

**JOINT EXERCISE OF POWERS AGREEMENT
TO ESTABLISH THE SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY
(As Amended)**

INTRODUCTION

This AGREEMENT is made and entered into in the State of California by and among the following public agencies that are parties to this AGREEMENT:

- (a) LOS ANGELES COUNTY TRANSPORTATION COMMISSION (LACTC)
- (b) ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA)
- (c) RIVERSIDE COUNTY TRANSPORTATION COMMISSION (RCTC)
- (d) SAN BERNARDINO ASSOCIATED GOVERNMENT (SANBAG)
- (e) VENTURA COUNTY TRANSPORTATION COMMISSION (VCTC)

RECITALS

WHEREAS, the parties to this Joint Exercise of Powers Agreement recognize the need under state law (Public Utilities Code Section 130255) for the creation of a joint powers agency to plan, design, construct and administer the operation of regional passenger rail lines serving the counties of Los Angeles, Orange, Riverside, San Bernardino and Ventura; and

WHEREAS, each party to this AGREEMENT is authorized to contract with each other for the joint exercise of any common power under Article 1, Chapter 5, Division 7, Title I of the Government Code of the State of California;

NOW THEREFORE, in consideration of the recitals and the rights, duties and covenants set forth herein, the parties to this AGREEMENT agree to the following:

1.0 CREATION OF AGENCY

There is hereby created an organization to be known as the Southern California Regional Rail Authority (AUTHORITY) which shall be a public entity separate and apart from any MEMBER AGENCY. The AUTHORITY shall be governed by the terms of this Joint Exercise of Powers Agreement and any bylaws passed and adopted by its GOVERNING BOARD.

The Executive Director of the AUTHORITY shall cause to be filed a notice of this AGREEMENT with the office of the Secretary of State within 30 days of its effective date, as required by Section 6503.5 of the Joint Powers Act.

2.0 PURPOSES

It is the purpose of the AUTHORITY to advance the planning, design and construction, and then to administer the operation, of regional passenger rail lines serving the counties of San Bernardino, Los Angeles, Ventura, Orange and Riverside.

3.0 POWERS OF THE AUTHORITY

As may be necessary for the accomplishment of the purposes of the AGREEMENT, the AUTHORITY shall have the power in its own name to undertake the following:

- 3.1 To exercise in the manner provided by this AGREEMENT the powers common to each of the voting members and necessary to the accomplishment of the purposes of this AGREEMENT. Powers common to each of the members shall include any powers granted to all members by legislative amendment subsequent to the date of this AGREEMENT.
- 3.2 To make and enter into contracts.
- 3.3 To employ agents and employees.
- 3.4 To contract for the services deemed necessary to meet the purposes of the agency.
- 3.5 To acquire, including the lease, purchase or lease purchase, hold and dispose of real and personal property necessary to carry out the purposes of this AGREEMENT.
- 3.6 To construct, manage, and maintain facilities, and services.
- 3.7 To sue and be sued in its own name.
- 3.8 To incur debts, liabilities and obligations. However, the debts, liabilities and obligations of the AUTHORITY shall not constitute any debt, liability, or obligation of any of the agencies who are parties to this AGREEMENT.
- 3.9 To apply for and accept grants for financial aid pursuant to any applicable state or federal statutes.
- 3.10 The AUTHORITY is subject to the statutory restrictions upon the manner of exercising the powers of the Orange County Transportation Authority.
- 3.11 To recommend all station sites and designs, and approve service levels to all stations.
- 3.12 To recommend funding shares for capital costs incurred in project implementation to its MEMBER AGENCIES based primarily on outcome of SB 1402 (Public Utilities Code Sections 130450 et seq.) study results.
- 3.13 To recommend funding shares for operating subsidies to its MEMBER AGENCIES based on the most recent information needed to make this decision.

- 3.14 To approve all marketing, fare structure, and operations policies;
- 3.15 To apply for and accept any Clean Air and Transportation Improvement Act of 1990, as amended (Act) funds or other funds available and appropriately sought by the AUTHORITY.
- 3.16 To select the commuter rail operator and administer the resulting operations and maintenance contracts.

4.0 ROLE OF MEMBER AGENCIES

While the AUTHORITY will oversee the implementation of the commuter rail projects, the support of the MEMBER AGENCIES is required. This support will involve the following types of actions:

- 4.1 Staff Support shall be provided by the MEMBER AGENCIES to assist in related studies, helping local cities build their stations, managing special design/construction work wanted solely by one MEMBER AGENCY and obtaining necessary permits and other local approvals.
- 4.2 Contract and Special Financial Support shall be provided by the MEMBER AGENCIES to assure that the AUTHORITY's actions are implemented quickly and efficiently, the project is managed properly on a local level, and required payments are handled quickly.
- 4.3 Policy Support shall be provided by the MEMBER AGENCIES to either approve, or respond quickly to, any recommendations made as to funding shares, operational decisions, fare structures, and other policy areas.
- 4.4 Each MEMBER AGENCY's Share of Capital and Operating Fund allocations, and Annual AUTHORITY Budget shall be approved by each MEMBER AGENCY.

5.0 GOVERNING BOARD OF THE AUTHORITY

5.1 Voting Members of the GOVERNING BOARD

All powers of the AUTHORITY shall be exercised by up to an eleven (11) member GOVERNING BOARD. The GOVERNING BOARD shall be selected and composed of members with voting powers as follows:

- 5.1.1 Four votes for the Los Angeles County Transportation Commission;
- 5.1.2 Two votes for the Orange County Transportation Authority;
- 5.1.3 Two votes for the Riverside County Transportation Commission;

5.1.4 Two votes for the San Bernardino Associated Governments;

5.1.5 One vote for the Ventura County Transportation Commission.

5.2 Selection of Voting Members

Members of the AUTHORITY GOVERNING BOARD shall be selected from members of the governing boards of the MEMBER AGENCIES or alternates appointed by the governing board of each MEMBER AGENCY.

Each MEMBER AGENCY shall have the ability to cast up to the number of votes allocated to it and shall determine who and how many will represent it.

5.3 Ex Officio Members of the GOVERNING BOARD

The San Diego Association of Governments (SANDAG), the Governor of the State of California*, and the Southern California Association of Governments (SCAG)** may appoint non-voting ex officio representatives to the GOVERNING BOARD. Other public agency members may be designated as ex officio, non-voting representatives.

5.4 Reimbursement of Expense

The expense reimbursement policies adopted by the LACTC shall be utilized for determining the reimbursement of expenses incurred on behalf of the AUTHORITY unless a different policy is subsequently adopted by the GOVERNING BOARD. The Treasurer of the AUTHORITY, as defined herein, shall administer reimbursements pursuant to that policy.

5.5 Meetings of the GOVERNING BOARD

The GOVERNING BOARD shall provide for its regular meetings provided that it shall hold at least one regular meeting in each quarter of each year and such further meetings as may be reasonable depending upon the pressure of business. The dates upon which and the hour and place at which any regular meeting shall be held shall be fixed by resolution and a copy of such resolution shall be filed with each MEMBER AGENCY.

5.6 Ralph M. Brown Act

All meetings of the GOVERNING BOARD, including without limitation, regular adjourned, regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code of the State of California).

* Appointed by Governor (preferably from Caltrans)

** Southern California Association of Governments (Director or above)

5.7 Minutes

The Secretary of the GOVERNING BOARD shall cause minutes of regular, adjourned regular and special meetings to be kept, and shall, after each meeting, cause a copy of the minutes to be forwarded to each member of the AUTHORITY.

5.8 Quorum and Voting

Three counties representing a minimum of six (6) votes, present at a GOVERNING BOARD meeting shall constitute a quorum for the transaction of business, except that a lesser number may adjourn for lack of a quorum. A minimum of six (6) votes of the GOVERNING BOARD is required to take action.

5.9 Officers of the GOVERNING BOARD

The GOVERNING BOARD shall elect from its members a Chairman and Vice Chairman at its first meeting and thereafter at the first meeting held in each succeeding calendar year, the AUTHORITY shall elect or re-elect its Chairman and Vice Chairman. In the event that the Chairman or Vice Chairman so elected ceases to be a member of the AUTHORITY, the resulting vacancy shall be filled at the next meeting of the AUTHORITY held after each vacancy occurs. In the absence or inability of the Chairman to act, the Vice Chairman shall act as Chairman. The Chairman, or in his absence the Vice Chairman, shall preside at and conduct all meetings of the AUTHORITY.

6.0 ADMINISTRATIVE STAFF OF THE AUTHORITY

6.1 It is the mutual interest of the parties that the LACTC shall serve as the Staff of the AUTHORITY. LACTC shall be designated as the Administrative Staff of the AUTHORITY until July 1, 1996.

6.1.1 Employees of the LACTC or its successor shall not be deemed to be employees of the AUTHORITY.

6.1.2 All materials and data prepared by the staff of the AUTHORITY shall be the sole property of the AUTHORITY. The AUTHORITY shall not be limited in its use of such materials or data.

6.1.3 The Administrative Staff shall be responsible for coordinating all AUTHORITY activities. The MEMBER AGENCIES shall contribute staff support as necessary to carry out the purposes and powers of the AUTHORITY.

6.1.4 Subject to the restrictions contained in Sections 6505.5 and 6505.6 of the California Government Code and any amendments or applicable regulations later enacted, the GOVERNING BOARD may appoint one of its officers to the positions of Treasurer or Auditor, or to both of these positions. Unless and until the GOVERNING BOARD makes a different designation or appointment, the Los Angeles County Metropolitan Transportation Authority's Deputy Executive Director - Finance and Administration shall serve as Auditor-Controller and Treasurer and shall comply with all duties imposed under Article 1, Chapter 5, Division 7, Title 1 of the California Government Code commencing with Section 6500.

7.0 LIABILITY OF AGENCY, OFFICERS AND EMPLOYEES

The debts, liabilities, and obligations of the AUTHORITY shall not be the debts, liabilities and obligations of the MEMBER AGENCIES. The GOVERNING BOARD members of the AUTHORITY, and officers, employees, and staff of the AUTHORITY shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this AGREEMENT. They shall not be liable for any mistakes of judgment or any other action made, taken or omitted by them in good faith, nor for any action with reasonable care, nor for loss incurred through investment of joint powers agency funds, or failure to invest. No GOVERNING BOARD member, officer or employee shall be responsible for any action taken or omitted by any other director, officer or employee. No director, officer or employee shall be required to give a bond or other security to guarantee the faithful performance of his or her duties pursuant to this AGREEMENT. The AUTHORITY shall indemnify and hold harmless the individual GOVERNING BOARD members, officers and employees for any action taken lawfully and in good faith pursuant to this AGREEMENT. Nothing in this section shall be construed to limit any defenses available to the AUTHORITY, its officers, employees, staff, governing body members, or MEMBER AGENCIES under any law, including the Government Tort Claims Act found in the California Government Code, Section 830, et seq.

8.0 ANNUAL BUDGET

The GOVERNING BOARD shall approve a preliminary administrative budget and a capital improvement program for the succeeding fiscal year no later than May 1 of each year. The Board shall adopt a final budget no later than June 30 of each year. No funding or financial obligation are created against any MEMBER AGENCY solely as a consequence of executing this AGREEMENT. The fiscal year shall be July 1 of each year and including the following June 30. The budget shall include separate components for administrative, operations, and capital costs anticipated to be incurred by the AUTHORITY during the fiscal year. Decisions dealing with capital and operating fund allocations, as well as annual approval of each MEMBER AGENCY'S share of the AUTHORITY'S annual budget, shall be approved by the MEMBER AGENCIES themselves.

9.0 FUNDING FOR THE AUTHORITY

In addition to any funds derived from grants provided for in this AGREEMENT, the voting MEMBER AGENCIES shall contribute the funds necessary to carry out the purposes and powers of the AUTHORITY, consistent with the AUTHORITY'S adopted budget and any cost sharing formula adopted by the voting MEMBER AGENCIES.

10.0 BYLAWS

The GOVERNING BOARD may adopt from time to time bylaws as may be required for the conduct of its meetings and the orderly operation of the AUTHORITY.

11.0 RELATIONSHIP OF INTERCITY RAIL SERVICE TO THE AUTHORITY

11.1 The LOSSAN Rail Corridor Agency presently handles all matters related to intercity passenger services. The member agencies of LOSSAN which are MEMBER AGENCIES or eligible to be ex officio representatives to the AUTHORITY are LACTC, OCTA, SANDAG and Caltrans.

11.2 Until funds are allocated pursuant to the Act, LOSSAN, along with any ex officio members who may be a part of, or appointed to, the LOSSAN intercity rail committee shall act as the intercity rail committee of the AUTHORITY for the Los Angeles/San Diego portion of the AUTHORITY'S intercity rail service.

11.3 Until funds are allocated pursuant to the Act, a committee made up of the VCTC and LACTC, along with any ex officio representatives who may be appointed to that committee including but not limited to representatives from Santa Barbara County, shall act as the intercity rail committee of the AUTHORITY for the Los Angeles/Santa Barbara portion of the AUTHORITY'S intercity rail service.

11.4 Each of the above-named interim committees shall meet immediately prior to any meeting of the AUTHORITY GOVERNING BOARD.

12.0 DURATION OF AGREEMENT

This AGREEMENT shall continue in full force and effect until such time as a majority of the MEMBER AGENCIES determine it is in the public interest to dissolve the AUTHORITY. This does not preclude MEMBER AGENCIES from exercising their prerogative to terminate their membership in the AUTHORITY. Any MEMBER AGENCY wishing to terminate its membership in the AUTHORITY shall give one (1) year's written notice to the AUTHORITY concurrent with the beginning of the AUTHORITY'S fiscal year. Termination shall become effective at the end of such fiscal year.

The rights and obligations of any MEMBER AGENCY terminating its membership in the AUTHORITY with respect to debts of the AUTHORITY, operating rights, return of assets or money in possession of the AUTHORITY to the terminating agency shall be determined by negotiation between the AUTHORITY and the terminating agency. In the

event that the AUTHORITY and the terminating agency are unable to satisfactorily resolve any dispute between them regarding said rights and duties, such dispute shall be submitted for arbitration pursuant to Section 17 below.

13.0 DISPOSITION OF ASSETS UPON TERMINATION BY ALL MEMBER AGENCIES

Upon termination of this AGREEMENT by mutual consent of all MEMBER AGENCIES, any money or assets in possession of the AUTHORITY after the payment of all liabilities, costs, expenses, and charges validly incurred under this AGREEMENT shall be returned to the MEMBER AGENCIES in proportion to their contributions determined as of the time of termination.

14.0 AUDIT

The AUTHORITY shall provide for the accountability of all funds and shall provide for an annual independent audit.

15.0 AMENDMENTS TO THE AGREEMENT

This AGREEMENT may be amended at any time by the unanimous agreement of the voting MEMBER AGENCIES.

16.0 PERIODIC REVIEW OF THE AUTHORITY

As determined by the GOVERNING BOARD, the AUTHORITY shall periodically review the circumstance and issues associated with the need for continuing the existence of the AUTHORITY.

17.0 ARBITRATION

In the event of a dispute between the AUTHORITY and its MEMBER AGENCIES, or any one MEMBER AGENCY, which cannot be satisfactorily resolved by those parties, said dispute shall be submitted to arbitration by a panel of three arbitrators pursuant to the rules of the American Arbitration Association. The panel of arbitrators shall consist of one arbitrator appointed by the governing body of the AUTHORITY and one arbitrator appointed by the MEMBER AGENCIES with whom the dispute exists and the third member shall be appointed by mutual consent of the other two arbitrators. The Arbitration panel shall resolve the dispute in accordance with the terms of this AGREEMENT.

In the event that a MEMBER AGENCY wishes to withdraw from the AUTHORITY, the Arbitration Panel shall consider in such arbitration foremost the importance of retaining the AUTHORITY's ability to achieve those purposes set forth in Section 2.0 (Purposes) of this AGREEMENT following the withdrawal of the terminating agency as weighed against the long-term interest of the terminating agency to manage its own affairs. Costs of arbitration shall be paid by the party against whose favor the arbitration, or any subsequent legal action arising out of the arbitration, is found.

18.0 SUCCESSOR STATUTES

All statutes cited herein shall be deemed to include amendments and/or successor statutes to the cited statutes as they presently exist.

19.0 CONSTRUCTION: NUMBER, GENDER AND CAPTIONS

This AGREEMENT has been executed in the State of California and shall be construed according to the law of said State. Numbers and gender as used herein shall be construed to include that number and/or gender which is appropriate in the context of the text in which either is included. Captions are included herein for the purposes of ease of reading and identification. Neither gender, number nor captions used herein shall be construed to alter the plain meaning of the text in which any or all of them appear.

20.0 AGREEMENT COMPLETE

This AGREEMENT constitutes the full and complete agreement of the parties.


IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT by authorized officials on the dates indicated below.

21.0 PROVISION

The AGREEMENT may be executed in one or more counterparts and may include multiple signature papers, all of which shall be deemed to be one instrument. Copies of this AGREEMENT will be used in lieu of the original.

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AUTHORITY
(As Amended)**

**LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY (LACMTA)
AS SUCCESSOR IN TRUST TO THE
LOS ANGELES COUNTY TRANSPORTATION COMMISSION**

BY:  DEEO
Julian Burke
Chief Executive Officer

11/29/00
Date

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ORANGE COUNTY TRANSPORTATION AUTHORITY

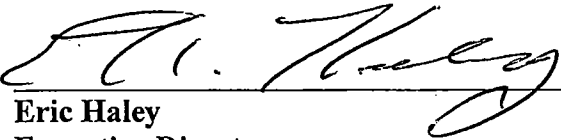
BY: Steven Wylie
Steven Wylie
Acting Chief Executive Officer

10/18/00
Date

**JOINT EXERCISE OF POWERS AGREEMENT
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RIVERSIDE COUNTY TRANSPORTATION COMMISSION (RCTC)

BY:



Eric Haley

Executive Director

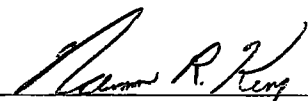
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Date

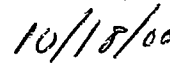
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SAN BERNARDINO ASSOCIATED GOVERNMENTS (SANBAG)

BY:



**Norman King
Executive Director**



Date

**JOINT EXERCISE OF POWERS AGREEMENT
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VENTURA COUNTY TRANSPORTATION COMMISSION (VCTC)

BY: *Ginger Gherardi*
Ginger Gherardi
Executive Director

11/7/97
Date