DTC or its participant financial institutions to Bondholders.**

13. Representations by Tendering Bondholders

By offering and tendering Target Bonds for sale to the Issuer in response to this Invitation, each tendering Bondholder will be deemed to have represented to and agreed with the Issuer that:

(a) the Bondholder has received and has had an opportunity to review this Invitation prior to making its decision to submit an Offer and tender Target Bonds, and agrees if its Offer is accepted by the Issuer with respect to any Target Bonds, it will be obligated to sell such Target Bonds on the terms and conditions set forth in this Invitation;

(b) the Bondholder has full power and authority to offer to sell, tender, sell, assign and transfer the tendered Target Bonds; and if its Offer is accepted by the Issuer with respect to any Target Bonds, on the Settlement Date the Issuer will acquire good, marketable and unencumbered title thereto, free and clear of all liens, charges, encumbrances, conditional sales agreements or other obligations and not subject to any adverse claims, subject to payment to the Bondholder of the Purchase Price for such Target Bonds plus Accrued Interest thereon to the Settlement Date;

(c) the Bondholder has made its own independent decisions to offer and tender its Target Bonds for sale to the Issuer in response to this Invitation and as to the terms thereof, and such decisions are based upon the Bondholder's own judgment and upon advice from such advisors whom the Bondholder has determined to consult;

(d) the Bondholder is not relying on any communication from the Issuer, the Dealer Managers, or the Information and Tender Agent as investment advice or as a recommendation to offer and tender Target Bonds for sale to the Issuer, it being understood that the information from the Issuer, the Dealer Managers, and the Information and Tender Agent related to the terms and conditions of this Invitation and Offers is not considered investment advice or a recommendation to offer and tender Target Bonds; and

(e) the Bondholder is capable of assessing the merits of and understanding (on its own and/or through independent professional advice), and does understand, agree and accept, the terms and conditions of this Invitation and its Offer.

14. Conditions to Purchase

Payment for offered Target Bonds is subject to the sale and delivery of the 2023 Bonds on or before the Settlement Date for a price sufficient to fund the Purchase Price of Target Bonds so tendered and Accrued Interest, and pay associated transaction and issuance costs.

In addition, if, after the Expiration Time but prior to payment for Target Bonds on the Settlement Date, any of the following events should occur, the Issuer will have the absolute right to cancel its obligation to purchase Target Bonds tendered pursuant to accepted Offers without any liability to any Bondholder:

- Litigation or another proceeding is pending or threatened which the Issuer reasonably believes may, directly or indirectly, have an adverse impact on the Issuer or the expected benefits to the Issuer or Bondholders of accepted Offers or the purchase or defeasance of Target Bonds;
- A war, national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange or a limitation of prices on the New York Stock Exchange exists and the Issuer reasonably believes this fact makes it inadvisable to proceed with the purchase or defeasance of Target Bonds;

- A material change in the business or affairs of the Issuer has occurred which the Issuer reasonably believes makes it inadvisable to proceed with the purchase or defeasance of Target Bonds;
- A material change in the net economics of the transaction has occurred due to a material change in market conditions which the Issuer reasonably believes makes it inadvisable to proceed with the purchase or defeasance of Target Bonds; or
- There shall have occurred a material disruption in securities settlement, payment or clearance services.
- The Issuer does not have, for any reason, sufficient funds on the Settlement Date from the proceeds of the 2023 Bonds to purchase Target Bonds tendered and accepted for purchase pursuant to this Invitation and to pay all fees and expenses associated with the 2023 Bonds and this Invitation.

The conditions described in this subsection are for the sole benefit of the Issuer and may be asserted by the Issuer, prior to the time of payment for the Target Bonds it has agreed to purchase, regardless of the circumstances giving rise to any condition, or may be waived by the Issuer in whole or in part at any time and from time to time in its discretion, and may be exercised independently for Target Bonds of each CUSIP. Failure by the Issuer to assert or waive any such condition at any time will not be deemed a waiver of its right to do so, and a waiver of any such right with respect to particular facts and other circumstances will not be deemed a waiver of such rights with respect to other facts and circumstances. Each of these rights will be deemed an ongoing right of the Issuer which may be asserted or waived at any time and from time to time prior to payment for the Target Bonds it has agreed to purchase. Any determination by the Issuer concerning the events described in this section will be final and binding upon all parties.

15. Extension, Termination and Amendment of Invitation; Changes to Terms

At or before the Expiration Time, the Issuer may defer the Expiration Time, as to any or all of the Target Bonds, to any date in its sole discretion, provided that a notice of the deferral is given to the Information Services, including by posting to EMMA on or about [9:00] a.m., New York City time, on the first business day after the Expiration Time.

The Issuer also has the right, prior to acceptance of Offers to sell tendered Target Bonds to the Issuer as described above in Section 11—"Acceptance of Offers Constitutes Irrevocable Agreement; Notice of Results," to terminate this Invitation at any time by giving notice to the Information Services. The termination will be effective at the time specified in such notice.

The Issuer also has the right, prior to acceptance of Offers to sell tendered Target Bonds to the Issuer as described above in Section 11—"Acceptance of Offers Constitutes Irrevocable Agreement; Notice of Results" to amend or waive the terms of this Invitation in any respect and at any time by giving notice to the Information Services. The amendment or waiver will be effective at the time specified in such notice.

If the Issuer defers the Expiration Time, or amends the terms of this Invitation (including by waiving any term) in any material respect, the Issuer may (but is not required to) disseminate additional Invitation material and defer the Expiration Time to the extent required to allow reasonable time for dissemination to Bondholders and for Bondholders to respond.

No extension, termination or amendment (or waiver of any terms) of this Invitation will change the Issuer's right to decline to purchase Target Bonds without liability on the conditions stated herein. See Section 14—"Conditions to Purchase" herein.

Neither the Issuer nor the Dealer Managers nor the Information and Tender Agent has any obligation to ensure that a Bondholder actually receives any information given to the Information Services.

[16. Soliciting Fees; Eligible Institutions Are Not Agents

The Issuer agrees to pay or caused to be paid to any commercial bank or trust company having an office, branch or agency in the United States, and any firm which is a member of a registered national securities exchange or of the Financial Industry Regulatory Authority (an "***Eligible Institution***"), a solicitation fee of $[1.25] per $1,000 on the principal amount of Target Bonds purchased from each of its Retail Customers by the Issuer pursuant to this Invitation. A "***Retail Customer***" is an individual who owns less than $250,000 principal amount of Target Bonds and manages his or her own investments or an individual who owns less than $250,000 principal amount of Target Bonds whose investments are managed by an investment manager or bank trust department that holds the investments of that individual in a separate account in the name of that individual.

The Solicitation Fee Payment Request Form, attached hereto as APPENDIX A, must be returned to the Information Agent and Tender Agent no later than [5:00] p.m., New York City time on the Expiration Date, unless earlier terminated or extended by the Issuer. No payment of a solicitation fee will be made on requests received after this time. No solicitation fee will be paid on requests improperly submitted or for Target Bonds not purchased by the Issuer.

Eligible Institutions are not agents of the Issuer for this Invitation.]

AVAILABLE INFORMATION

Information relating to the Target Bonds and the Issuer may be obtained by contacting the Information and Tender Agent at the contact information set forth on the cover page to this Invitation. Such information is limited to (i) this Invitation and (ii) information about the Issuer available through EMMA.

ADDITIONAL CONSIDERATIONS

In deciding whether to submit an Offer in response to this Invitation, Bondholders should consider carefully, in addition to the other information contained in this Invitation, the following:

Tax Consequences of Bond Tender and Sale

If Target Bonds are tendered to and purchased by the Issuer pursuant to accepted Offers submitted in response to this Invitation, tendering Bondholders will generally recognize a taxable gain or loss, as explained and with the qualifications summarized under "SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES" below.

Treatment of Target Bonds Not Purchased Pursuant to Offers

Untendered Bonds will remain outstanding pursuant to the terms of the Indenture. If the Target Bonds are purchased in the tender offer under this Invitation, the principal amount of Target Bonds for a particular CUSIP that remains outstanding will be reduced, which could adversely affect the liquidity and market value of the Target Bonds of that CUSIP that remain outstanding. The terms and conditions of the Target Bonds that remain outstanding will continue to be governed by the terms of the Indenture.

If the Issuer is unable or chooses not to consummate a refunding of Target Bonds of any CUSIP by purchasing Target Bonds tendered with accepted Offers on or around the Settlement Date, such Target Bonds will remain outstanding and subject to payment risks.

The average life of Untendered Bonds with sinking fund installments may be affected for a Target Bond which is a term bond subject to sinking fund redemptions where a portion of the outstanding amount is purchased, the Issuer will adjust the schedule of the applicable sinking fund installments to give effect to the purchase and cancellation of such tendered Target Bonds. This could affect the average life of the Untendered Bonds that are not purchased pursuant to this Invitation.

Offers May be Required to Refund Target Bonds

While the Issuer desires and intends to accept offers for tender and/or to refund a substantial part of the Target Bonds on or around the Settlement Date, its ability to refund the Target Bonds may depend on (a) market conditions when the 2023 Bonds are sold (including both the yield at which 2023 Bonds may be sold and the rate of interest at which proceeds of the 2023 Bonds may be invested to the maturity of or any earlier redemption date for Target Bonds), and (b) the amount of Target Bonds tendered for purchase, depending on market conditions, the Issuer may be unable to refund the Target Bonds, and Bondholders will be left with the risks associated with an investment in the Target Bonds.

If the Issuer is unable to purchase the Target Bonds on or around the Settlement Date, it reserves the right, and may in the future decide, to acquire some or all of the Target Bonds through open market purchases, privately negotiated transactions, subsequent tender offers, exchange offers or otherwise, upon such terms and at such prices as it may determine and to which Bondholders agree, which may be more or less than the Purchase Prices at which it is willing to accept Offers. Any such future acquisition of Target Bonds may be on the same terms or on terms that are more or less favorable to Bondholders than the terms of this Invitation. Any decision by the Issuer to acquire Target Bonds in the future and the terms of any such future transactions will depend on various factors existing at that time. There can be no assurance as to which of these alternatives, if any, the Issuer will ultimately choose to pursue in the future, if it does not refund the Target Bonds with the 2023 Bonds on or around the Settlement Date.

SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The purchase of tendered Target Bonds pursuant to Offers will generally be taxable transactions for federal income tax purposes. As a result, each Bondholder who tenders Target Bonds pursuant to an Offer will have taxable gain or loss in an amount equal to the difference between the Purchase Price received by the Bondholder and the Bondholders' adjusted federal income tax basis in the tendered Target Bonds. The character of a Bondholders' gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors which vary depending on the particular circumstances of the tendering Bondholder. Bondholders should consult their tax advisors with respect to the proper tax treatment of a sale pursuant to an Offer, in light of their individual tax situation.

Amounts paid to Bondholders tendering their Target Bonds for purchase may be subject to "backup withholding" ("Backup Withholding") by reason of the events specified by Section 3406 of the Internal Revenue Code of 1986, as amended, which include failure of a Bondholder to supply the broker, dealer, commercial bank or trust company acting on behalf of such Bondholder with the Bondholder's taxpayer identification number certified under penalty of perjury, which is generally certified through an I.R.S Form W-9. Backup Withholding may also apply to Bondholders who are otherwise exempt from such Backup Withholding if such Bondholders fail to properly document their status as exempt recipients.

This federal income tax discussion is included for general information only and should not be construed as a tax opinion nor tax advice by the Issuer or any of its advisors or agents to Bondholders. Such discussion does not purport to deal with all aspects of federal income taxation that may be relevant to particular Bondholders (e.g., a foreign person, bank, thrift institution, personal holding company, tax-exempt organization, regulated investment company, insurance company, or other broker or dealer in securities or currencies). In addition to federal income tax consequences, the purchase of Target Bonds pursuant to Offers may be treated as a taxable event for other state and local and foreign tax purposes. Bondholders should not rely upon such discussion and are urged to consult their own tax advisors to determine the particular federal, state or local tax consequences of offer of sales made by them pursuant to the Offer, including the effect of possible changes in the tax laws.

DEALER MANAGERS

The Issuer has retained Wells Fargo Bank, National Association to act on its behalf as one of the Dealer Managers for this Invitation. Wells Fargo Bank N.A. is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a municipal securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

The Issuer has retained Goldman Sachs & Co. LLC to act on its behalf as one of the Dealer Managers for this Invitation.

References in this Invitation to the Dealer Managers are to Wells Fargo Bank N.A. and Goldman Sachs only in their capacity as the Dealer Managers.

The Dealer Managers may contact Bondholders regarding this Invitation and may request brokers, dealers, custodian banks, depositories, trust companies and other nominees to forward this Invitation to beneficial owners of Target Bonds.

The Dealer Managers and its affiliates together comprise a full-service financial institution engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Dealer Managers and its affiliates may have, from time to time, performed and may in the future perform, various investment banking services for the Issuer for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Dealer Managers and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities and financial instruments which may include bank loans and/or credit default swaps) for their own accounts and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment securities activities may involve securities and instruments of the Issuer, including the Target Bonds.

In addition to its role as Dealer Managers for the Target Bonds, Wells Fargo Bank N.A. and Goldman Sachs are also serving as underwriters of the Issuer's offering of the 2023 Bonds as described in the Preliminary Official Statement. Neither Dealer Manager is acting as a financial or municipal advisor to the Issuer in connection with this Invitation.

TENDER AGENT

The Issuer has retained Globic Advisors to serve as Information and Tender Agent for this Invitation. the Issuer has agreed to pay the Information and Tender Agent customary fees for its services and to reimburse the Information and Tender Agent for its reasonable out-of-pocket costs and expenses relating to this Invitation and accepted Offers.

MISCELLANEOUS

No one has been authorized by the Issuer, the Dealer Managers, or the Information and Tender Agent to recommend to any Bondholder whether to offer to sell and tender Target Bonds pursuant to this Invitation or the amount of Target Bonds to offer or the minimum price at above which they are offered. No one has been authorized to give any information or to make any representation in connection with this Invitation other than those contained in this Invitation and as described under "Section 3—Information to Bondholders" herein. No such recommendation, information or representation may be relied upon as having been authorized by the Issuer, the Dealer Managers or the Information and Tender Agent.

Neither the Issuer nor the Dealer Managers nor the Information and Tender Agent makes any recommendation that any Bondholder offer to sell at any price and tender (or refrain from offering and tendering) all or any portion of such Bondholder's Target Bonds. Bondholders must make these decisions and should read this Invitation and consult with their brokers, account executives, financial advisors and/or other professionals in doing so.

Investors with questions about this Invitation should contact the Dealer Managers or the Information and Tender Agent.

The Dealer Managers for this Invitation are:

WELLS FARGO BANK N.A.

Julie Burger: (212) 214-2825
Julie.Burger@wellsfargo.com

GOLDMAN SACHS & CO. LLC

Ruth Pan: (310) 407-5848
ruth.pan@gs.com

The Information and Tender Agent for this Invitation is:
Globic Advisors
485 Madison Avenue, 7th Floor
New York, New York 10022
Tel: (212) 227-9622
Attn: Robert Stevens
Email: rstevens@globic.com
Document Website: www.globic.com/sandag

[APPENDIX A

<u>SOLICITATION FEE PAYMENT REQUEST FORM</u>
with respect to the

Invitation to Tender dated ____, 2023
by
San Diego County Regional Transportation Commission

regarding

Sales Tax Revenue Bonds (Limited Tax Bonds) 2019 Series A (Taxable)
CUSIPs: 797400 LN6 and 797400LP1

San Diego County Regional Transportation Commission (the ***"Issuer"***) has agreed to pay or caused to be paid to any commercial bank or trust company having an office, branch or agency in the United States, and any firm which is a member of a registered national securities exchange or of the Financial Industry Regulatory Authority (an "***Eligible Institution***"), a solicitation fee of $[1.25] per $1,000 on the principal amount of Target Bonds purchased from each of its Retail Customers by the Issuer pursuant to the tender offer described in the Invitation to Tender dated _____, 2023 (the "***Invitation***"). A "***Retail Customer***" is an individual who owns less than $250,000 principal amount of Target Bonds and manages his or her own investments or an individual who owns less than $250,000 principal amount of Target Bonds whose investments are managed by an investment manager or bank trust department that holds the investments of that individual in a separate account in the name of that individual. **Eligible Institutions must submit to the Information and Tender Agent requests for payment of solicitation fees on a Solicitation Fee Payment Request Form no later than 5:00 p.m. on the second business day following the Expiration Date (the Expiration Date is presently set for ____, 2023), unless earlier terminated or extended. No solicitation fee will be paid on requests received after this time.**

No solicitation fee will be paid on requests submitted on an improperly completed Solicitation Fee Payment Request Form. Electronic copies of the completed Solicitation Fee Payment Request Forms may be submitted via email to the Information and Tender Agent at rstevens@globic.com. FAILURE TO COMPLETE ALL SECTIONS WILL RESULT IN NONPAYMENT. EACH SOLICITATION FEE PAYMENT REQUEST FORM MUST BE ELECTRONICALLY SIGNED BY A REGISTERED REPRESENTATIVE.

Each completed Solicitation Fee Payment Request Form constitutes a representation by the registered representative completing such form that such representative is a registered employee of their firm, which is a financial institution described in the first paragraph, that such representative personally solicited the offer from their firm's retail customer and, with respect to any tender offer, such representative has reviewed this transaction with their customer, and on behalf of their firm, such representative requests payment of the resulting solicitation fee. Each completed Solicitation Fee Payment Request Form constitutes a representation that (i) in making solicitations, I and my firm did not use any materials other than the Offer, (ii) my firm is entitled to this solicitation fee under the terms and conditions described above, and (iii) if my firm is a foreign broker or dealer not eligible for membership in the NASD, it has agreed to conform to the NASD's Rules of Fair Practice in making a solicitation outside the United States to the same extent as though it was a NASD member.

All questions as to the validity, form and eligibility (including the time of receipt) of the Solicitation Fee Payment Request Form will be determined by the Issuer, in its sole discretion, which determination will be final, conclusive and binding. None of the Issuer, the Dealer Managers, the Information and Tender Agent or any other person is under any duty to give notification of any defects or irregularities in any Solicitation Fee Payment Request Form or incur any liability for failure to give this notification.

SOLICITATION FEE PAYMENT REQUEST FORM

As described in the Invitation, the Issuer will pay a soliciting dealer fee of $[1.25] per $1,000 of up to the first $250,000 par amount of Target Bonds that is validly tendered and accepted for payment to soliciting dealers that are appropriately designated by their clients to receive this fee. The soliciting dealer fee will only be paid to each designated soliciting dealer for each Bondholder that owns and submits Target Bonds with an aggregate principal amount of no more than $250,000. In order to be eligible to receive the soliciting dealer fee, this form, properly completed, must be received by the Information and Tender Agent no later than [5:00] p.m., New York City time, on the second business day following the Expiration Date of the Tender Offer. The Issuer reserves the right to audit any soliciting dealer to confirm bona fide submission of this form. The Issuer shall, in its sole discretion, determine whether a soliciting dealer has satisfied the criteria for receiving a soliciting dealer fee (including, without limitation, the submission of the appropriate documentation without defects or irregularities and in respect of bona fide tenders). Such soliciting dealer fee will be paid within a reasonable amount of time after the Settlement Date. The Issuer will not reimburse a soliciting dealer for any expenses it incurs in connection with the Tender Offer. No brokerage commissions are payable by Bondholders to the Dealer Manager, the Information and Tender Agent or the Issuer. Capitalized terms used and not defined herein shall have the respective meanings ascribed to them in the Offer.

Name of Firm: ____

DTC Participant Number: ____

Authorized Contact: ____

Telephone Number of Broker: ____

Address of Broker: ____

E-Mail: ____

Signature: ______________________________ Date: ______________________

MEDALLION STAMP BELOW

Deliver this executed Solicitation Fee Payment Request Form to the Information/Tender Agent prior to the second business day following the Expiration Date.

The Information and Tender Agent, Globic Advisors, Attn: Robert Stevens,
(Tel.) 212-227-9699, (Fax) 212-271-3252, and (E-mail) rstevens@globic.com

SCHEDULE OF BONDS SUBJECT TO THE SOLICITATION TERMS

Please complete the following.

*****If available, please submit your schedule as formatted below in MS Excel.*****

Please follow the same line headers as listed below. Schedules may be e-mailed to rstevens@globic.com with the completed Solicitation Fee Payment Request Form attached or to follow.

CUSIP	Par Amount	VOI Number	Client Name/Account # (*Optional*)
	TOTAL		

SOLICITATION FEE PAYMENT INSTRUCTIONS

Please choose payment delivery method.

Delivery Via Check ☐

Issue Check to: ______________________________

Name of Firm: ______________________________

Attention: ______________________________

Address: ______________________________

Phone Number: ______________________________

Taxpayer Identification: ______________________________

Delivery Via Wire ☐

Bank Name: ______________________________

City, State: ______________________________

ABA or Bank Number: ______________________________

Swift Code: ______________________________

Account Name: ______________________________

Account Number: ______________________________

Re: ______________________________

Taxpayer Identification Number: ______________________________

The acceptance of compensation by such soliciting dealer will constitute a representation by it that (1) it has complied with applicable requirements of the Securities Exchange Act of 1934, as amended, and the applicable rules and regulations thereunder, in connection with such solicitation; (2) it is entitled to such compensation for such solicitation under the terms and conditions of the Offer; (3) in soliciting a tender of Target Bonds, it has used no solicitation materials other than the Offer furnished by the Issuer; (4) it has complied with all instructions from the Dealer Manager in connection with the Offer; and (5) if it is a foreign broker or dealer not eligible for membership in the Financial Industry Regulatory Authority (the "***FINRA***"), it has agreed to conform to the FINRA's Rules of Fair Practice in making solicitations.]

APPENDIX B

FORM OF PRICING NOTICE

SANDAG

Proposed 2023 Bond Issuance: Refunding and Termination of Interest Rate Swap Agreements

Presentation of Near Final Documents for Recommendation

Transportation Committee | Item 4
Andre Douzdjian, SANDAG
Peter Shellenberger, PFM
Jonathan Guz, Stradling Yocca Carlson & Rauth
Victor Hsu, Norton Rose Fulbright
June 2, 2023

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2023 Bond Financing Team

San Diego Association of Governments
- Hasan Ikhrata, Chief Executive Officer
- Andre Douzdjian, Chief Financial Officer
- John Kirk, General Counsel
- Ray Major, Deputy Chief Executive Officer, Business Operations
- Dawn Vettese, Innovative Finance Director

Financial Advisors, PFM Financial Advisors LLC
- Peter Shellenberger, Managing Director

Swap Advisors, PFM Swap Advisors LLC
- George Hu, Director

Bond Counsel, Stradling Yocca Carlson and Rauth
- Jonathan Guz, Partner

Disclosure Counsel, Norton Rose Fulbright US, LLP
- Victor Hsu, Partner

Senior Underwriter, Wells Fargo
- Julie Burger, Managing Director

Co-Senior Underwriter, Goldman Sachs
- Ruth Pan, Vice President

Co-Managing Underwriters, BAML, JP Morgan, Ramirez

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2023 Bond Issuance Presentation

1. Proposal Recap
   — Refunding
   — Swap termination
2. Size and structure
3. Credit rating
4. Bond Documents
5. Calendar of events

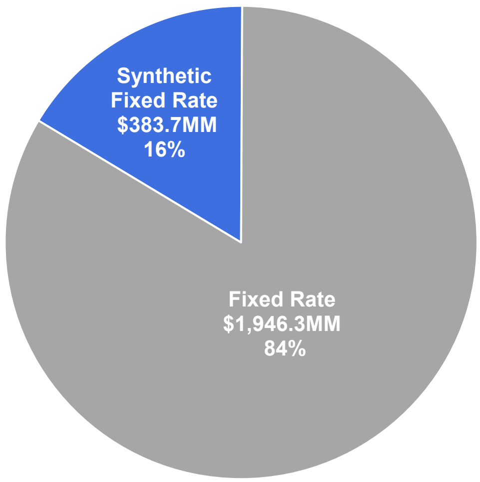
Current Bond Portfolio

Summary of Outstanding Debt

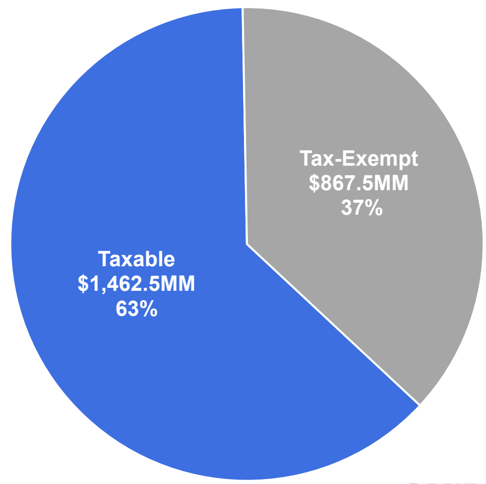
Series	Lien	Tax Status	Coupon Type	Original Issue Size	Outstanding Par	Call Option	Final Maturity
2008A	Senior	Tax-Exempt	Synthetic Fixed Rate	$150,000,000	95,925,000	Current	4/1/2038
2008B	Senior	Tax-Exempt	Synthetic Fixed Rate	$150,000,000	95,925,000	Current	4/1/2038
2008C	Senior	Tax-Exempt	Synthetic Fixed Rate	$150,000,000	95,925,000	Current	4/1/2038
2008D	Senior	Tax-Exempt	Synthetic Fixed Rate	$150,000,000	95,925,000	Current	4/1/2038
2010A	Senior	Taxable	Fixed Rate	$338,960,000	338,960,000	Make-Whole	4/1/2048
2014A	Senior	Tax-Exempt	Fixed Rate	$350,000,000	6,460,000	4/1/2024	4/1/2024
2016A	Senior	Tax-Exempt	Fixed Rate	$325,000,000	291,265,000	4/1/2026	4/1/2048
2019A	Senior	Taxable	Fixed Rate	$442,620,000	436,185,000	4/1/2030	4/1/2048
2020A	Senior	Tax-Exempt	Fixed Rate	$74,820,000	69,955,000	4/1/2030	4/1/2048
2021A	Senior	Taxable	Fixed Rate	$149,840,000	149,840,000	4/1/2031	4/1/2048
2021B	Subordinate	Tax-Exempt	Fixed Rate	$116,150,000	116,150,000	4/1/2031	4/1/2039
TIFIA	Junior Sub.	Taxable	Fixed Rate	$537,484,439	537,484,439	Anytime	10/1/2045
Total				$2,934,874,439	$2,329,999,439		

Composition of Bond Portfolio

Outstanding Par Breakdown by Fixed and Hedged



Outstanding Par Breakdown by Tax Status



Why We Are Issuing These Bonds

1. Lower SANDAG's borrowing cost through debt service savings
2. Simplify SANDAG's portfolio by eliminating interest rate swaps and variable rate bonds
3. LIBOR phase-out and transition to SOFR

Summary of Transaction

1. Refund variable rate bonds Series 2008 A-D and eliminate all associated interest rate swaps
   — Convert $383.7 million of variable rate bonds to traditional tax-exempt, fixed rate bonds
   — Terminate all associated interest rate swaps
2. Refund a portion of the Series 2019A bonds for debt service savings
   — Refunding up to $436.2 million outstanding 2019A bonds depending on market conditions

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Size and Structure

2023 Series A Bonds (Refunding):

- Par Amount: ~$350 - $820 million
  — 2008 Series A-D Bonds
  — 2019 Series A Bonds
    - Advanced refunding
    - Tender
- Combined Plan of Finance NPV Savings: ~$22 - $35 million
- Tax Status: Tax Exempt
- Lien: Senior

Preliminary, Subject to Change

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Credit Rating Agency Reviews

- Current high credit ratings on SANDAG debt program
- Current ratings – **Senior Lien:**
  - Standard & Poor's: AAA
  - Fitch: AAA
  - Moody's: Aa2
- Current ratings – Subordinate Lien:
  - Standard & Poor's: AA
  - Fitch: AA
- Current ratings – Junior Subordinate Lien:
  - Standard & Poor's: A+
  - Fitch: A+

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2023 Bond Documents

1. PFM Memo
2. Resolution
3. Draft Thirteenth Supplemental to Senior Indenture
4. Draft Bond Purchase Agreement
5. Draft Preliminary Official Statement
6. Draft Continuing Disclosure Agreement
7. Draft Dealer Manager Agreement
8. Draft Invitation to Tender

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Financial Advisor Memo
(Attachment 1)

- Market Update
- Swap Termination Discussion
- 2023 Bond Refunding Structure
- Tender Offer
- Financial Considerations

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Resolution
(Attachment 2)

- The Resolution authorizes issuance of the 2023 Refunding Bonds and approves the following documents
  - Preliminary Official Statement
  - Thirteenth Supplemental to Senior Indenture
  - Bond Purchase Agreement
  - Continuing Disclosure Agreement
  - Dealer Manager Agreement
  - Invitation to Tender
- The Resolution also approves other actions and matters relating to the 2023 Bonds, including the escrow and dealer-manager agreements

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Thirteenth Supplemental to Senior Indenture
(Attachment 3)

- Supplements the Master Indenture relating to SANDAG's senior revenue bonds
- Sets forth repayment and redemption provisions with respect to the 2023 refunding bonds
- Applies bond proceeds towards
  - — redemption of 2008A-D bonds
  - — swap termination payments
  - — purchase of tendered 2019A bonds
  - — funding an escrow for refunded 2019A bonds
  - — costs of issuance

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Bond Purchase Agreement
(Attachment 4)

- Agreement by underwriters to purchase 2023 refunding bonds from SANDAG
- Sets forth certain representations of SANDAG
- Identifies documents, opinions, and other requirements necessary to close the financing

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Preliminary Official Statement
(Attachment 5)

- The Preliminary Official Statement is used to sell the bonds and disclose all material information to the potential buyers of the bonds

Continuing Disclosure Agreement
(Attachment 6)

- SANDAG commitment to provide ongoing financial and operating information to the marketplace after the initial issuance of the 2023 Bonds in compliance with SEC rules

Draft Dealer Manager Agreement
(Attachment 7)

- The dealer manager agreement is the agreement with the party identified to assist SANDAG in conducting the tender
- Sets forth certain representations of SANDAG
- Identifies documents, opinions, and other requirements related to the tender

Invitation to Tender Bonds
(Attachment 8)

- The invitation to tender Bonds is a disclosure and marketing document for the tender offer
- Incorporating a tender of select outstanding maturities into SANDAG's upcoming refunding can (1) improve PV savings, (2) increase number of bonds successfully refunded, and (3) optimize marketing between taxable and tax-exempt series

Cost of Issuance

Estimated Cost of Issuance		
Firm	**Role**	**Fee**
Stradling Yocca Carlson & Rauth	Bond Counsel	$120,000.00
Norton Rose Fulbright	Disclosure Counsel	$103,200.00
PFM	Municipal Advisor	$85,000.00
PFM Swap Advisors	Swap Advisor	$62,500.00
US Bank	Trustee	$9,825.00
TBD	Verification Agent	$4,250.00
Bond Link	Printer	$21,000.00
Underwriting Syndicate	Underwriter (Takedown)	$886,012.00
Wells Fargo/Goldman Sachs	Dealer Manager Fee	$264,000.00
Globic	Tender/Information Agent	$8,400.00
Fitch	Rating Agency	$142,000.00
S&P	Rating Agency	$163,000.00
Contingency	Miscellaneous	$25,000.00
	Grand Total	**$1,894,187.00**

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Next Steps

June 9
Near final documents to Board of Directors for Approval

Week of June 12
Post Preliminary Official Statement and Invitation to Tender

Week of June 26
Anticipated pricing date

Week of July 10
Anticipated closing date

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Email: pio@sandag.org

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June 2, 2023

Transportation Development Act: FY 2023 Productivity Improvement Program and FY 2024 Allocations

Action: Recommend

The Transportation Committee is asked to recommend that the Board of Directors approve the eligibility of the Metropolitan Transit System and North County Transit District to receive their FY 2024 Transportation Development Act allocations of funds.

Fiscal Impact:

Approval of the requests will allow the requesting agencies to claim and receive their full FY 2024 Transportation Development Act revenue apportionment. Denial of the eligibility request may result in a potential reduction of funding of $4.08 million for the Metropolitan Transit System and $1.95 million for the North County Transit District.

Schedule/Scope Impact:

None.

Overview

The Transportation Development Act (TDA) provides one-quarter percent of the state sales tax for operating and capital support of public transportation systems and non-motorized transportation projects. SANDAG, as the designated Regional Transportation Planning Agency, is responsible for the allocation of TDA funds to the region's cities, county, transit operators, and the Consolidated Transportation Service Agency (CTSA).

Pursuant to California Public Utilities Code Section 99244, a transit operator can be allocated no more in FY 2024 than it was allocated in FY 2023 unless the region's transportation planning agency determines that the operator made a reasonable effort to implement the productivity improvement recommendations adopted after the last triennial TDA audit (completed in June 2022).

On February 24, 2023, the Board of Directors approved the TDA estimated apportionment of $205.77 million for FY 2024 for the Metropolitan Transit System (MTS) ($135.51 million) and the North County Transit District (NCTD) ($55.48 million). The FY 2023 apportionment for MTS was $131.43 million and $53.53 million for NCTD.

Key Considerations

The transit industry has faced many challenges since the outbreak of the COVID-19 pandemic. Ridership (and revenue) declined sharply in March 2020, when the Governor of California signed Executive Order N-33-20 ordering Californians to stay at home. Ridership drops were on the order of 50% for most transit service and 80-90% for express and commuter services. Recognizing the effect of the pandemic on transit revenues as well as the requirements set forth in the TDA, the Governor of California signed Assembly Bill 90 (AB 90) on June 29, 2020, which prohibits the imposition of penalties on transit operators who do not maintain their required ratios of fare revenues to operating costs in the 2019-2020 or 2020-2021 fiscal years. AB 149 was passed subsequent to AB 90, and it extends the exemption for another two fiscal years (2022 and 2023). MTS and NCTD have implemented ridership recovery campaigns to stem the ridership losses and the agencies are starting to see positive changes in the performance metrics across the board for all services. Both transit agencies have experienced difficulties as a result of the ongoing bus operator shortage. MTS and NCTD have made many efforts to increase hourly pay and signing bonuses. Due to the increased incentives, both agencies have seen a surge in the hiring and retention of operators. While they have not been able to get back to providing full-service levels, they do anticipate adding service this summer and fall, with the hopes of returning to full-service in 2024.

Operator Performance Review

SANDAG evaluates operator effort by tracking performance measures over a rolling three-year period, as well as an annual review of actions taken by each operator to address recommendations received during the triennial audit. Based on the performance measures monitored as part of the TDA Productivity Improvement Program (Attachments 1 and 2), and the agencies responses to the audit recommendations (Attachments 3 and 4), staff has determined that MTS and NCTD have made reasonable efforts toward achieving their respective FY 2023 productivity improvements and should be allocated their full allocation of FY 2024 TDA funds.

CTSA Performance Review

At the direction of the Transportation Committee, SANDAG amended its contract agreement with Full Access to Coordinated Transportation (FACT), the designated CTSA for San Diego County, in June 2019 to add performance measures. FACT's FY 2023 Quarter 2 report is included in Attachment 5 as a sample of the quarterly report submissions received since FY 2020. The monitoring report shows that FACT is complying with all requirements in the agreement.

Next Steps

Following its recommendation to the Board regarding operator eligibility for receipt of TDA fund allocations, the Transportation Committee at its next meeting will be asked to review the TDA resolutions and consider a recommendation to the Board. At its June 23, 2023, meeting, the Board will be asked to consider the recommendations of the Transportation Committee regarding both operator eligibility and resolutions for receipt of TDA funds.

Pending approval of the TDA claims by the Board on June 23, 2023, the County Auditor would disburse TDA monies in accordance with the allocation instructions from SANDAG. SANDAG staff will continue to monitor the performance indicators on a quarterly basis.

Antoinette Meier, Senior Director of Regional Planning

Key Staff Contact: Ashley Wiley, (619) 595.5382, ashley.wiley@sandag.org

Attachments:
1. FY 2023 Productivity Improvement Performance Measures Summary
2. FY 2023 Productivity Improvement Performance Measure Results by Mode
3. MTS Annual TDA Claim Form (Form B)
4. NCTD Annual TDA Claim Form (Form B)
5. CTSA Performance Monitoring Report FY 2023, Quarter 2

FY 2023 Productivity Improvement Performance Measures Summary

This summary provides an overview of the Metropolitan Transit System (MTS) and the North County Transit District's (NCTD) performance through Quarter 2 of FY 2023. Attachment 2 includes charts for each of the six performance measures by mode. In the years prior to the COVID-19 outbreak, both MTS and NCTD had worked to improve ridership after years of decline. This downward trend was not unique to the San Diego region. MTS implemented its Transit Optimization Plan, while NCTD also implemented significant service changes to increase productivity. Both agencies also looked to stabilize ridership and revenue metrics by updating the regional fare ordinance and reinvesting resources from underutilized services into more productive areas and routes with high demand.

However, with the outbreak of the COVID-19 global pandemic in early 2020, the agencies faced declines in ridership while working to protect the health and safety of their employees and riders. With the pandemic subsiding, the agencies are starting to see returns in ridership for all services.

MTS FY 2023 Quarter 2 Performance

The results of the FY 2023 Quarter 2 MTS performance trend analysis indicate that:

- *MTS Trolley* has seen a 12.6 percent decrease in the operating cost per passenger, a 0.1 percent decrease in the operating cost per revenue hour, a 14.2 percent increase in passengers per revenue hour, and a 12.8 percent increase in passengers per revenue mile since Quarter 2 in FY 2022.
- *MTS Bus* has seen a 21.8 percent decrease in the operating cost per passenger, a 6 percent increase in the operating cost per revenue hour, a 35.6 percent increase in passengers per revenue hour, and a 36.1 percent increase in passengers per revenue mile since Quarter 2 in FY 2022.
- *Rapid* (Routes 201, 202, 204, 215, 225, 235, and 237) has seen a 34.7 percent decrease in the operating cost per passenger, a 3.7 percent decrease in the operating cost per revenue hour, a 47.4 percent increase in passengers per revenue hour, and a 47.8 percent increase in passengers per revenue mile since Quarter 2 in FY 2022.
- *MTS ADA* has seen a 23.2 percent decrease in the operating cost per passenger, a 4.5 percent decrease in the operating cost per revenue hour, a 24.3 percent increase in passengers per revenue hour, and a 16 percent increase in passengers per revenue mile since Quarter 2 in FY 2022.
- MTS farebox recovery rate for fixed-route services ended the quarter at 21 percent. This is above the 20.0 percent TDA minimum threshold requirement.

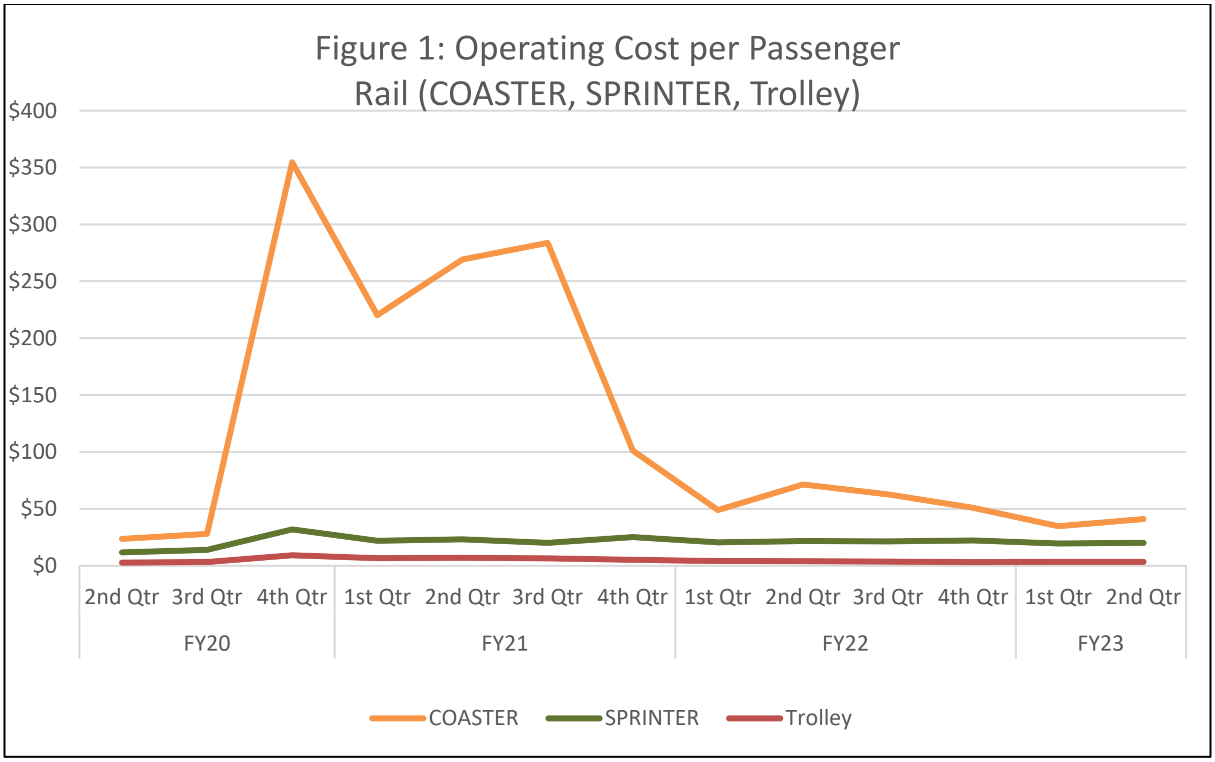
For ADA services, the farebox recovery rate ended the quarter at 7.56 percent, and is below the TDA minimum threshold of 10 percent.

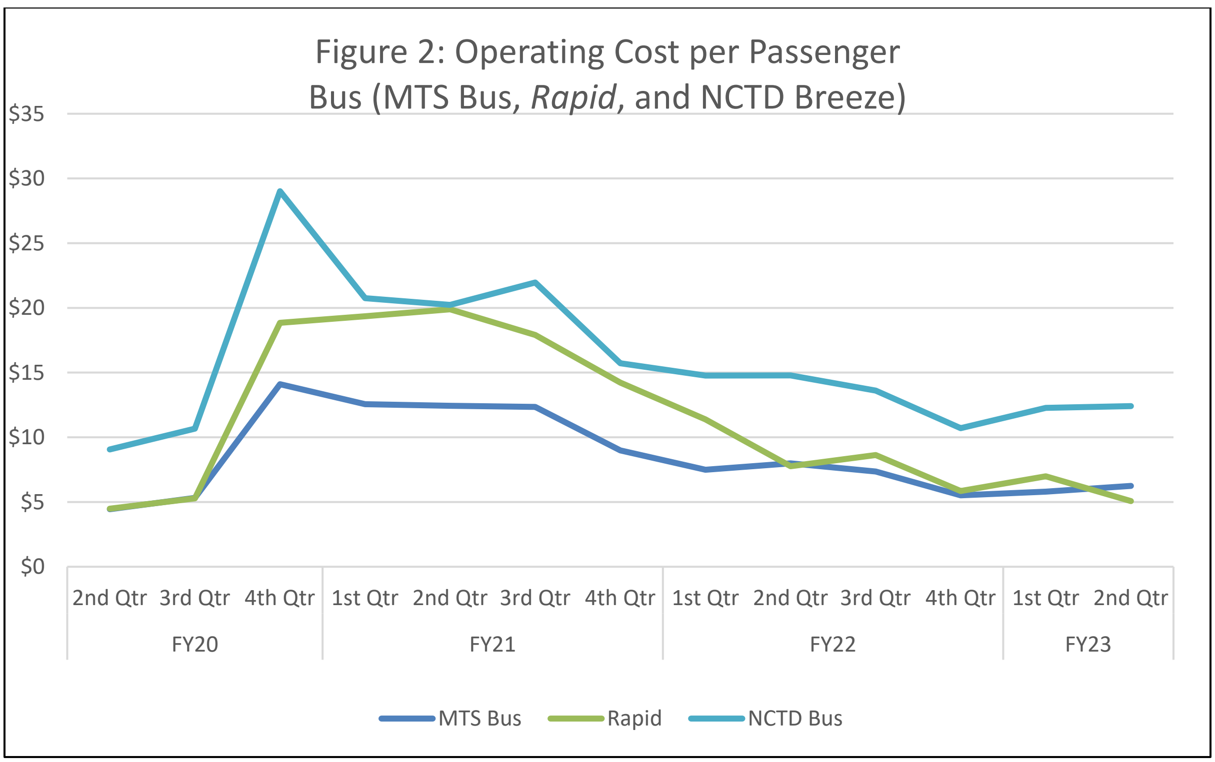
NCTD FY 2023 Quarter 2 Performance

The results of the FY 2023 Quarter 2 NCTD performance trend analysis indicate that:

- *NCTD COASTER* has seen a 42.5 percent decrease in the operating cost per passenger, a 16.9 percent decrease in the operating cost per revenue hour, a 44.6 percent increase in passengers per revenue hour, and a 73 percent increase in passengers per revenue mile since Quarter 2 in FY 2022.
- *NCTD SPRINTER* has seen a 6.8 percent decrease in the operating cost per passenger, a 5.6 percent decrease in the operating cost per revenue hour, a 1.3 percent increase in passengers per revenue hour, and a 51.3 percent increase in passengers per revenue mile since Quarter 2 in FY 2022.
- *NCTD BREEZE* (including FLEX) has seen a 16.1 percent decrease in the operating cost per passenger, an 8 percent increase in the operating cost per revenue hour, a 28.7 percent increase in passengers per revenue hour, and a 26.4 percent increase in passengers per revenue mile since Quarter 2 in FY 2022.
- *NCTD ADA* has seen a 10.9 percent decrease in the operating cost per passenger, a 6 percent decrease in the operating cost per revenue hour, a 5.5 percent increase in passengers per revenue hour, and a 3.3 percent decrease in passengers per revenue mile since Quarter 2 in FY 2022.
- NCTD farebox recovery rate for fixed-route services ended the quarter at 8.55 percent, which is below the 18.8 percent TDA minimum threshold requirement. For ADA services, the farebox recovery rate ended the quarter at 1.57 percent, which is below the TDA minimum threshold of 10 percent.

Q2 FY 2023 Productivity Improvement Results Evaluation





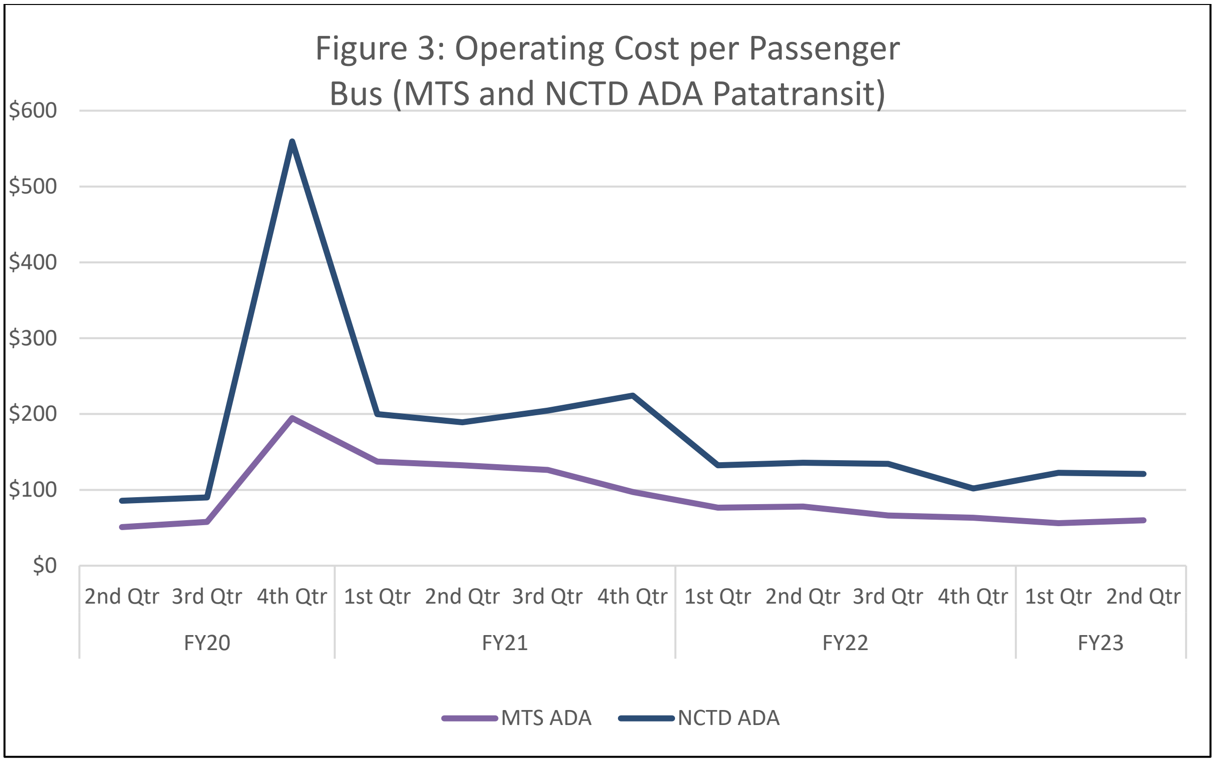


Figure 3: Operating Cost per Passenger
Bus (MTS and NCTD ADA Patatransit)
$600
$500
$400
$300
$200
$100
$0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20 FY21 FY22 FY23
MTS ADA
NCTD ADA

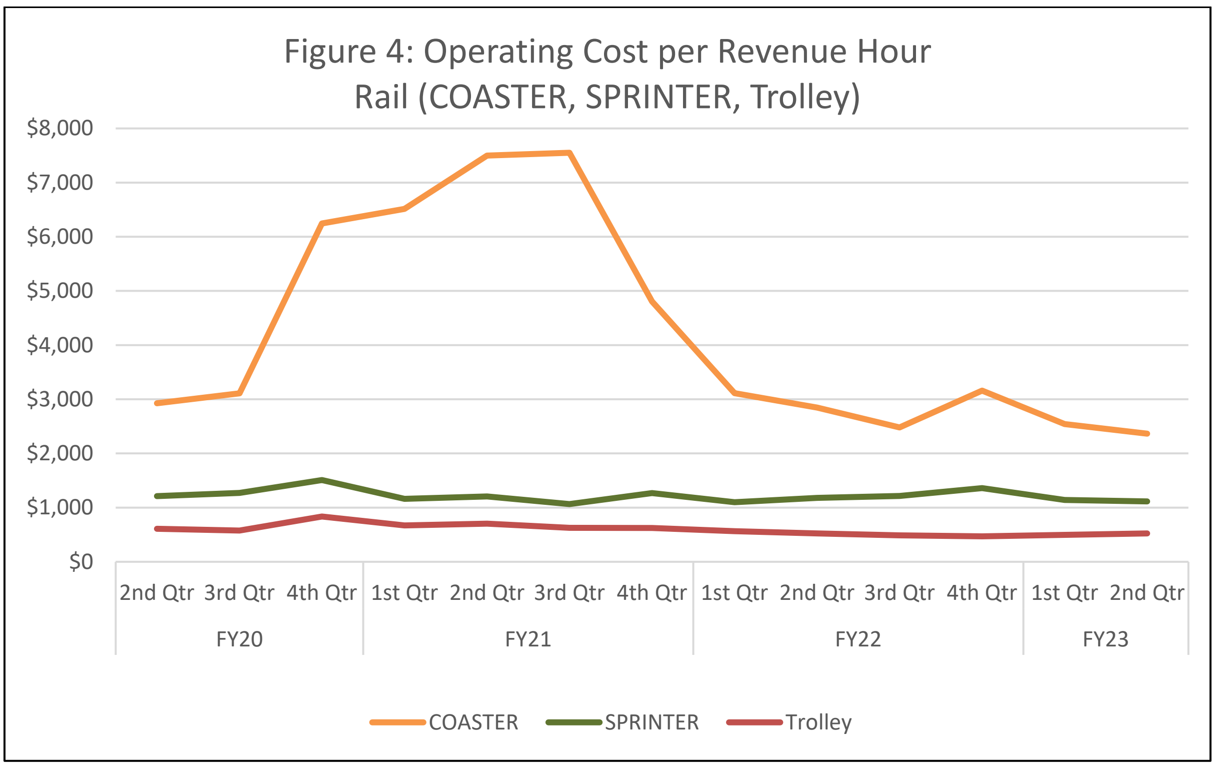


Figure 4: Operating Cost per Revenue Hour
Rail (COASTER, SPRINTER, Trolley)
$8,000
$7,000
$6,000
$5,000
$4,000
$3,000
$2,000
$1,000
$0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20 FY21 FY22 FY23
COASTER
SPRINTER
Trolley

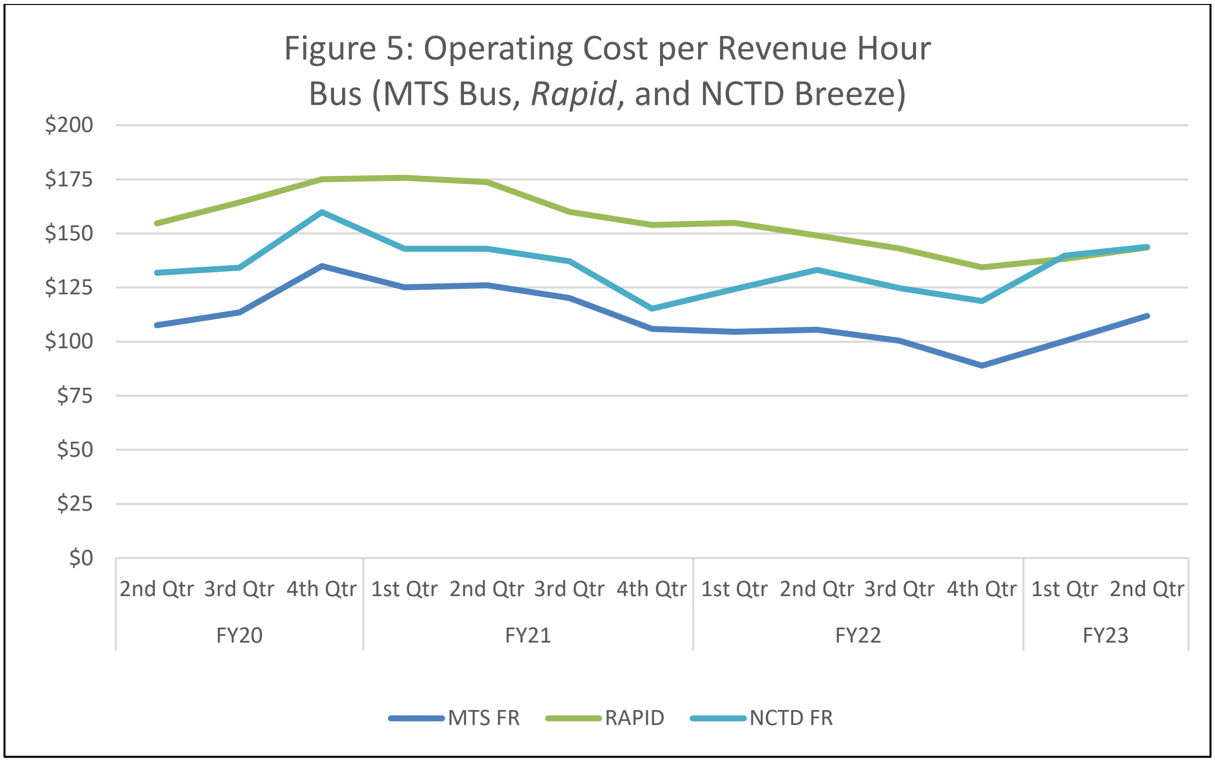


Figure 5: Operating Cost per Revenue Hour
Bus (MTS Bus, *Rapid*, and NCTD Breeze)
$200
$175
$150
$125
$100
$75
$50
$25
$0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
MTS FR
RAPID
NCTD FR

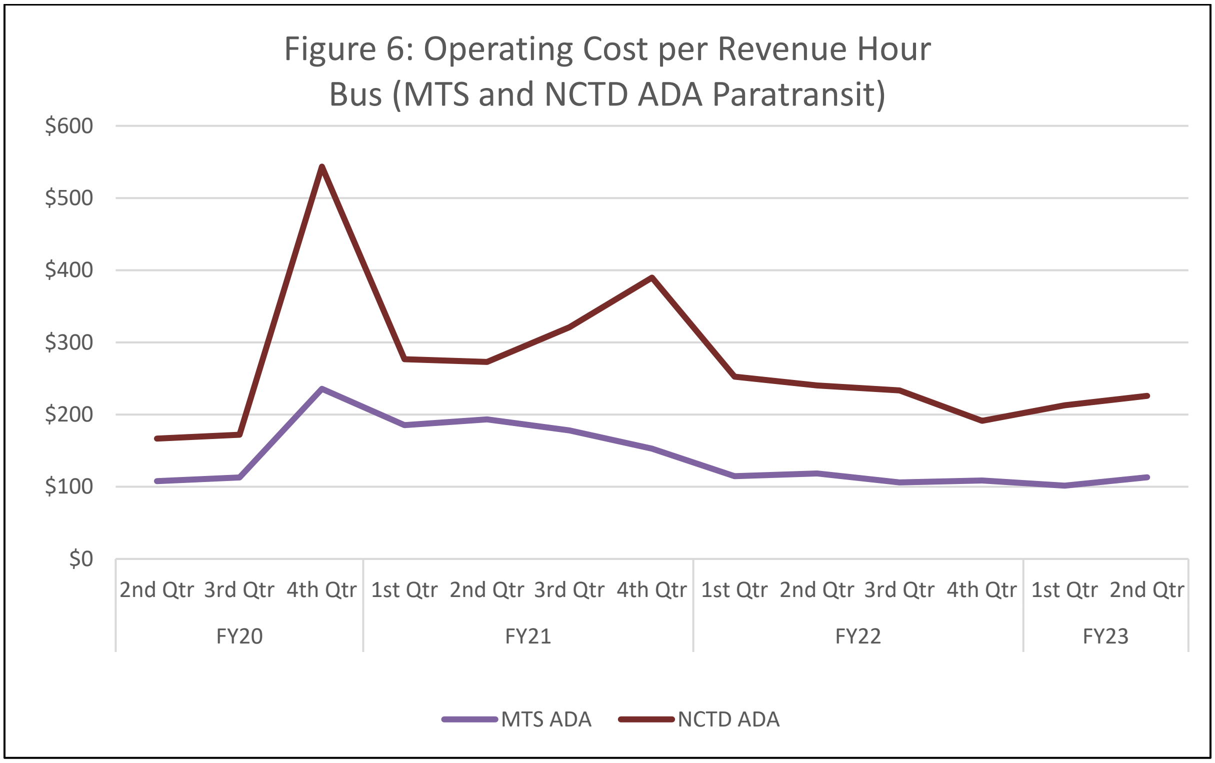


Figure 6: Operating Cost per Revenue Hour
Bus (MTS and NCTD ADA Paratransit)
$600
$500
$400
$300
$200
$100
$0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
MTS ADA
NCTD ADA

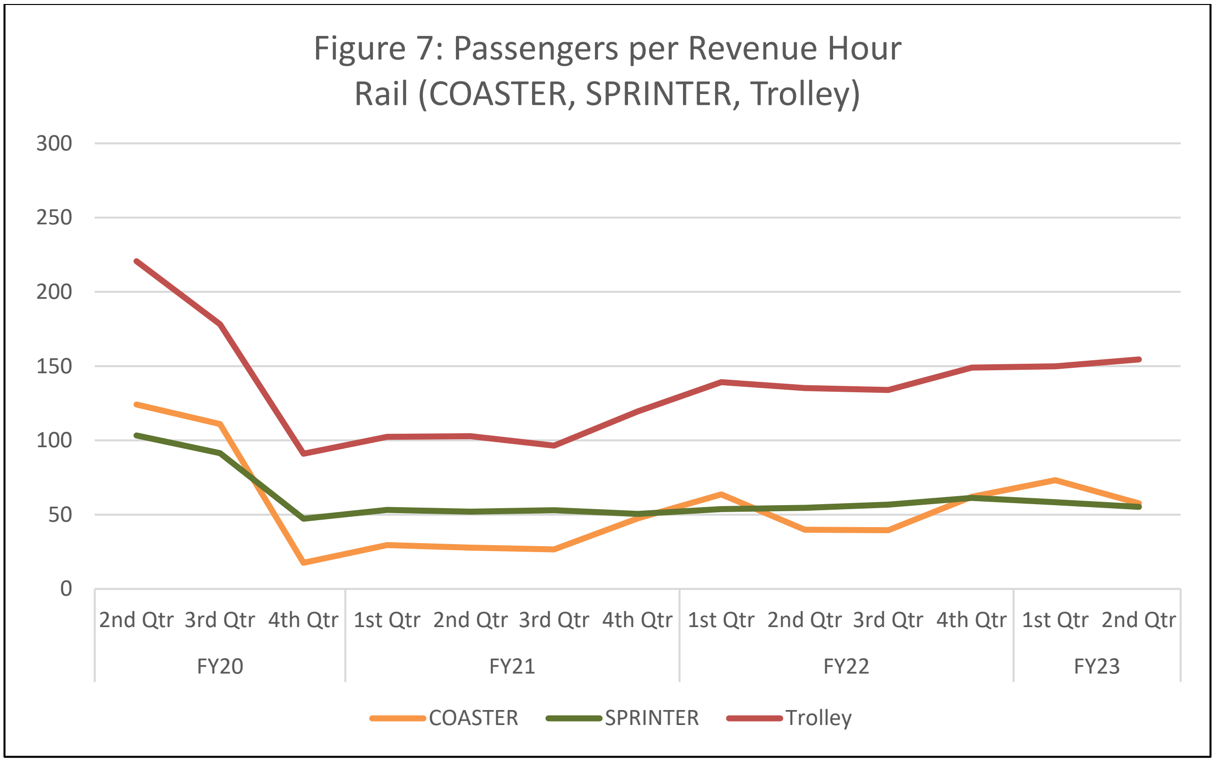


Figure 7: Passengers per Revenue Hour
Rail (COASTER, SPRINTER, Trolley)
300
250
200
150
100
50
0
2nd Qtr 3rd Qtr 4th Qtr
FY20
1st Qtr 2nd Qtr 3rd Qtr 4th Qtr
FY21
1st Qtr 2nd Qtr 3rd Qtr 4th Qtr
FY22
1st Qtr 2nd Qtr
FY23
COASTER
SPRINTER
Trolley

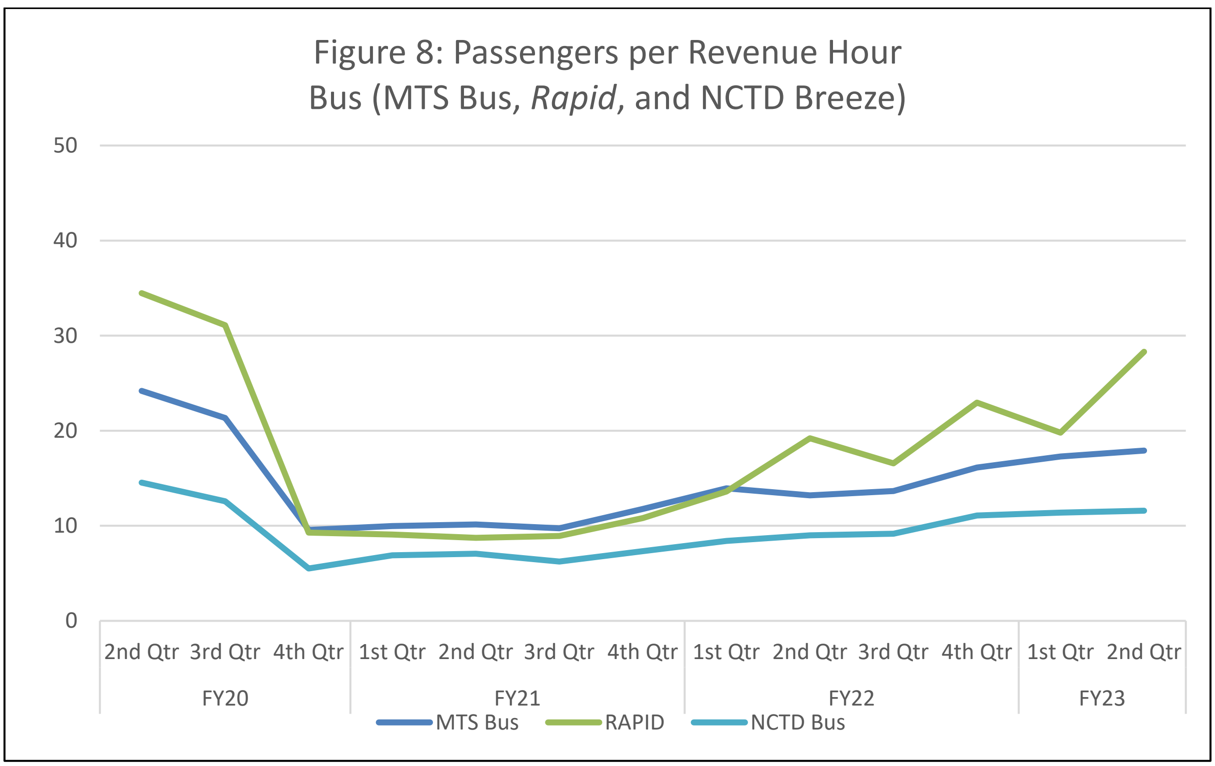


Figure 8: Passengers per Revenue Hour
Bus (MTS Bus, *Rapid*, and NCTD Breeze)
50
40
30
20
10
0
2nd Qtr 3rd Qtr 4th Qtr
FY20
1st Qtr 2nd Qtr 3rd Qtr 4th Qtr
FY21
1st Qtr 2nd Qtr 3rd Qtr 4th Qtr
FY22
1st Qtr 2nd Qtr
FY23
MTS Bus
RAPID
NCTD Bus

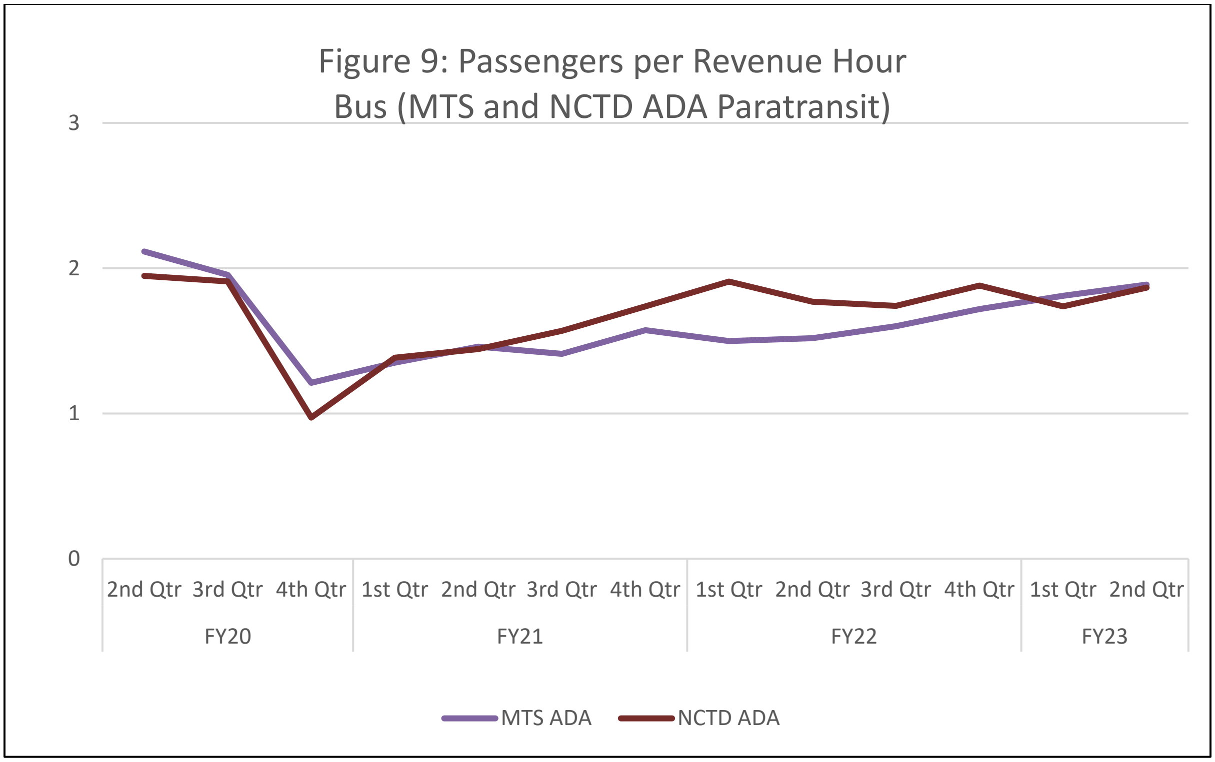


Figure 9: Passengers per Revenue Hour
Bus (MTS and NCTD ADA Paratransit)
3
2
1
0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
MTS ADA
NCTD ADA

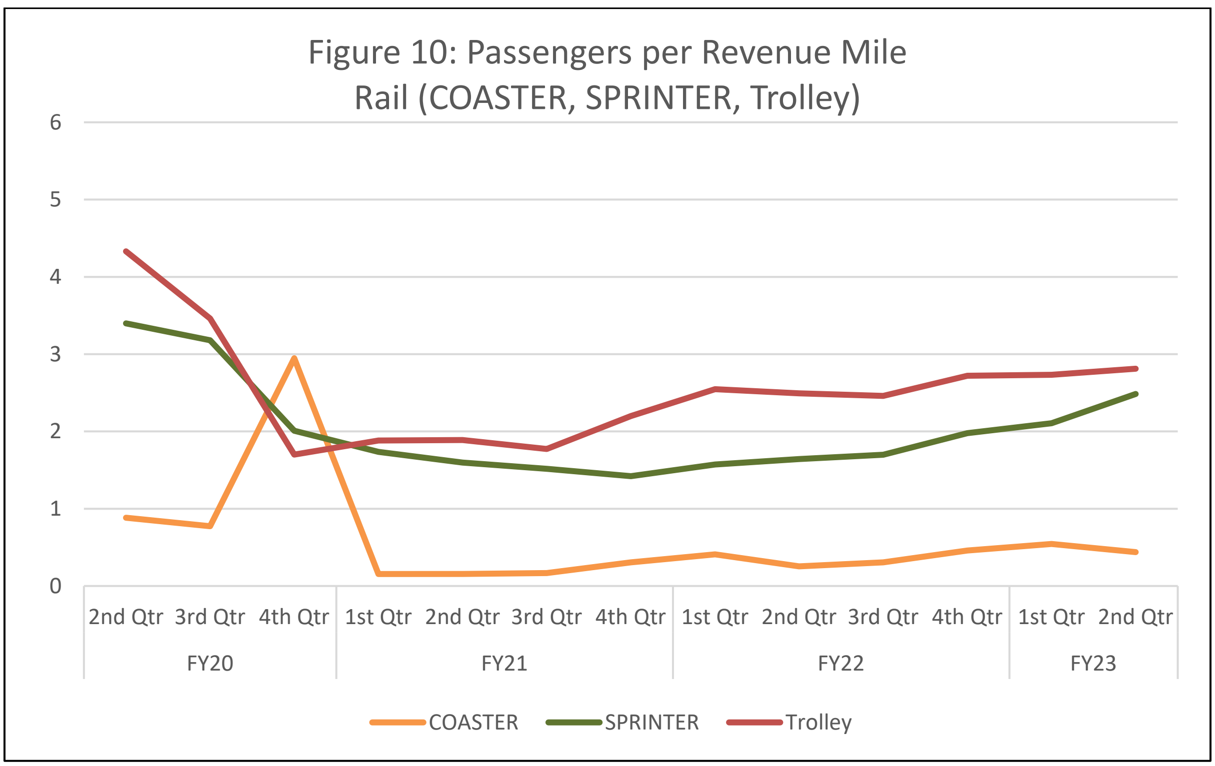


Figure 10: Passengers per Revenue Mile
Rail (COASTER, SPRINTER, Trolley)
6
5
4
3
2
1
0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
COASTER
SPRINTER
Trolley

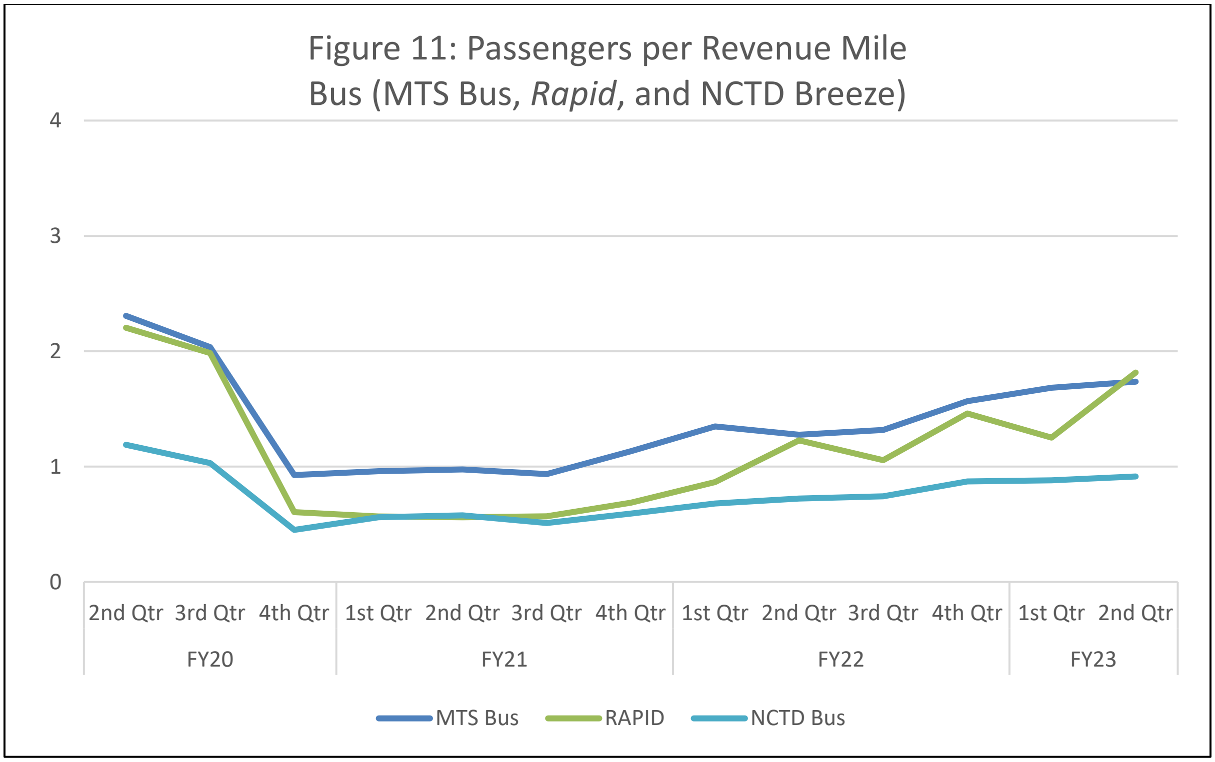


Figure 11: Passengers per Revenue Mile
Bus (MTS Bus, *Rapid*, and NCTD Breeze)
4
3
2
1
0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
MTS Bus
RAPID
NCTD Bus

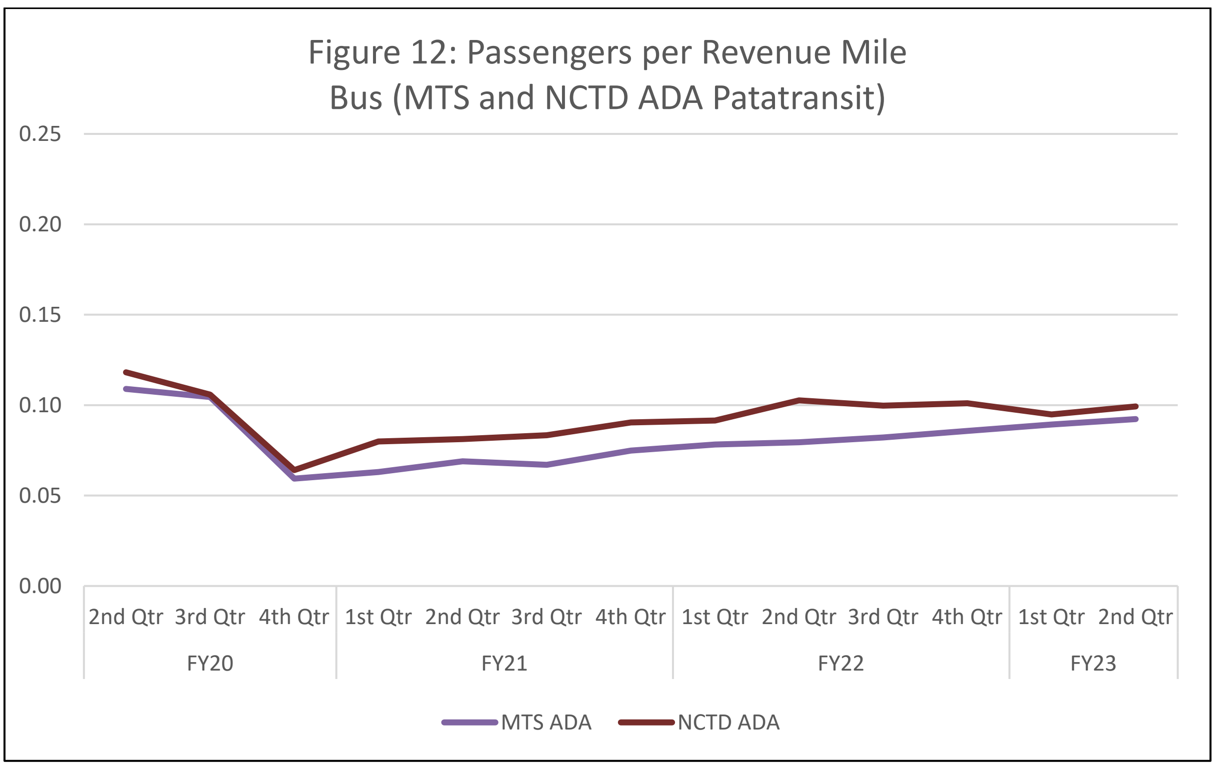


Figure 12: Passengers per Revenue Mile
Bus (MTS and NCTD ADA Patatransit)
0.25
0.20
0.15
0.10
0.05
0.00
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
MTS ADA
NCTD ADA

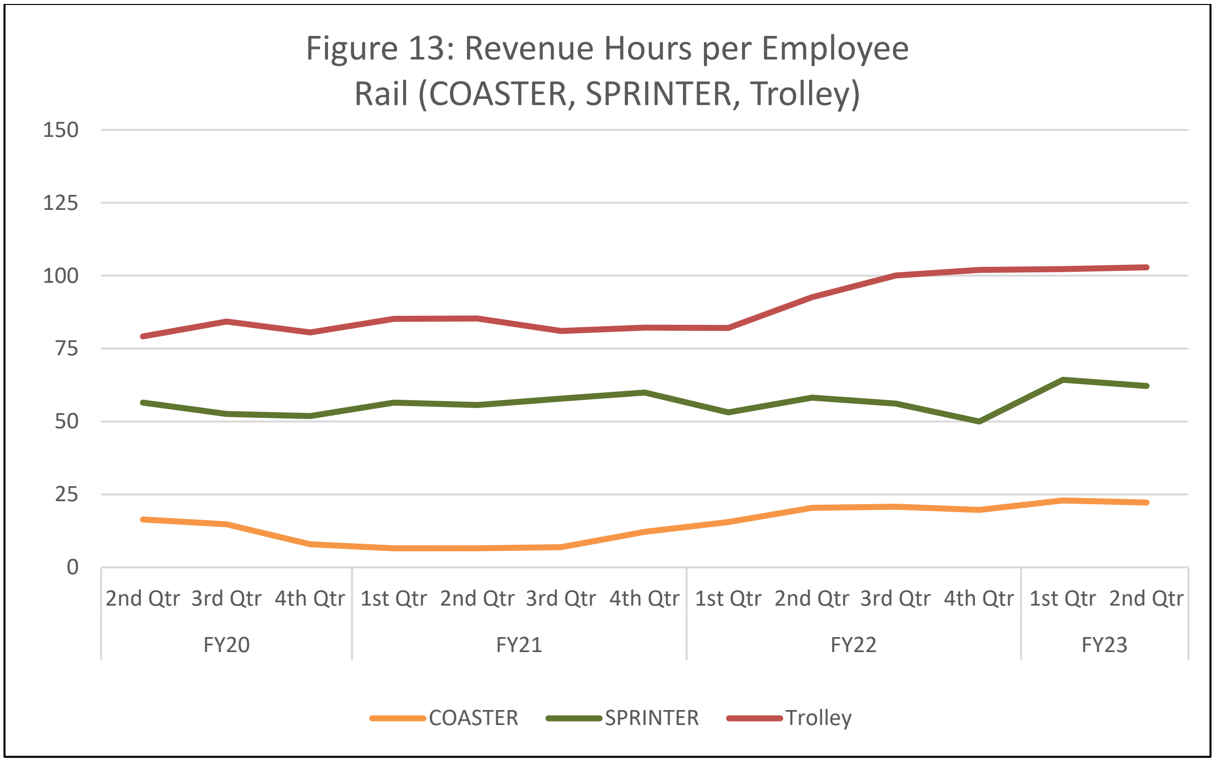


Figure 13: Revenue Hours per Employee
Rail (COASTER, SPRINTER, Trolley)
150
125
100
75
50
25
0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
COASTER
SPRINTER
Trolley

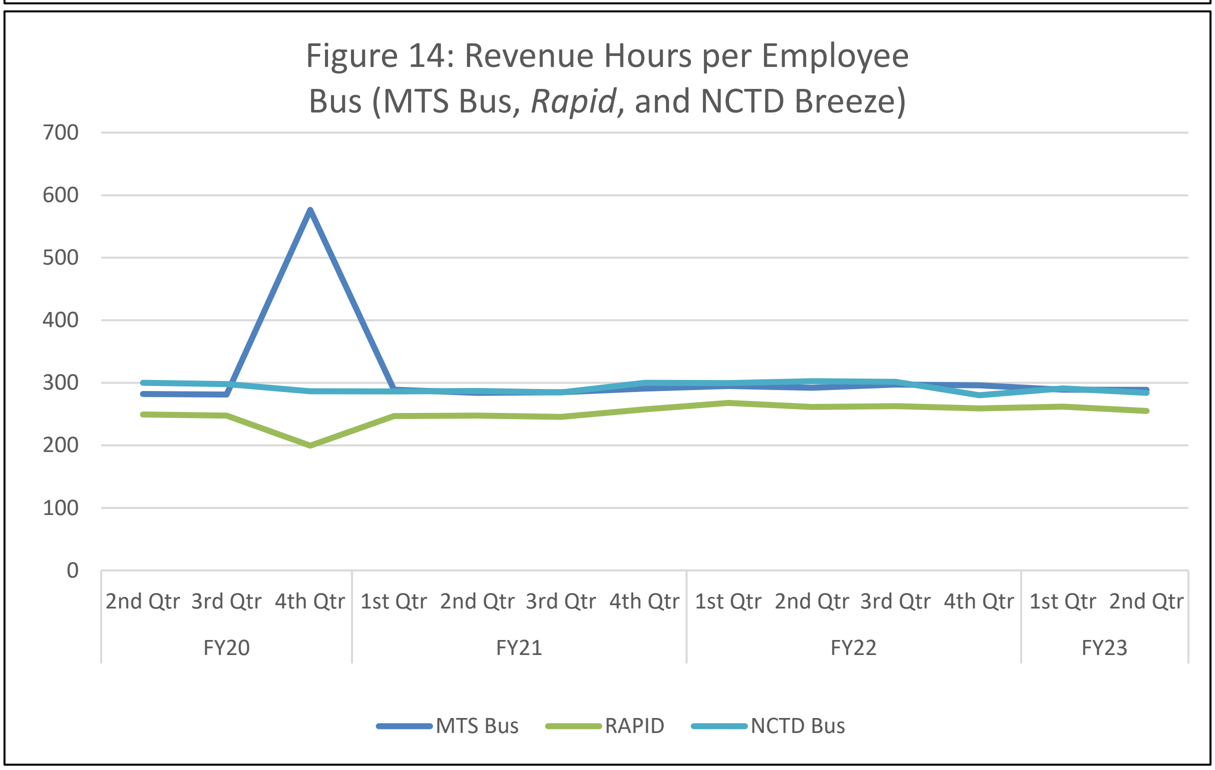


Figure 14: Revenue Hours per Employee
Bus (MTS Bus, *Rapid*, and NCTD Breeze)
700
600
500
400
300
200
100
0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
MTS Bus
RAPID
NCTD Bus

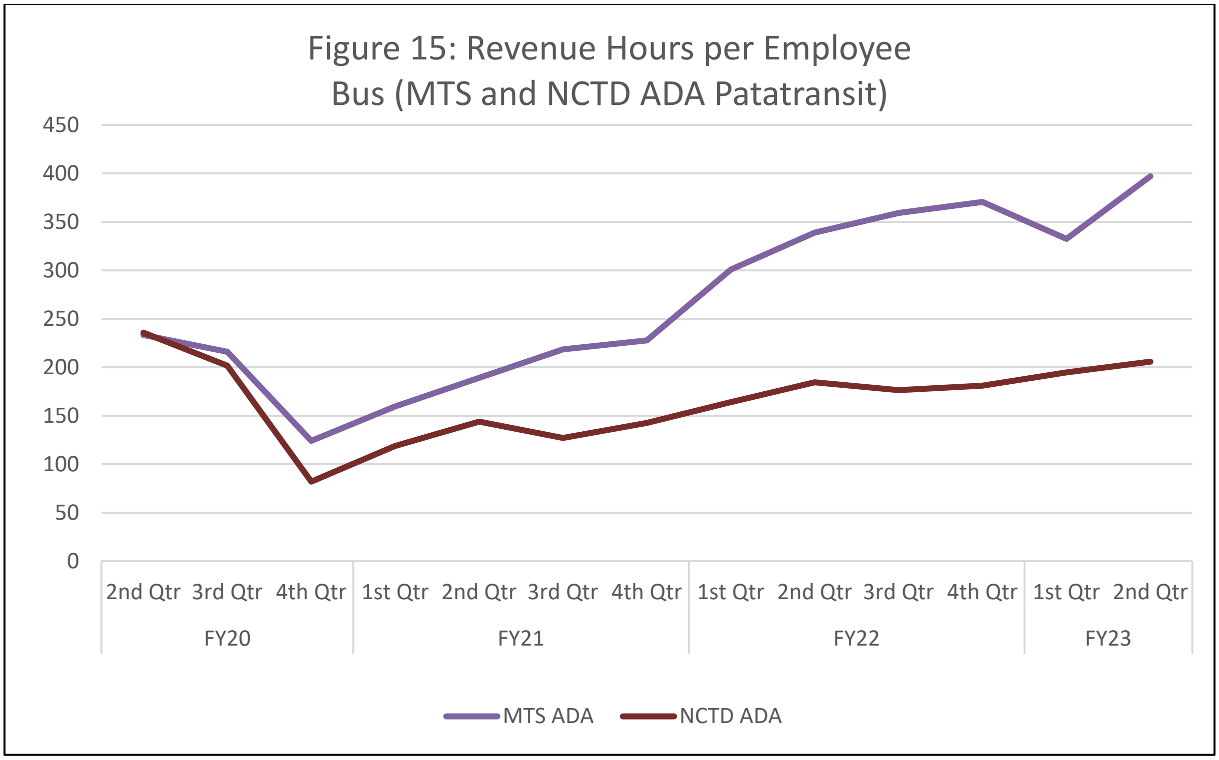


Figure 15: Revenue Hours per Employee
Bus (MTS and NCTD ADA Patatransit)
450
400
350
300
250
200
150
100
50
0
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
MTS ADA
NCTD ADA

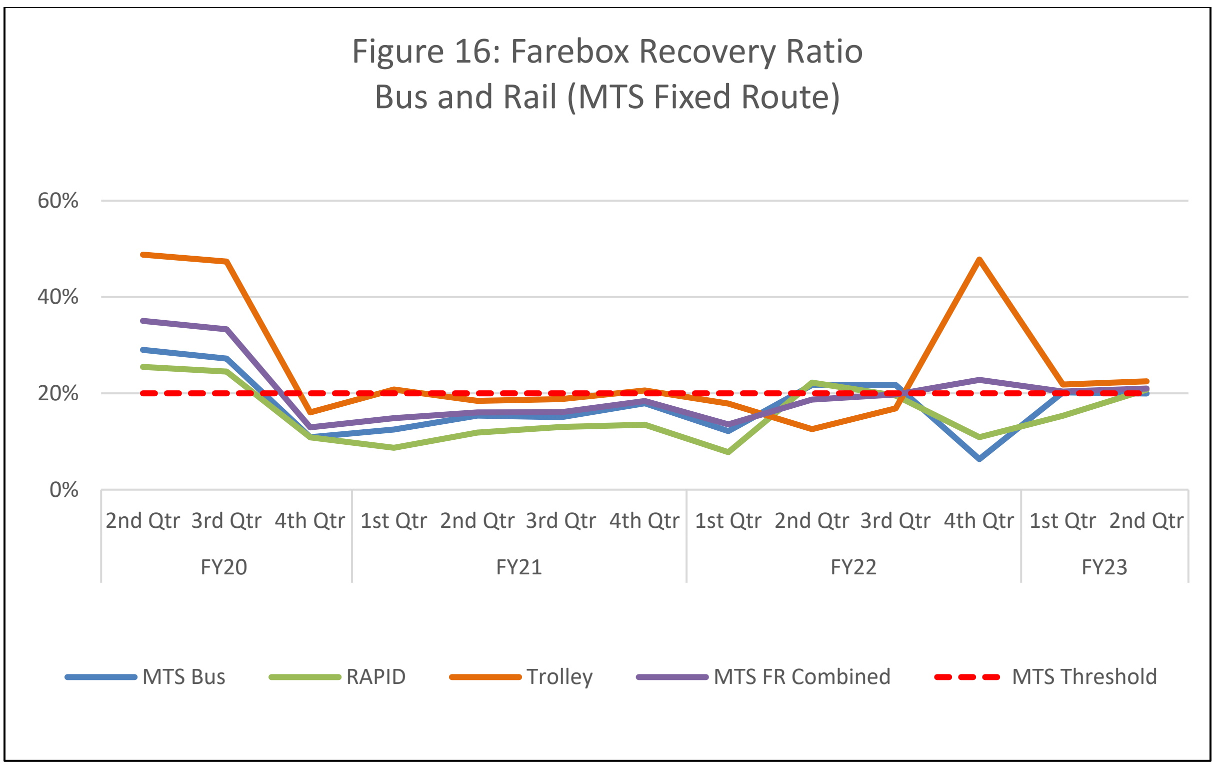


Figure 16: Farebox Recovery Ratio
Bus and Rail (MTS Fixed Route)
60%
40%
20%
0%
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
MTS Bus
RAPID
Trolley
MTS FR Combined
MTS Threshold

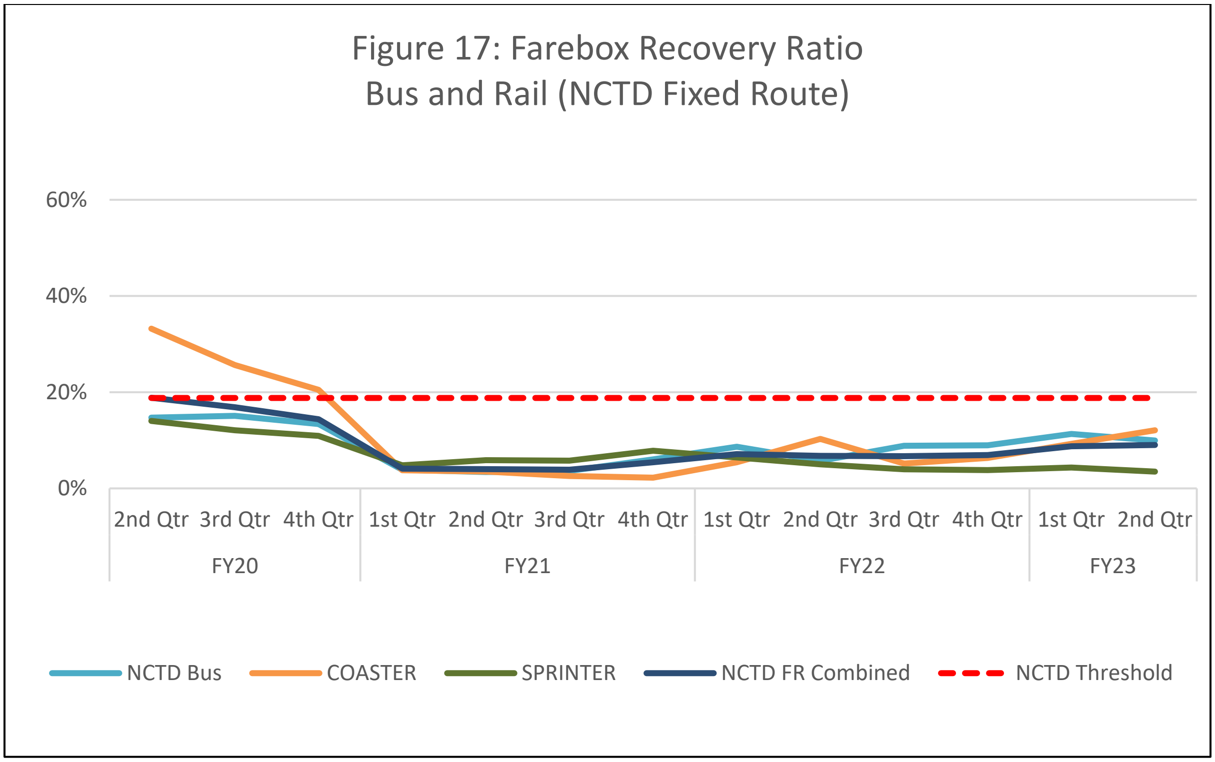


Figure 17: Farebox Recovery Ratio
Bus and Rail (NCTD Fixed Route)
60%
40%
20%
0%
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY20
FY21
FY22
FY23
NCTD Bus
COASTER
SPRINTER
NCTD FR Combined
NCTD Threshold

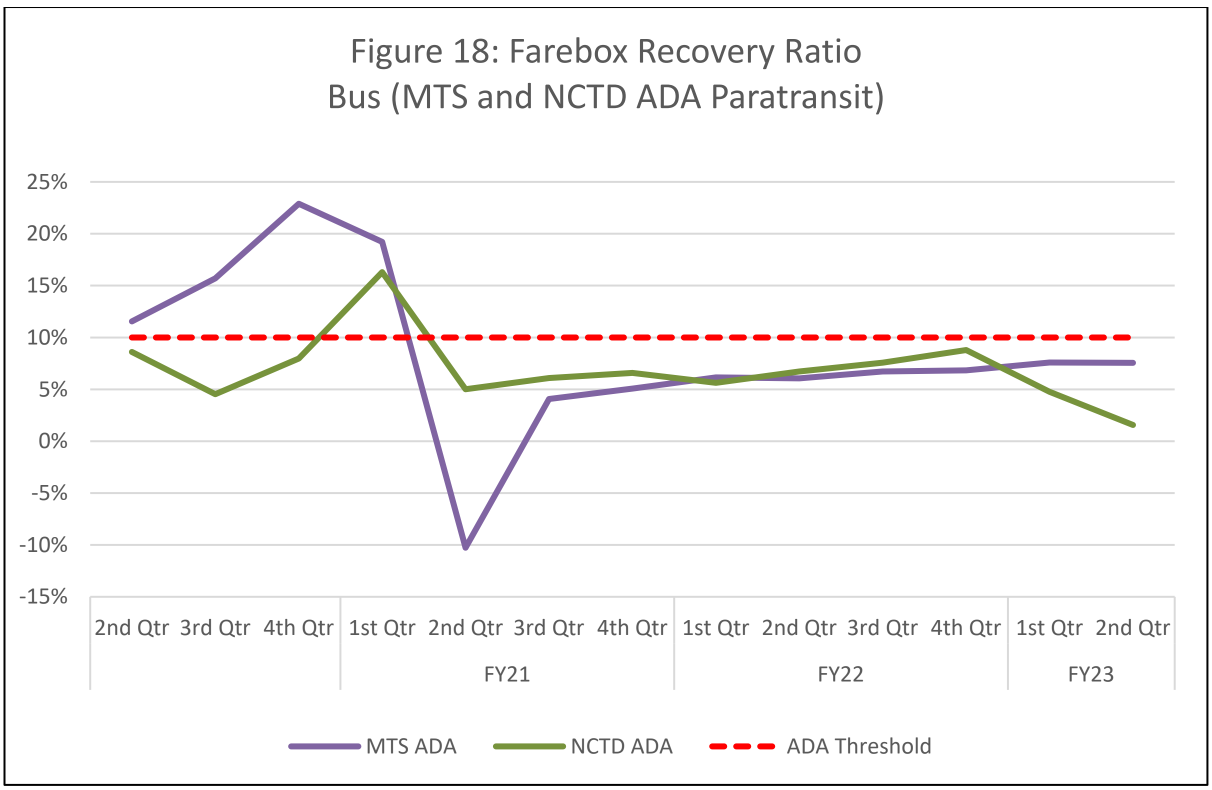


Figure 18: Farebox Recovery Ratio
Bus (MTS and NCTD ADA Paratransit)
25%
20%
15%
10%
5%
0%
-5%
-10%
-15%
2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr 3rd Qtr 4th Qtr 1st Qtr 2nd Qtr
FY21
FY22
FY23
MTS ADA
NCTD ADA
ADA Threshold

ANNUAL TDA CLAIM FORM **Form B**

STATEMENT OF EFFORTS MADE TO IMPLEMENT PERFORMANCE AUDIT RECOMMENDATIONS

SANDAG Staff Member: Ashley Wiley Date Completed: April 12, 2023

Operator: Metropolitan Transit System (MTS)

Date of Last Performance Audit: June 2022

Page	Performance Audit Recommendation(s)	Actions Taken to Implement Recommendations
40	**Recommendations** MTS should work with SANDAG TDA staff to achieve greater alignment with respect to the various uses and external reporting of farebox recovery ratio (for example, California TDA eligibility, annual financial accounting, NTD reporting, industry measure).	MTS has begun to, and will continue to, provide all of the various layers of operating and non-operating revenues with SANDAG and delineate which are eligible for inclusion within the farebox recovery ratio (FRR) for complete transparency in the calculation. MTS will then have a complete set of metrics that have the traditionally calculated FRR as well as an FRR that includes other eligible sources of revenues. This transparency is also now needed as we work with the Federal Transit Administration and their calculations of FRR in the annual National Transit Database report, and it will provide insight to our CPAs as they validate the calculation of our final agency FRR metric.

ANNUAL TDA CLAIM FORM **Form B**

STATEMENT OF EFFORTS MADE TO IMPLEMENT
PERFORMANCE AUDIT RECOMMENDATIONS

SANDAG Staff Member: Ashley Wiley Date Completed: 5/5/23

Operator: North County Transit District (NCTD)

Date of Last Performance Audit: June 2022

Page	Performance Audit Recommendation(s)	Actions Taken to Implement Recommendations
43	**Recommendation 1** NCTD should work with SANDAG TDA staff to achieve greater alignment with respect to the various uses and external reporting of farebox recovery ratio (for example, California TDA eligibility, annual financial accounting, NTD reporting, industry measure).	NCTD already performs the calculations of Farebox Recovery Ratio utilizing local support and the exclusions allowed by TDA (Ratio) and reports this Ratio annually in the State Controller's Office reports. The Ratios reported to the State Controller's Office are for all modes of service combined (BREEZE, COASTER, SPRINTER, FLEX) and for paratransit; the Ratio is not reported individually by mode, except paratransit (LIFT). NCTD reported the combined and paratransit Ratios in its Fiscal Year 2022 (FY2022) Annual Comprehensive Financial Report (ACFR) and will continue reporting in the ACFR for future fiscal years.

FACT™

CTSA Performance Monitoring Report

Consolidated Transportation Services Agency (CTSA) **Contact Information:** Budd Anderson, Director of Grants and Procurement Full Access and Coordinated Transportation, Inc. (FACT) 760-754-1252 banderson@factsd.org 516 Civic Center Dr., Oceanside, CA 92054	**QUARTER:** 2 10/01/22 - 12/31/22 mm/dd/yy - mm/dd/yy **Contract Number:** 5000644 TDA Article 4.5 Funds	**Notes**:

TASK PERFORMANCE MEASURE/DELIVERABLE		**QUARTERLY DATA**
1. Provide information and referral services.		
Number of referrals	100% referrals number reported (by agency)	291 referrals (See *Attachment A, Pg. 1* for a breakdown by agency)
2. Facilitate at least 4 Council on Access and Mobility (CAM) Meetings annually.		
Manage CAM meetings and agendas	At least 4 CAM meetings held annually	CAM Meetings: October 11 December 7 – FACT Annual Meeting
CAM meeting agendas	Report agenda and attendance from each CAM meeting	• See Attachment A, Pg. 2 for Agendas • CAM Attendance: 20 to 25 participants each meeting. FACT Annual Meeting: 70 attendees
1 technical training workshop per year, and 6 training/education items on CAM agenda	Report all training items	•Ongoing - Online Harassment Prevention Training made available to members free of cost to help agencies meet the new employee training requirements. • CAM Meeting: Included information on safety procedures and supplies, funding, returning to work protocols, grant updates (including SANDAG's STGP program) and updates from agencies. At the October CAM Meeting, SANDAG representatives provided ADA compliance Training. FACT assists members with RTAP scholarships and encourages members to attend industry conferences such as CalACT. FACT has discussed several training options during CAM Meetings that would benefit most CAM members and community agencies providing Specialized Transportation Services. Topics have including dementia friendly training, wheelchair securement, CPR & First Aid, and customer service. A survey was distributed to CAM members in September to understand what type of training would benefit them in the future.
3. Maintain a public webpage that hosts a comprehensive and up to date database of specialized transportation providers, including options for seniors and persons with disabilities.		
Number of web hits to FACT website	100% documentation of web hits	8,686 web hits
Number of web hits for "Find a Ride" page	100% documentation of web hits	744 website hits
Number of providers in the database	Maintain contact with 100% of the agencies in the database each year	•Current number of agencies: 177 •Approximately 25% of agencies in the database are contacted each quarter to verify annually that all agencies' information is accurate. •Number of agencies added: 2 •Number of agencies removed: 4
4. Increase/leverage available funding for senior/disabled transportation in the San Diego Region.		

List of identified sources of funding.	Update funding inventory at least annually	Caltrans' FTA 5310 program, FTA 5339 (b) and (c) programs, FTA Mobility for All Grants, NCMM Grants, County of San Diego Community Enhancement Grant (CE) and Neighborhood Reinvestment Program (NRP), SANDAG's Specialized Transportation Program (STGP): TransNet SMG and FTA 5310), Sustainable Transportation Equity Project (STEP) Grant, Paycheck Protection Program (PPP), County Community Development Block Grant, California Small Business COVID-19 Relief Grant, Coronavirus Response and Relief Supplemental Apportionments Act of 2021 (CRRSAA) 5310 funds, American Rescue Plan Act (ARPA), SD Foundation: Age Friendly Communities Grant, NCMM Ready-to-Launch Grant, American Cancer Society Community Transportation, SANDAG Access for All (AFA) program, FTA Innovative Coordinated Access & Mobility (ICAM) Grant, County of SD TNC Access for All (AFA) Funds RFP 11561, SD County RFQ 11724, As-Needed Emergency Transportation Services, and Coordinated Agency Services (Currently 10 contracts); Other contracts are currently under discussion and contract bids are pending.
Number of applications to SANDAG, DOT and other funding sources	Provide list of annual applications submitted and dollar amount of successful applications.	•American Cancer Society Community Transportation – Awarded $5,000 •Caltrans FTA 5339 (vehicles)– Awarded $778,910 •SANDAG 5310 Urban CRRSAA - Awarded 352,271 •Submitted proposal - SD County RFQ 11724, As-Needed Emergency Transportation Services - Pending •FTA Innovative Coordinated Access & Mobility (ICAM) Grant – Awarded $240,000 •Caltrans FTA Section 5310 – Awarded $375,000 •SANDAG AFA Call for Projects – Awarded $2,530,000 •SANDAG STGP Cycle 12 Call for Projects – In Oct. 2022, FACT applied for $800,000 in operating funds and $790,758 in MM funds to match FACT's Cycle 12 STGP allocation. •American Cancer Society Community Transportation – Applied for $10,000 in Jan. 2023 *As a non-profit FACT is not eligible to apply for many FTA grant program

SANDAG

Transportation Development Act:

FY 2023 Productivity Improvement Program
and FY 2024 Allocations

Transportation Committee | Item 5
Ashley Wiley
June 2, 2023

1

TDA Productivity
Funding Timeline

February
TC and Board approve estimated apportionments

Early June
TC and Board approve Productivity Improvement Program

Late June
TC and Board approve TDA Claims

SANDAG | 2

2

Elements of TDA Productivity Review

MTS and NCTD:

6 Performance Measures

- AB 90 and AB 149 – Covid relief
- Responses to FY19 – FY21 Triennial Performance Audit productivity improvement recommendations

FACT:

- Review of Quarterly Performance Monitoring Report

SANDAG | 3

3

TDA Funding Estimates

Estimated FY 2023 and 2024 Apportionments approved in April 2022

MTS:

FY 2023: $131.43 million

- FY 2024: $135.51 million
- 3.1% increase

NCTD:

- FY 2023: $53.53 million
- FY 2024: $55.48 million
- 3.6% increase

SANDAG | 4

4

SANDAG

Transportation Committee Item: **6**

June 2, 2023

North Coast Corridor Status Update

Action: Information
Caltrans Corridor Director Allan Kosup will present an update on the North Coast Corridor program.

Fiscal Impact:
The project budget for construction of the North Coast Corridor (NCC) program is currently $887 million and includes federal, state, and TransNet funds.

Schedule/Scope Impact:
Build NCC is on schedule to complete construction of 13 miles of new HOV Lanes and begin construction of a new sound wall and mobility and sustainability improvements in the City of Carlsbad on Chestnut Avenue and Palomar Airport Road. The restoration of 84 acres of wetlands at the San Dieguito Lagoon is underway and expected to be completed in 2024.

Overview

The North Coast Corridor (NCC) program is a comprehensive set of transportation, environmental, and coastal access projects to reduce congestion, improve the quality of life for residents, create a stronger local and regional economy for the future, and enhance the coastal environment. (See Attachment 1).

Projects are being built using the Construction Manager/General Contractor (CM/GC) delivery method, which is a best value construction procurement method. The CM/GC contractor is a joint venture of Flatiron, Skanska, and Stacy Witbeck contractors. The project budget for construction is currently $887 million and includes federal, state, and TransNet funds.

This item provides an update on the status of project progress, schedule, cost, and risk.

Key Considerations

The first phase of construction of the NCC program, known as Build NCC, will extend through the cities of Solana Beach, Encinitas, and Carlsbad. Construction of the 13 miles of High Occupancy Vehicle (HOV) lanes, including community improvements, are scheduled to be completed in early 2025. The scope of Build NCC includes the extension of the HOV lanes from Manchester Avenue to State Route 78 (SR 78), replacement of the San Elijo Lagoon highway and rail bridges, restoration of the San Elijo Lagoon, and bicycle and pedestrian improvements.

The project continues to be on schedule and within budget. Recent accomplishments include:

- Opening of 9 miles of HOV lane extension (one in each direction) from Lomas Santa Fe to Palomar Airport Rd.
- Opening of the San Elijo suspension pedestrian bridge, new biking and walking paths connecting Solana Beach and Encinitas.
- Substantial completion of highway planting between Lomas Santa Fe and Palomar Airport Rd. with the majority of areas under ongoing Plant Establishment.
- Completion of soundwall construction in the Cities of Encinitas and Carlsbad.
- Substantial completion of the median paving on the last 4 miles of HOV lane extension from Palomar Airport Road in Carlsbad to SR 78 in Oceanside.
- Continued restoration of 84 acres of wetlands at the San Dieguito Lagoon.
- The San Elijo Lagoon Restoration Project continues with long-term plant establishment.

Additional detailed information can be found in (Attachment 2).

Next Steps

Next steps include: the opening of the last 4 miles of HOV extension from Palomar Airport Road in Carlsbad to SR 78 in Oceanside, which is scheduled for June of 2023; initiation of construction of southbound auxiliary lane between Canon Road and Palomar Airport Road; mobility and sustainability improvements at Chestnut Avenue, and completion of streets improvements at Palomar Airport Road and ITS in the City of Carlsbad, which are scheduled to start construction in the summer of 2023; continuing plant establishment effort on freeway slopes; continuing Manchester Avenue street and multi-use facility improvements; continuing San Elijo lagoon plant establishment; and continuing San Dieguito Lagoon restoration effort.

Sharon Humphreys, Director of Engineering and Construction

Key Staff Contact: Allan Kosup, (619) 688-3611, allan.kosup@dot.ca.gov

Attachments:
1. Build NCC Project Fact Sheet
2. Discussion Memo: North Coast Corridor Program Update May 2023

Attachment 1

Build NCC

Brought to you by Caltrans SANDAG TransNet SB1

About the Project

Build NCC is the first phase of construction of the Caltrans and SANDAG North Coast Corridor (NCC) Program in the cities of Solana Beach, Encinitas, and Carlsbad. Build NCC is part of a comprehensive set of transportation, environmental, and coastal access projects to improve the quality of life for residents, create a stronger local and regional economy for the future, and enhance the coastal environment.

Highway Improvements

Caltrans and SANDAG will extend two Carpool/High Occupancy Vehicle (HOV) Lanes on Interstate 5 (I-5) - one lane in each direction - between Lomas Santa Fe Drive in Solana Beach and State Route 78 (SR 78) in Oceanside. Additional highway improvements include replacing and lengthening the San Elijo Lagoon highway bridge to accommodate the Carpool/HOV Lanes and help improve lagoon tidal flow; building several sound walls on private property; constructing a new Multi-Use Facility at the I-5/Manchester Avenue interchange; and adding auxiliary lanes on I-5. The Multi-Use Facility will provide parking for carpools/vanpools, bike racks, electric vehicle charging stations, and recreational access to the San Elijo Lagoon and new North Coast Bike Trail.

Rail Improvements

Improving the Los Angeles-San Diego-San Luis Obispo (LOSSAN) coastal rail line is a central component of Build NCC. The completed San Elijo Lagoon Double Track project is part of a larger effort to double track the coastal rail line, allowing trains traveling in opposite directions to pass without slowing down or stopping and increasing overall efficiency and service reliability. Other completed project features include the new, lengthened concrete rail bridge above the San Elijo Lagoon. Additionally, at-grade rail crossing improvements were made at Chesterfield Drive in Encinitas.

Lagoon/Bike/Pedestrian

Build NCC includes the restoration of the San Elijo Lagoon. The restoration project is made possible through funding from the TransNet Environmental Mitigation Program (EMP), and in coordination with Nature Collective (formerly San Elijo Lagoon Conservancy) and lagoon resource agencies. Restoration efforts will enhance the lagoon's wetland and upland areas, improve tidal flushing, and includes beach sand replenishment.

Expanding access to coastal resources and habitats is a critical component of the NCC Program. Build NCC will include new east-west and north-south bicycle and pedestrian trails within and surrounding the San Elijo Lagoon.

See inside map for details.

Project Schedule and Funding

Construction Start Date
2017

Completion Date
2023

Funding Sources
Federal
State
SANDAG *(TransNet)*

Contractor
Flatiron-Skanska-Stacy and Witbeck (FSSW)

Total Project Cost
Approximately $887 million

Highway

- Lomas Santa Fe Dr.- Palomar Airport Rd. Carpool/HOV Lanes - $300M
  - 9 miles
- Palomar Airport Rd.- SR 78 Carpool/HOV Lanes - $110M
  - 4 miles
- San Elijo Lagoon Highway Bridge & Community Enhancements (includes bike) - $255M

Rail

- San Elijo Lagoon Double Track & Chesterfield Dr. Crossing Improvements - $70M

Environmental

- San Elijo Lagoon Restoration - $117M
- Coastal Rail Trail - $7M

For more information:

KeepSanDiegoMoving.com/BuildNCC

Construction Hotline: (844) NCC-0050

Text Alerts: Text "Build NCC" to (760) 454-0070

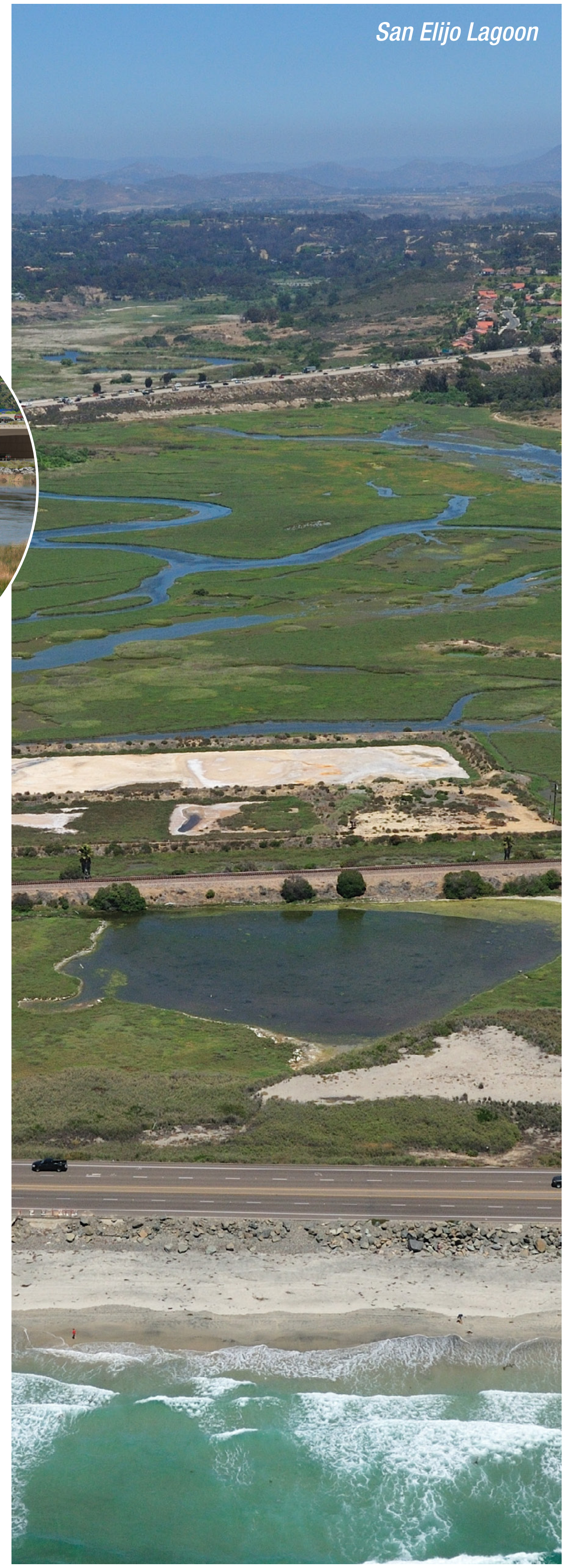
Mohamad Khatib, Project Manager
(619) 688-6654
mohamad.khatib@dot.ca.gov

SANDAG | SDCaltrans
SANDAGregion | CaltransDistrict11
SANDAGregion | CaltransDistrict11

February 2022

Integrating Transportation and Environmental Enhancements

San Elijo Lagoon Highway Bridge



San Elijo Lagoon

The San Elijo Lagoon highway bridge will be replaced to accommodate new Carpool/HOV Lanes along I-5. The new bridge will be lengthened to improve tidal flows, circulation, and the overall health of the lagoon. In addition, a suspended bike and pedestrian bridge will be built underneath the highway bridge to further increase north-south and east-west connectivity, and create more travel choices. The North Coast Bike Trail will be constructed to expand the regional bike and pedestrian network.

Preserving Community Character and Improving Coastal Access

Santa Fe Drive in Encinitas

Separated bike and pedestrian paths were constructed at the I-5 interchanges at Santa Fe Drive and Encinitas Boulevard in Encinitas. These enhancements help improve east-west connectivity and safety for people walking and biking to nearby schools, activity centers, and coastal resources. Community artwork was incorporated in coordination with the city.

To help reduce freeway noise for nearby residents, Caltrans will construct several sound walls on private property. In areas with views, transparent sound walls are offered to residents.

February 2022

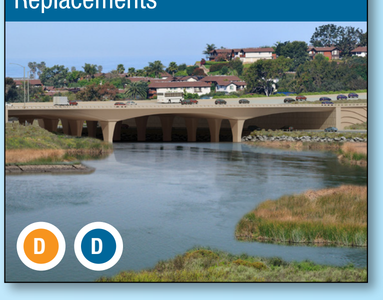
Build NCC

New Carpool/HOV Lanes from Lomas Santa Fe Dr. to SR 78

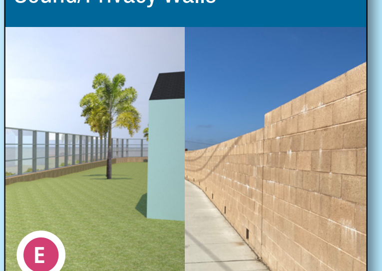
San Elijo Lagoon Double Track

Encinitas Blvd./Santa Fe Dr. Bike/Pedestrian Enhancements

San Elijo Lagoon Bridge Replacements*



Sound/Privacy Walls**



San Elijo Lagoon Restoration and Environmental Enhancements

Coastal Rail Trail Bikepath

Chestnut Avenue Community Enhancements

* Bridge replacements will help improve tidal flow and overall lagoon health. Simulation depicts Highway Lagoon Bridge Replacement

** Not all proposed sound walls will be transparent (glass).

Discussion Memo: North Coast Corridor Program Update May 2023

The first phase of construction of the North Coast Corridor (NCC) program, known as Build NCC, will extend through the cities of Solana Beach, Encinitas, and Carlsbad (Attachment 1). Construction began in late 2016 with HOV lane extension to be completed in summer of 2023 and remaining Build NCC Corridor improvements to be completed by early 2025.

Scope of Work

Highway Improvements

Caltrans will extend High Occupancy Vehicle (HOV) Lanes for 13 miles on I-5 from Lomas Santa Fe Drive in Solana Beach to SR 78 in Oceanside. Additional highway improvements include replacing and lengthening the San Elijo highway bridge to accommodate the HOV Lanes and help improve lagoon tidal flow; constructing sound walls on private property; building a new Park & Ride/multi-use facility at the I-5/Manchester Avenue interchange; and including auxiliary lanes. The Park & Ride/multi-use facility will provide parking for carpools and vanpools, secure bike parking, and offer recreational access to the San Elijo Lagoon and the new North Coast Bike Trail.

Rail Improvements

Improving the coastal rail line is a central component of Build NCC. The San Elijo Lagoon Double Track project is part of a larger plan to improve the coastal rail system by adding a second track. The addition of the second track will allow trains traveling in opposite directions to pass without slowing down or stopping, increasing the corridor's efficiency and reliability. Other project features include the replacement and lengthening of the rail bridge that spans over San Elijo Lagoon. Additionally, at-grade rail crossing improvements have been made at Chesterfield Drive in Encinitas. Finally, a pedestrian undercrossing was built on the south side of the lagoon to provide improved lagoon and coastal access.

Lagoon Restoration

Build NCC includes the restoration of the San Elijo Lagoon. The restoration project is being coordinated with Nature Collective and resource agencies. Restoration will enhance the lagoon's wetland and upland areas, improve tidal flushing, and facilitate beach sand replenishment. Improving coastal access is a critical component of the NCC program. Build NCC includes new east-west and north-south bicycle and pedestrian trails in and around the San Elijo Lagoon.

Lagoon restoration also includes the San Dieguito Wetlands Lagoon restoration, a major restoration planned for the eastern end of the San Dieguito Lagoon from east of I-5 to El Camino Real. This project will establish a system with approximately 50 acres of restored tidal wetland and 15 acres of brackish wetland, and enhance approximately 5 acres of riparian habitat. Other areas would be established as transitional areas and native uplands.

Active Transportation Improvements

Build NCC includes construction of 7 miles of the North Coast Bike Trail, a planned bike trail stretching approximately 27 miles between Gilman Drive in the City of San Diego and Harbor Drive in the City of Oceanside. Build NCC also includes segments of the Coastal Rail Trail (CRT), a planned continuous bike route approximately 44 miles long between the City of Oceanside and Santa Fe Depot in Downtown San Diego. The first 1.3-mile segment of the CRT in the City of Encinitas from Chesterfield Drive to Santa Fe Drive was completed under Build NCC.

Overall Capital Project Budget and Schedule

The construction capital and support budget for the projects currently in construction is $887 million. Actual expenditure through March 2023 is $638.3 million, or 86% of the capital budget.

Status of Work

Highway Improvements

The San Elijo Highway project, which includes the Santa Fe Drive and Encinitas Boulevard bicycle and pedestrian improvements, as well as the San Elijo Pedestrian bridge, have been completed and opened to the public. The suspended pedestrian bridge deck was opened to the public in June of 2022. Early outside landscape planting in the proximity of the San Elijo Lagoon highway bridge was completed 1.5 years ahead of schedule and is currently under Plant Establishment period. The community enhancements at Santa Fe Drive and Encinitas Boulevard are open to the public with Encinitas Boulevard transportation art installed in Fall of 2022.

The 9-mile extension of the HOV Lanes project from Manchester Avenue to Palomar Airport Road was open to the public in March 2022, which includes sound walls on private property, culvert rehab, intelligent transportation systems, and Manchester Avenue street improvements is 95% complete and is expected to be completed by October 2023. For the Manchester Avenue street improvements west of I-5, the Active Transportation widening, which accommodates bike lanes, a sidewalk in the Westbound direction and multi-use trail in the Eastbound direction, have been completed and opened to the public in April 2022. Manchester Avenue work east of I-5 consists of utility work, widening of Manchester Street, and constructing the multi-use facility and schedule to be open to public in June 2023.

The last stretch of HOV Lanes from Palomar Airport Road to SR 78, is 90% complete with HOV lanes scheduled to open to public in June of 2023, followed by one year of plant establish schedule to be completed in fall 2024.

The Mobility and Sustainability Improvements project includes Bike/Ped improvements at Chestnut and Palomar Airport Road (including ITS elements), construction of auxiliary lane in the southbound direction from Palomar Airport Road to Poinsettia Lane, soundwall on private property, and shoulder and slope repairs. This work is schedule to begin construction in fall of 2023 and anticipated to be complete by early 2025.

Rail Improvements

The San Elijo Lagoon Double-Track project and the Chesterfield Drive improvements are complete and were open to traffic in May 2019.

Lagoon Restoration

Planting within all the basins is complete and the project is in plant establishment. The trail network was opened to the public in early 2022. Pedestrian bridges were opened to the public in October 2020. San Dieguito Wetlands Lagoon restoration project in ongoing and is 42% complete.

Coastal Rail Trail Construction

The CRT is complete and was opened to the public in May 2019.

Build NCC

NORTH COAST CORRIDOR PROGRAM

SANDAG Transportation Committee

June 2, 2023

1

Completed Projects

Caltrans SANDAG 2

2

Genesee Bikeway

San Elijo Lagoon Rail Double-Track

North Coast Bike Trail

Caltrans SANDAG 5

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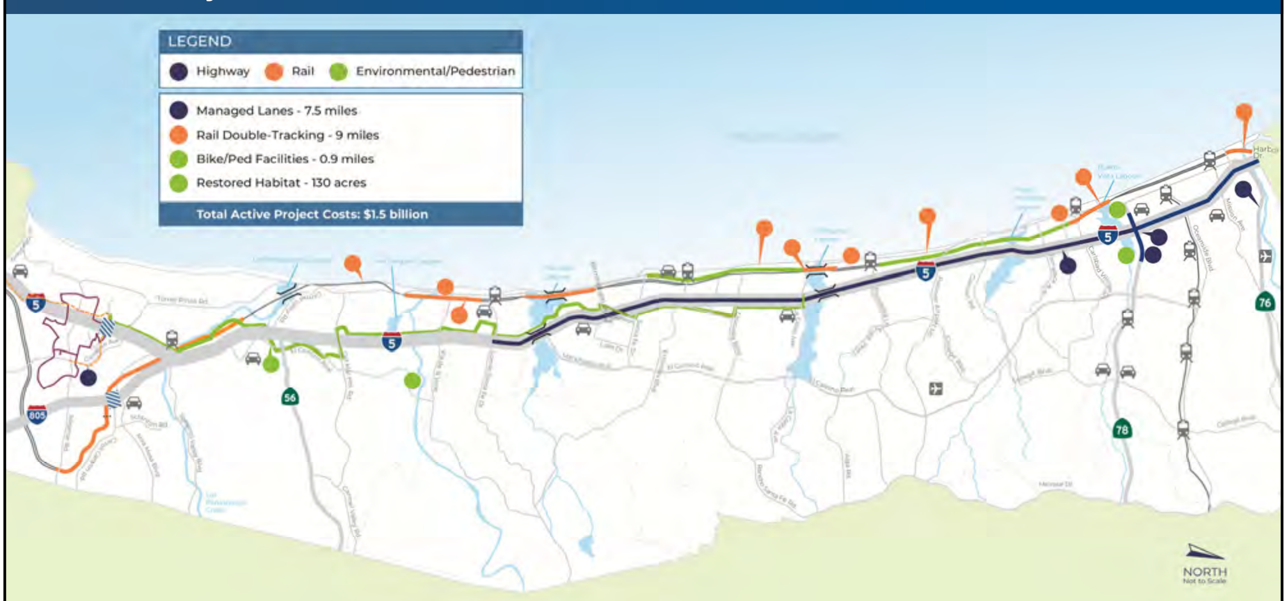
Active Projects



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I-5/SR 78 Interchange Project

Caltrans SANDAG 7

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San Dieguito Lagoon Rail Double-Track

Caltrans SANDAG 8

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San Dieguito Lagoon Restoration – Phase II

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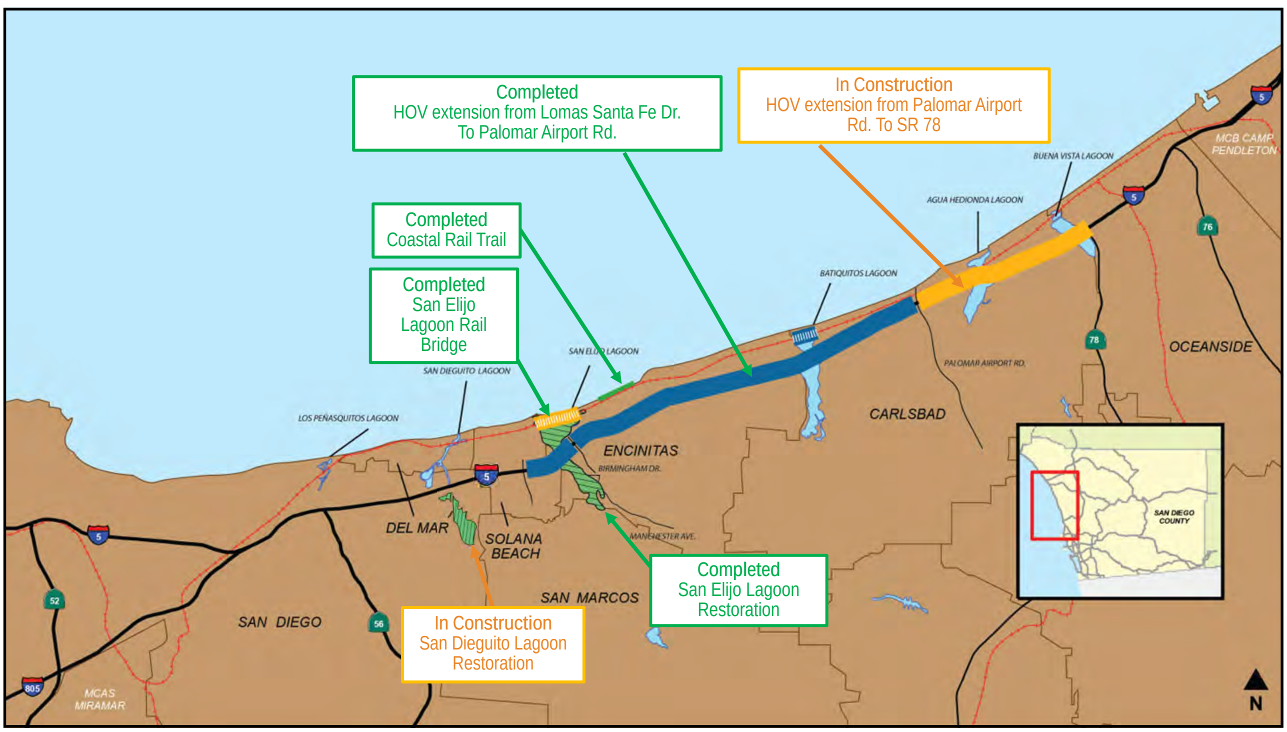

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Build NCC Project Completion

SEGMENT	CONSTRUCTION CAPITAL & SUPPORT	% COMPLETION	OPEN TO PUBLIC DATE
San Elijo Lagoon Double Track & Chesterfield Crossing Improvements	$70 M	✓	May 2019
Coastal Rail Trail	$6.8 M	✓	May 2019
San Elijo Lagoon Restoration	$117 M	✓	October 2020
San Elijo Lagoon Highway Bridge & Community Enhancements	$257 M	✓	June 2022
Manchester – Palomar Airport Carpool/HOV Lanes	$305 M	95%	March 2022
Palomar Airport – SR 78 Carpool/HOV Lanes	$76 M	90%	June 2023
Mobility & Sustainability Improvements (*Bike/Ped, sound wall, IT, Auxiliary Lane*)	(*Under Negotiations with Contractor*)	0%	December 2024

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Palomar Airport Road to SR 78 HOV Extension – Complete June 2023

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Agua Hedionda Lagoon

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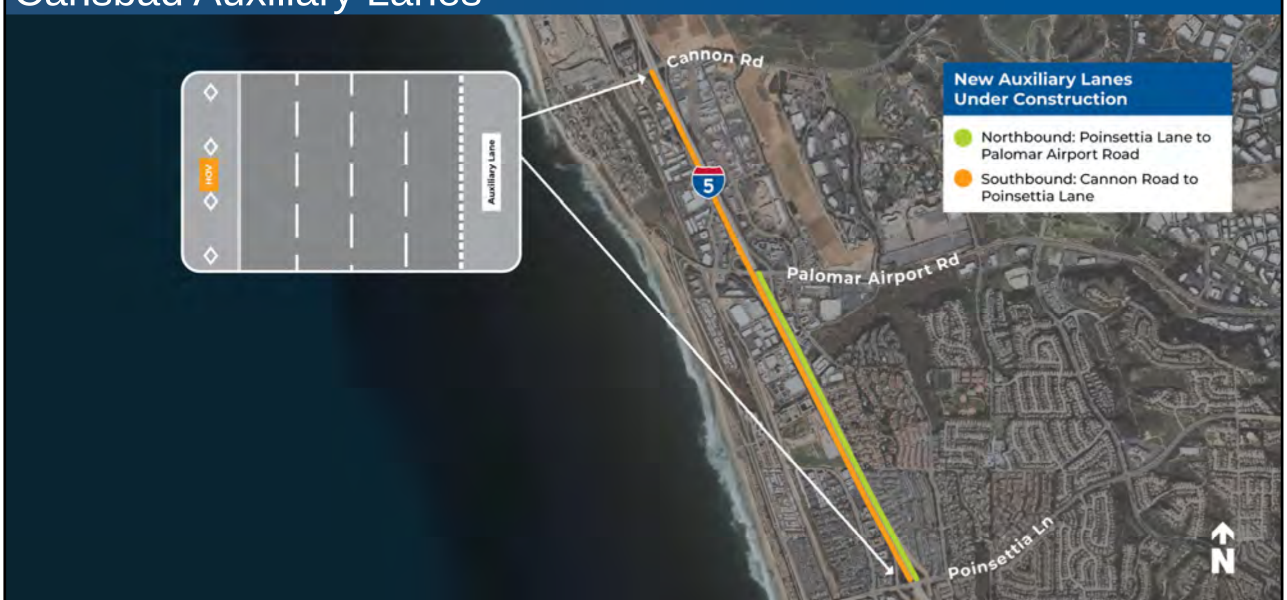
Carlsbad Auxiliary Lanes



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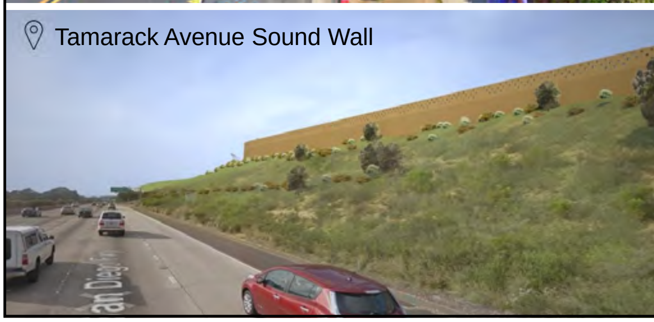
Carlsbad Community Enhancements - Beginning Summer 2023

Chestnut Avenue Bike/Ped Enhancements

Tamarack Avenue Sound Wall



Palomar Airport Road Bike/Ped Enhancements

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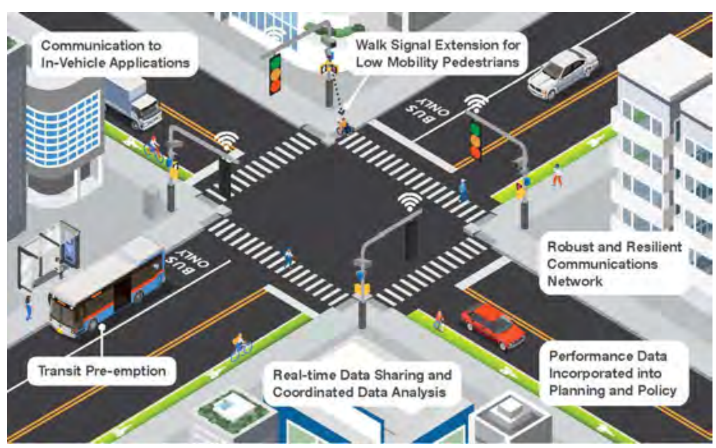
Integrated Technology Improvements

SMART Vehicle to Infrastructure Communication:

- Queue Warning
- Warnings about Upcoming Work Zone
- Signal Phase and Timing
- Wrong Way Driving Prevention



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Manchester Ave. Multi-Use Facility – Partial Opening: Early July

Current construction status – April 2023

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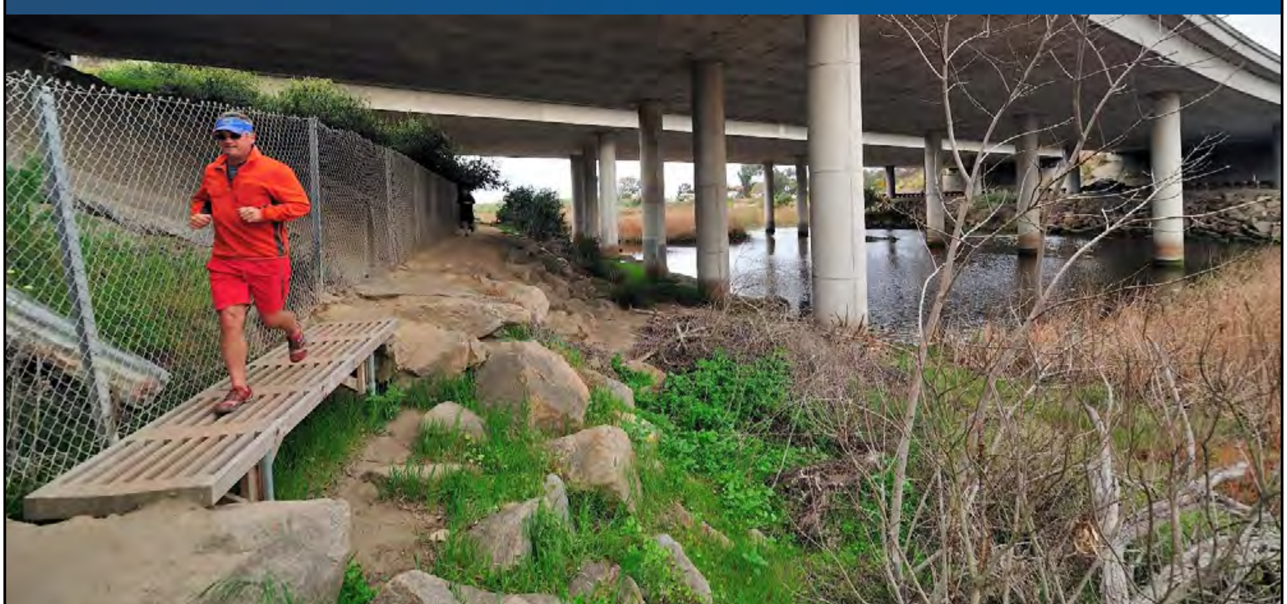
Before NCC



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San Elijo Lagoon Suspension Bridge Crossing

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Solana Hills Bike/Pedestrian Trail

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San Elijo Lagoon Restoration

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Encinitas Boulevard Art – Partnership with City of Encinitas

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HOV Lanes (Lomas Santa Fe Dr. – Palomar Airport Rd.)

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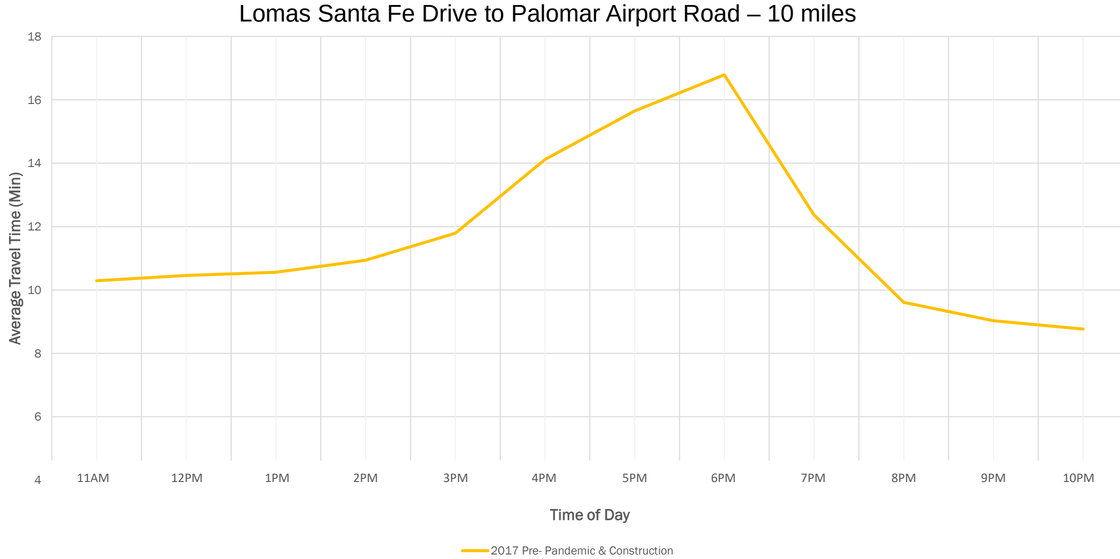
I-5 NB General Purpose & HOV Lanes Performance Measures (Monday to Friday)



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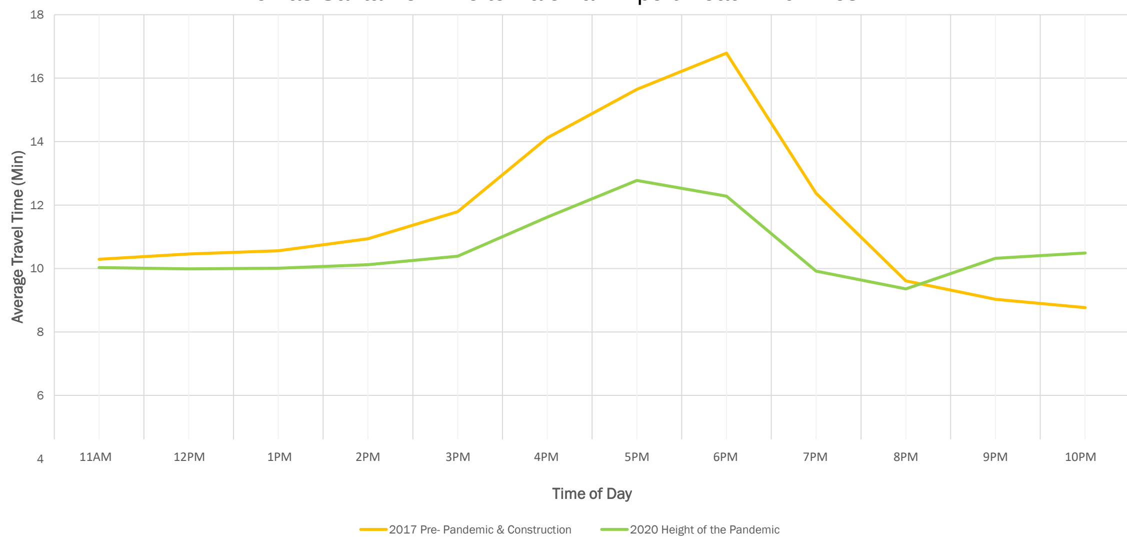
I-5 NB General Purpose & HOV Lanes Performance Measures (Monday to Friday)

Lomas Santa Fe Drive to Palomar Airport Road – 10 miles



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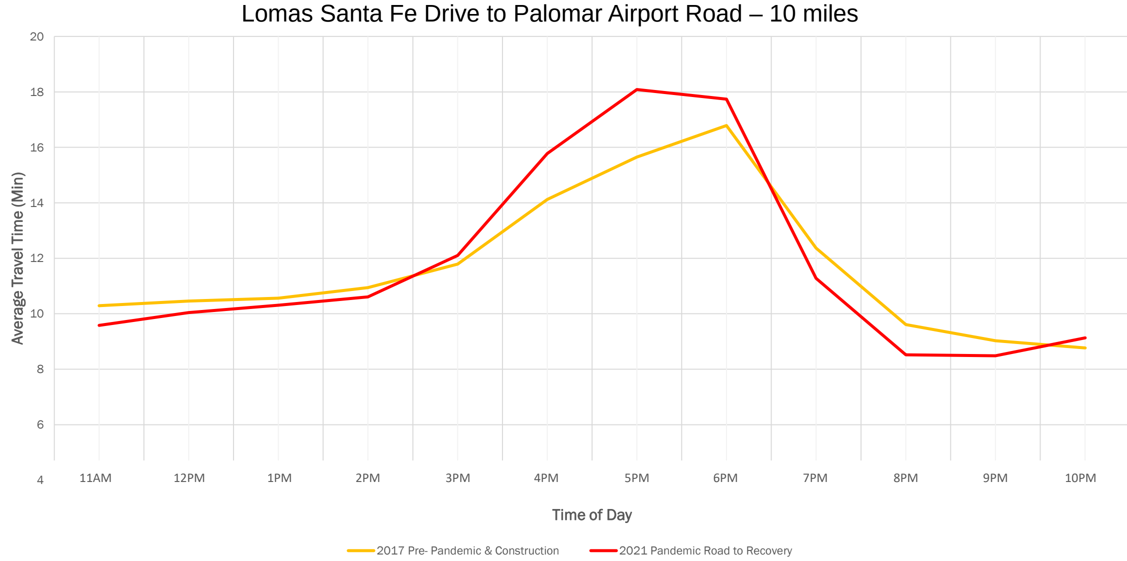
I-5 NB General Purpose & HOV Lanes Performance Measures (Monday to Friday)

Lomas Santa Fe Drive to Palomar Airport Road – 10 miles



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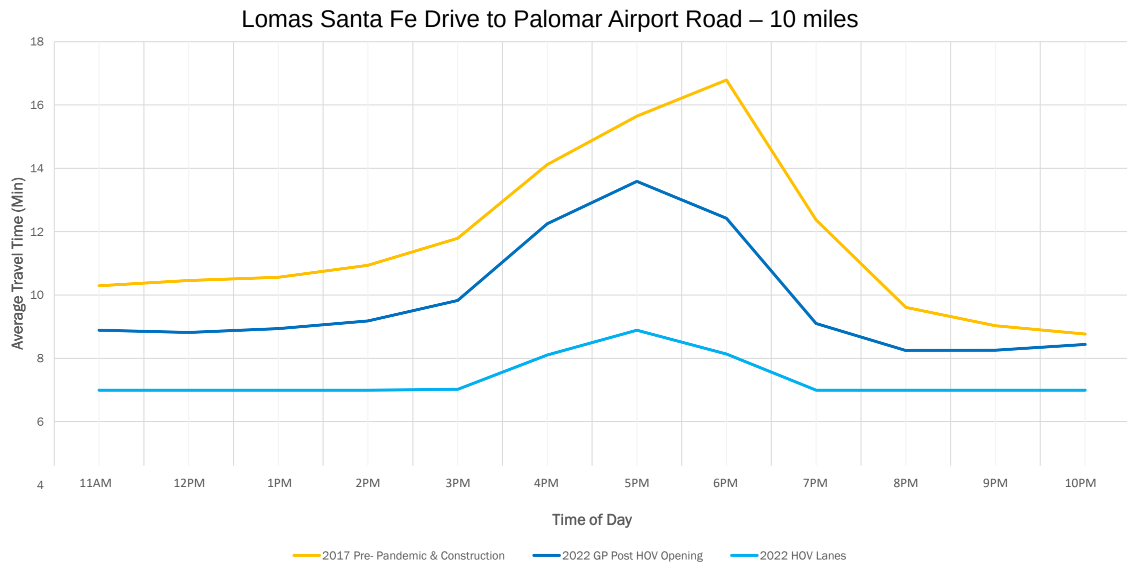
I-5 NB General Purpose & HOV Lanes Performance Measures (Monday to Friday)



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BuildNCC

Thank you!

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SANDAG

Transportation Committee

Item: **7**

June 2, 2023

Regional Medium and Heavy Duty Zero Emission Vehicle Blueprint

Overview

SANDAG is developing a strategy, called the Blueprint, to support the transition of trucks and buses to zero emission. At its April 21st meeting, the Transportation Committee discussed two elements of this strategy: 1) a regional needs assessment and 2) criteria for vehicle selection and siting infrastructure. Today, staff will present and seek input on the third element of the Blueprint: potential near- and long-term implementation strategies.

Action: **Discussion**
Staff will present an update on the Blueprint and seek input on draft near- and long-term implementation strategies.

Fiscal Impact:
None.

Schedule/Scope Impact:
None.

Background

Transportation is the leading cause of greenhouse gas emissions in the San Diego region. Trucks and buses disproportionately contribute to local air pollution. SANDAG was awarded the Blueprint grant from the California Energy Commission and partnered with the Port of San Diego and the Environmental Health Coalition to better engage community members and support regional clean transportation and equity goals. The project will lead to many anticipated benefits, including a reduction in air pollution and emissions, and improved quality of life for those living in communities adjacent to freight and transit. Completion of the Blueprint is a near-term implementation action of the 2021 Regional Plan.

Key Considerations

The project has identified key barriers to zero emission truck and bus adoption, such as high upfront costs, limited public infrastructure, and lack of available workforce training. To address these barriers, near- and long-term implementation strategies are being developed and will focus on regulation and funding, infrastructure deployment and energy demand, and education and outreach. These strategies will inform the 2025 Regional Plan and future SANDAG investments and other regional actions that will facilitate the transition to ZEV trucks and buses.

Next Steps

SANDAG is conducting outreach to communities and stakeholder groups on the criteria and draft implementation strategies that are available on the SANDAG website. Feedback on the strategies is requested by June 14, 2023. Staff will return to the Transportation Committee to share the draft Blueprint this fall. The final Blueprint report is expected to be completed in early 2024.

Antoinette Meier, Senior Director of Regional Planning

Key Staff Contact: Jeff Hoyos, (619) 699.1932, jeff.hoyos@sandag.org

SANDAG

Regional Medium and Heavy-Duty (MD/HD) Zero Emission Vehicle (ZEV) Blueprint

Transportation Committee

June 2, 2023

Agenda

- Project Background & Overview
- Near and Long-Term Implementation Strategies
- Next Steps & Discussion

Governor's Executive Order

N-79-20

100% ZEV sales by 2035

Full transition to **ZEV short-haul/drayage trucks** by 2035

Full transition to **ZEV buses** & **heavy-duty long-haul trucks** by 2045*

Full transition to **ZE off-road equipment** by 2035*

*where feasible

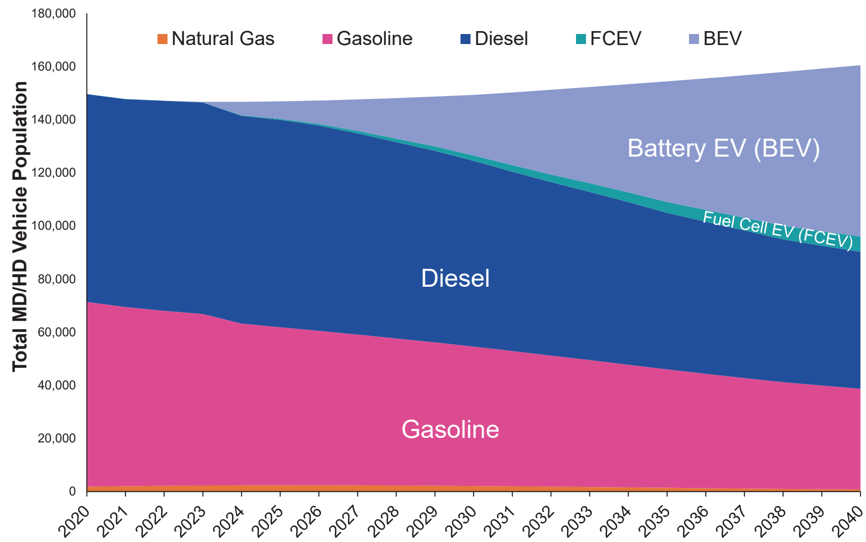
*Source: CARB Mobile Source Strategy, 2021

Medium and Heavy – Duty Zero – Emission Vehicle Blueprint

- The Blueprint will support the transition of trucks and buses to ZEVs
- Key deliverables:
  - —Needs Assessment
  - —Siting Criteria for vehicles and infrastructure
  - —Near & Long-Term Implementation Strategies
  - —Regional Blueprint

Future MD/HD Fleet Mix (San Diego Region)

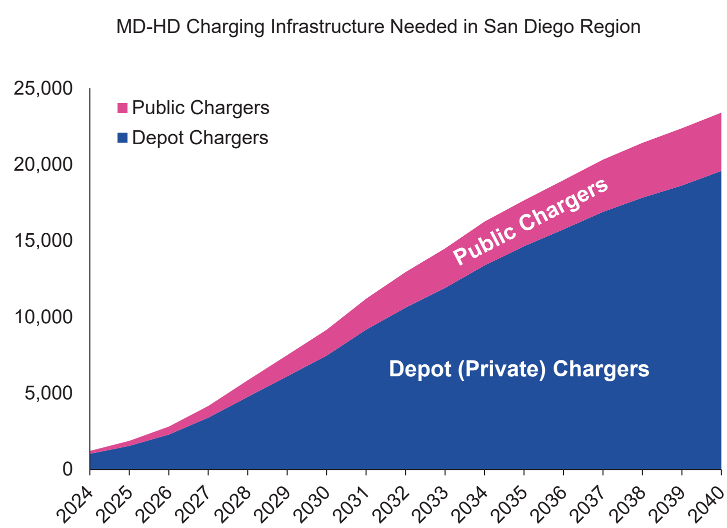
- Nearly 70,000 of MD/HD vehicles in the region will be zero emission by 2040
- The rest of vehicles will remain as diesel and gasoline



Note: EMFAC2021 combines battery electric and fuel cell electric vehicle additions into a homogenous "electricity" fuel type

Future MD/HD Charging Infrastructure Needs

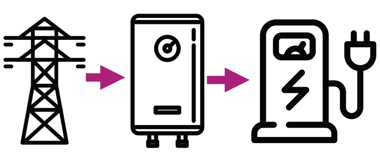
- 23,000 MD/HD chargers will be needed by 2040
  - 3,200 of these should be public charging stations
- 83 hydrogen fueling stations will be needed by 2040



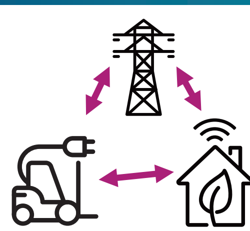
Regional Adoption Barriers

- Cost
- Infrastructure and fueling access
- Energy demand
- Regulatory support
- Technology readiness
- Technology awareness

Regional Regulatory and Funding Support Strategies

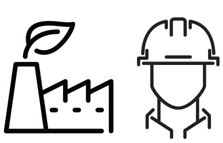


Power Availability

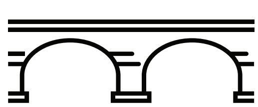


Tailoring infrastructure to meet local needs

Incentives



Accessible, clean, and safe hydrogen production

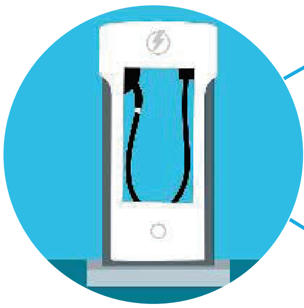


Consistent policies across state and national borders

Weight Exemptions

Infrastructure Deployment and Energy Demand Strategies

Streamline Siting, Land Use, Zoning and Permitting Process



Utilities

Local Jurisdictions

Trucking Industry

Infrastructure Deployment and Energy Demand Strategies

Promote Public-Private Partnerships

Improve public procurement process

Improve public infrastructure utilization

Explore new charging business models

Streamline revenue sharing

Education, Outreach, and Engagement Strategies

Showcase Innovative Technologies and ZEV deployments

Raise Awareness of Current Regulations and Incentive Programs

Facilitate Bidirectional Communications with Communities and Fleets

Develop training and education programs to prepare trucking and fleet industry workers

Project Timeline

Needs Assessment
Completed January 2023

ZEV Technology & Siting Criteria
Completed May 2023

Near & Long-Term Implementation Strategies
Summer/Fall 2023

Draft Blueprint Review
Fall 2023

Final Blueprint
January 2024

SANDAG

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