ORANGE LINE JOINT POWERS AUTHORITY MEETING

Thursday, March 6, 2003

Cerritos Center for the Performing Arts
Sierra Room
12700 Center Court Drive
Cerritos

Dinner
5:30 p.m.

Meeting
6 p.m.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Introduction of Attendees
4. Purpose and Objectives of the Orange Line Development Authority
5. Items for Discussion and Possible Action:
   a) Authority Membership and Prospective Membership Status
   b) Selection of Chair, Vice-Chair, Secretary, Treasurer-Auditor
   c) Background of the Concept of Magnetic Levitation (Maglev) Transportation System Showing Video from Germany, Initial Phase Feasibility Study and the Preliminary Report Prepared by the Gateway Cities Council of Governments (GCCOG)
   d) Legal Discussion Relative to Potential Formation of a JPA for the Orange Line Including Discussion Relative to Process of the Formation
   e) Open Discussion Relative to Authority Member Input
   f) Lobbying for Funding to Implement Second Phase Planning (EIR)
   g) Setting Date, Time, Place and Agenda for Future Meetings and Establishing Timeline Outlining Next Steps in the Development of the Orange Line System
6. Adjournment

For additional information please contact the City of Cerritos, 18125 Bloomfield Avenue, Cerritos, CA 90703; Pamela Mendoza - (562) 916-1310.
March 4, 2003

The Honorable Beatrice Proo
Mayor Pro Tem
MTA Board of Directors
City of Pico Rivera
6615 Passons Boulevard
Pico Rivera, CA 90660-1016

Dear Mayor Pro Tem and MTA Director Proo:

Thank you for taking time from your busy schedule to meet with Gateway Cities Council of Governments (GCCOG) Executive Director Dick Powers and me to review the potential of the Orange Line Authority ("Authority") applying for a grant from the Metropolitan Transportation Authority (MTA). As background, 11 of the 18 cities along the proposed Orange Line route have adopted resolutions supporting the development of the referenced joint powers authority. The primary function of the Authority is to prepare all documentation that would lead to a Magnetic Levitation (Maglev) transportation system through the subject corridor. Maps are enclosed illustrating this corridor and highlighting cities that have adopted a resolution in support of the formation of the Authority.

On Thursday, March 6, 2003, the City of Cerritos is hosting the Authority's first meeting in Cerritos at the Cerritos Center for the Performing Arts. Attached for your information is an agenda. Due to the importance of the meeting, cities that have and that have yet to adopt a resolution in support of the Authority will be in attendance.

As you are aware, this process has been moving forward for over one year. During that time, the Southern California Association of Governments (SCAG) and the cities along the proposed Orange Line route have contributed $100,000 for a study to determine the potential of a Maglev system on the corridor. I have attached a copy of this report for your review. The funding from the cities shows their commitment to the project and the study highlights the success potential of a Maglev transportation system on the subject corridor. With this document in hand, and the enthusiasm of the 16 cities, the project has gained momentum.

The MTA owns the Los Angeles County property that is proposed for the development of Orange Line, whereas the Orange County Transportation Authority (OCTA) owns the segment of the corridor that is located in the County of Orange. The train
currently operating on this right-of-way is down to one trip per day and is
approaching cessation in the very near future. One of the concerns that each of the
cities along the right-of-way has is the unsightliness of this property. It is the cities’
desire to place the Maglev transportation system on this land and landscape the
surplus right-of-way by placing recreational facilities on the property (i.e. bike path,
skate path, benches, etc.).

The GCCOG is requesting a $250,000 grant from the MTA for the purpose of
retaining the services of a full-time consultant and staff to work on this project.
Thus far, all of the work has been voluntarily completed by the cities and the
GCCOG. Should we receive a commitment of this funding from MTA, a similar
request for a matching amount would be submitted to OCTA, thus providing funds in
the amount of 1 million dollars over a period of two years for the development of the
project.

Thank you for your consideration of this request. We are available to answer any
questions you may have. I look forward to a positive response from the MTA.

Sincerely,

Art Gallucci
CITY MANAGER

Attachments
ORANGE LINE DEVELOPMENT AUTHORITY

JOINT EXERCISE OF POWERS AGREEMENT
ORANGE LINE DEVELOPMENT AUTHORITY
JOINT EXERCISE OF POWERS AGREEMENT

THIS JOINT EXERCISE OF POWERS AGREEMENT (this "Agreement"), is made and entered as of the _ day of __________, 2003, the date on which the following public agencies (hereinafter "Members") executed this Agreement creating the Orange Line Development Authority:

(a) City of Los Angeles
(b) City of Vernon
(c) City of Huntington Park
(d) City of Maywood
(e) City of Bell
(f) City of Cudahy
(g) City of South Gate
(h) City of Downey
(i) City of Paramount
(j) City of Bellflower
(k) City of Cerritos
(l) City of Artesia
(m) City of La Palma
(n) City of Buena Park
(o) City of Cypress
(p) City of Stanton
(q) City of Anaheim.
WITNESSETH:

WHEREAS, the Members are each authorized and empowered to plan, finance, acquire, and construct and operate transportation facilities and issue bonds to provide the funds therefor; and

WHEREAS, the Members are authorized and empowered to enter into public-private partnerships pursuant to which revenue-generating public accommodations, infrastructure, and services can be designed, funded, constructed, and operated; and

WHEREAS, the Act provides that two or more public agencies may by agreement jointly exercise any powers common to the parties to the agreement and may by that agreement create an entity which is separate from the parties to the agreement; and

WHEREAS, the parties to this agreement have each determined that an agency for the joint exercise of their common powers shall be formed to exercise their respective powers for the purpose of establishing one or more public-private partnerships to plan, finance, acquire, construct and operate transportation facilities adjacent to or within the boundaries of the Members.

WHEREAS, by this agreement, the Members desire to create and establish the Orange Line Development Authority for the purposes set forth herein and to exercise the powers described herein and as provided by law.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. For the purposes of this Agreement, the following words shall have the following meanings:

“Act” means the Joint Exercise of Powers Act of the State of California, California Government Code Sections 6500-6599.1, inclusive, as it now exists or may hereafter be amended.

“Agreement” means this Joint Exercise of Powers Agreement.

“Authority” means the Orange Line Development Authority.

“Board of Directors” or “Board” means the governing body of the Authority.
“Bonds” means bonds, notes or other obligations of the Authority issued pursuant to any provision of law which may be used by the Authority for the authorization and issuance of bonds, notes or other obligations.

“CEQA” means the California Environmental Quality Act, contained in the California Public Resources Code, Section 21000 et seq., together with the State CEQA Guidelines, 14 CCR §15000 et seq., as they now exist or may hereafter be amended.

“Director” means any person serving as the representative of a Member on the Board.

“Fiscal Year” means July 1<sup>st</sup> to and including the following June 30<sup>th</sup> or such other period as the Board may specify by resolution.

“Member” means a public agency that is a party to this Agreement.

“NEPA” means the National Environmental Policy Act, contained in 42 U.S.C. Section 4321 et seq., as it now exists or may hereafter be amended.

“Orange Line” means a high-speed ground transportation service that is provided by an advanced technology, elevated, magnetically levitated (“Maglev”) ground transportation system for moving people and cargo, and comprised of passenger and cargo vehicles, elevated guideways and support columns, power distribution system, vehicle control system, stations, maintenance and operation center, and related facilities.

“Orange Line Project” means the activities required to plan, put in place, maintain and maximize the benefits of, the Orange Line.

“Party” means a Member.

ARTICLE II
GENERAL PROVISIONS

Section 2.1. Creation of Authority. Pursuant to Section 6502 of the Act, there is hereby created a public entity separate and independent from the Parties hereto, to be known as the “Orange Line Development Authority.”

(a) Within thirty (30) days after the effective date of this Agreement and after any amendment, the Authority shall cause a notice of such Agreement or amendment to be prepared and filed with the office of the California Secretary of State containing the information required by California Government Code Section 6503.5.

(b) Within ten (10) days after the effective date of this Agreement, the Authority shall cause a statement of the information concerning the Authority, its Members and Directors required by California Government Code Section 53051 to be filed with the office of the California Secretary of State and with the County Clerk of each county in
which the Authority maintains an office, and within ten (10) days after any amendment which makes any change in the facts required to be stated pursuant to Subdivision (a) of such Section, a statement of such facts also shall be filed as provided therein.

Section 2.2. **Purpose.** The purpose of the Authority is to pursue its stated objective to use the common powers of its Members to enter into one or more public-private partnerships to finance, acquire, design, construct, reconstruct, improve, and operate the facilities and improvements to the Orange Line as may be approved by action of the Authority.

**ARTICLE III**

**POWERS**

Section 3.1. **General Powers.** The Authority shall have the power in its own name to exercise any and all common powers of its Members reasonably related to the purposes of the Authority, including but not limited to the powers to:

(a) study the feasibility of and plan for and implement the design, acquisition, financing, construction and operation of the Orange Line;

(b) seek, receive and administer funding from any available public or private source, including grants or loans under any available federal, state and local programs for assistance in achieving the purposes of the Authority;

(c) contract for the services of engineers, attorneys, planners, financial and other necessary consultants or entities;

(d) make and enter into any other contracts;

(e) employ agents, officers and employees;

(f) acquire, lease, construct, own, manage, maintain, dispose of or operate (subject to the limitations herein) any buildings, works or improvements;

(g) acquire, hold, manage, maintain, or dispose of any other property by any lawful means, including without limitation gift, purchase, eminent domain, lease, lease-purchase, license or sale;

(h) incur all authorized debts, liabilities, and obligations, including issuance and sale of bonds, notes, certificates of participation, bonds authorized pursuant to the Marks-Roos Local Bond Pooling Act of 1985, California Government Code Sections 6584 et seq. (as it now exists or may hereafter be amended) or any other legal authority common to the Members and such other evidences of indebtedness described in Section 3.2a(6) of this Agreement, subject to the limitations herein; and
(i) receive gifts, contributions and donations of property, funds, services and other forms of financial or other assistance from any persons, firms, corporations and governmental entities; and

(j) sue and be sued in its own name; and

(k) seek the adoption or defeat of any federal, state or local legislation or regulation necessary or desirable to accomplish the stated purposes and objectives of the Authority; and

(l) adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority;

(m) to invest any money in the treasury pursuant to California Government Code Section 6505.5 that is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the California Government Code;

(n) to carry out and enforce all the provisions of this Agreement; and

(o) exercise all other powers not specifically mentioned herein, but common to Members, and authorized by California Government Code Section 6508.

Section 3.2. Specific Powers.

(a) Financial.

(1) Annual Budget. The Board shall adopt an annual budget for the ensuing fiscal year by a two-thirds (2/3) vote of the Board.

(2) Accounts. All funds will be placed in object accounts and the receipt, transfer, or disbursement of such funds shall be accounted for in accordance with the generally accepted accounting principles applicable to governmental entities, with strict accountability of all funds. All revenues, expenditures and status of bank accounts and investments shall be reported to the Board as frequently as the Board shall direct and, in any event, not less than annually, pursuant to procedures established by the Board.

(3) Expenditures Within Approved Annual Budget. All expenditures within the limitations of the approved annual budget shall be made upon approval of the Executive Director in accordance with the rules, policies and procedures adopted by the Board. However, no expenditure shall be made for the purpose of purchasing or otherwise acquiring real property without prior approval of the Board by the representatives of not less than two-thirds (2/3) of the Members. No expenditures in excess of those budgeted shall be made without the approval of an amended annual budget by the Board pursuant to paragraph (1) of this Section.
(4) **Disbursements.** Warrants shall be drawn upon the approval and written order of the Board and the Board shall requisition the payment of funds only upon approval of claims, disbursements and other requisitions for payment in accordance with this Agreement and other rules, regulations, policies and procedures adopted by the Board.

(5) **Audit.** The records and accounts of the Authority shall be audited annually by an independent certified public accountant and copies of such audit report shall be filed with the State Controller, the County Auditor in each county in which a Member is located, and shall be provided to each Member no later than fifteen (15) days after receipt of such audit reports by the Authority. In any fiscal year during which the Authority has gross revenues of less than $250,000 the Board may, in its discretion, dispense with such an audit, and instead rely on such other financial review by the Authority’s staff or other reviewers as the Board shall deem prudent.

(6) **Securities.** The Authority may use any statutory power available to it under the Act and any other applicable laws of the State of California, whether heretofore or hereinafter enacted or amended, for issuance and sale of any revenue bonds or other evidences of indebtedness necessary or desirable to finance the exercise of any power of the Authority, and may borrow from any source including, without limitation, the federal government, for these purposes.

(7) **Liabilities.** The debts, liabilities and obligations of the Authority shall be the debts, liabilities and obligations of the Authority alone, and not of the Members, although a Member may separately contract for, or assume responsibility for, specific debts, liabilities or obligations of the Authority, as authorized by California Government Code Section 6508.1.

(8) **Hold Harmless and Indemnification.** To the fullest extent permitted by law, each Member agrees to save, indemnify, defend and hold harmless the Authority and all other Parties from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys fees and costs, court costs, interest, defense costs, and expert witness fees, where the same arise out of, or are any way attributable in whole or in part, to negligent acts or omissions of the indemnifying Party or its employees or agents, except when acting within the scope of their authority as employees or agents of the Authority. Where the Authority, or its Parties, in their capacities as Members or agents or employees of the Authority are held liable for injuries to persons or property, including death, the liability of each Party for contribution or indemnification for such injuries shall be determined by agreement between the Parties or a court of competent jurisdiction, and the Party responsible for liability to the others will indemnify the other Parties to this Agreement for the percentage of liability determined as set forth therein. In the event of liability imposed upon the Authority, or any of its Parties, for injury or death which is caused by the negligent or wrongful act or omission of any Party in the performance of this
Agreement, the contribution of the Party or Parties not directly responsible for such negligent or wrongful act or omission shall be limited to one hundred dollars ($100). The Party or Parties directly responsible for such negligent or wrongful acts or omissions shall defend, indemnify and hold the Authority and all other Parties harmless from any liability arising out of such wrongful act or omission.

In no event, however, shall the indemnification of an employee or former employee of the Authority or Member exceed that provided in California Government Code Article 4 of Chapter 1 of Part 2 of Division 3.6, beginning with Section 825, as it now exists or may hereafter be amended.

(b) Condemnation. The Authority shall have the power to exercise any available eminent domain power of its Members, upon approval of (i) two-thirds (2/3) of the entire membership of the Board, and (ii) the concurrence of the governing body of any Member(s) within the boundaries of which the real property is to be acquired.

c) Parkland Maintenance. The Authority shall maintain all parkland and open space installed or constructed within the right-of-way of the Orange Line.

d) Manner of Exercise. For purposes of California Government Code Section 6509, the powers of the Authority shall be exercised subject to the restrictions upon the manner of exercising such powers as are imposed upon the City of _________, a general law city, provided, however, that if the City of _________ shall cease to be a Member, then the Authority shall be restricted in the exercise of its powers in the same manner as the City of _________, a general law city.

e) Compliance with CEQA and NEPA. The Authority shall comply with all requirements of CEQA and NEPA as a condition precedent to its commitment to carry out any obligation under this Agreement for which such compliance is required. However, the execution of this Agreement does not constitute a project or approval of any commitment to carry out any project as those terms are used in CEQA and NEPA.

(f) Contributions. Individual Members may contribute funds, personnel and equipment to the Authority in furtherance of the purposes of the Authority set forth herein. Pursuant to Government Code Sections 6504, 6512.1 and related provisions, the Authority is empowered after the issuance of bonds or receipt of funds from any other source, to reimburse such Members for such contributions.

g) Expulsion. A Party may be expelled from the Authority for violation of this Agreement, upon a vote of three-fourths (3/4) of the entire membership of the Board (excluding the vote of the Party to be expelled), after the Board has given thirty (30) days’ written notice to the Party to be expelled of the Authority’s intention to expel that Member if the violations of this Agreement identified in the notice are not cured or, if the cure cannot be completed within thirty (30) days, commenced within that notice period and diligently pursued to completion. Any Party that fails to execute any amendment to this Agreement within thirty (30) days after execution by the last Member
required for approval of such amendment by Section 5.1 of this Agreement, shall be
deemed to be expelled on the thirty-first (31st) day after such execution.

Expulsion of a Party shall not relieve the expelled Party of any liabilities imposed
upon or incurred by the Party pursuant to this Agreement prior to the effective date of
such expulsion. However, such expulsion shall result in the forfeiture of all rights and
claims of the expelled Party to any repayment of contributions or advances or other
distribution of funds or property after withdrawal, including distribution in the event of
termination of the Authority. The Members agree that the liquidated damages provided
by this paragraph are necessary and appropriate because the furtherance of the Orange
Line Project is a complex venture, which will require sustained, collective effort over a
period of years. If a Member fails to fulfill its commitment to the other Members to
accomplish the mission of constructing developing and maintaining the Orange Line,
there will be real and substantial injury to the success of the project and to the other
Members, which injury is necessarily difficult to quantify. Accordingly, the members
agree the provision of this paragraph and of paragraph (h) below constitute an appropriate
measure of the damages an early withdrawal will cause.

(h) Withdrawal. Any Party may withdraw from the Authority at any time, for any
reason, by giving written notice to the Board of its intention to do so thirty (30) days prior
to the effective date of that withdrawal.

Withdrawal of a Party, however, shall not relieve it of any liabilities imposed
upon or incurred by the Party pursuant to this Agreement prior to the effective date of
such withdrawal, and such withdrawal shall result in the forfeiture of all rights and claims
of the withdrawing Party to any repayment of contributions or advances or other
distribution of funds or property after withdrawal, including distribution in the event of
termination of the Authority.

(i) Termination of Authority.

(1) Causes. The Authority shall terminate, and its assets be distributed in
accordance with the provisions of this Agreement, upon the unanimous vote of its
Members or at such time as there shall be only one Member remaining.

(2) Limitations

(a) No termination of the Authority shall occur until all of its debts, liabilities,
and obligations, including issuance and sale of bonds, notes, certificates of
participation and other evidences of indebtedness described in Section 3.2a(6) of
this Agreement are paid or adequate provision for such payment is made in
accordance with the resolution of the Authority authorizing issuance and sale
thereof.

(b) No termination of the Authority shall occur which constitutes or will
necessary cause a material breach of any contract or agreement entered into by the
Authority.
(c) No termination of the Authority shall occur which adversely affects the operation, repair, maintenance, improvement or administration of any facility then owned, leased, permitted, licensed or otherwise controlled by the Authority.

(d) No termination of the Authority shall occur which otherwise is prohibited by law.

(3) Distribution of Funds and Property. Upon termination of the Authority, any remaining funds, property or other assets of the Authority, following discharge of all debts, liabilities and obligations of the Authority, shall be distributed to the Members for any unreimbursed advances, contributions or in-lieu contributions made or given to the Authority by such Members, and distributed to all Members in proportion to the contributions to the Authority by the Members. Alternatively, the Board, by a vote of 2/3 of its entire membership, may distribute the assets of the Authority to another public or private non-profit agency capable of using the assets of the Authority for the benefit of the public.

ARTICLE IV
ORGANIZATION

Section 4.1. Members. The Members of the Authority shall be the Members described in the introductory paragraph of this Agreement, and any general purpose local governmental agencies with powers common to those of such described Members with respect to the purposes and obligations of the Authority subsequently added as Members by amendment to this Agreement, which have executed this Agreement and all subsequent amendments, and have not withdrawn thereafter.

Section 4.2. Board

(a) Composition

(1) The Board shall consist of one person designated as a Director by the governing body of each of the Members.

(2) Each Member shall appoint one or more Alternate Directors. All Directors and Alternate Directors shall be current members of the governing body of their appointing Member. Directors and Alternate Directors shall serve during the pleasure of their respective appointing authorities and during that pleasure shall hold office for a period of one year, concurrent with the Authority’s fiscal year, and thereafter until their successors are selected and qualified (unless a Director or Alternate Director ceases to qualify for service, as by loss of elective office). Any vacancy caused by a Director or Alternate Director ceasing to serve on the body which appointed him or her or otherwise shall be filled in the same manner as the original appointment. Nothing in this Agreement shall bar the
reappointment of a Director or an Alternate Director to successive terms provided that Director or Alternate Director continues to be qualified to serve.

(b) Compensation and Expense Reimbursement

All Directors and Alternate Directors on the Board shall receive a stipend of not more than one hundred dollars ($100) per meeting attended as the Member's voting representative upon a vote of the Board to authorize such stipends. Each Director and Alternate Director on the Board shall be reimbursed for reasonable and necessary expenses actually incurred in the conduct of the Authority's business, pursuant to an expense reimbursement policy established by the Board prior to such expenses being incurred.

(c) Voting

(1) Required Vote. All actions of the Board shall be by vote of the representatives of a majority of Directors or Alternate Directors present and voting, except as otherwise specifically provided herein.

(2) Proxy and Absentee Votes. Directors and Alternate Directors may not cast proxy or absentee votes. Each Member shall have an equal vote. Each Alternate Director shall have one vote during the absence of the Director for whom he or she serves as an Alternate Director.

(d) Political Reform Act

(1) Directors and Alternate Directors shall be considered “public officials” within the meaning of the Political Reform Act of 1974, as amended, and its regulations, for purposes of financial disclosure, conflict of interest and other requirements of such Act and regulations, subject to a contrary opinion or written advice of the California Fair Political Practices Commission. The Authority shall adopt a conflicts of interest code in compliance with the Political Reform Act.

(e) Levine Act

(1) Directors and Alternate Directors are “officials” within the meaning of California Government Code Section 84308 et seq., commonly known as the “Levine Act,” and subject to the restrictions of such act on the acceptance, solicitation or direction of contributions.

(f) Principal Office

(1) The principal office of the Authority shall be established or moved to any place in Los Angeles County or Orange County by resolution of the Board.
(g) Meetings

(1) **Time and Place.** The Board shall meet at the principal office of the Authority, or at such other place designated by the Board if notice is provided in the manner of notice of an adjourned meeting under the Ralph M. Brown Act, California Government Code Section 54950 et seq. The time and place of regular meetings of the Board shall be designated by resolution adopted by the Board, a copy of which shall be furnished to each Member at least ten (10) days prior to the next such regular meeting, provided, however, that at least one regular meeting shall be held each year.

(2) **Call and Conduct.** All meetings of the Board shall be called and conducted in accordance with the provisions of the Ralph M. Brown Act and other applicable law.

(h) Quorum

(1) Representatives of not less than two-thirds (2/3) of the Members shall constitute the quorum of the Board required to conduct the business of the Authority.

(i) Rules

(1) The Board may adopt from time to time rules and regulations for the conduct of meetings of the Board and of the affairs of the Authority consistent with this Agreement and other applicable law.

(j) Minutes

The Secretary of the Authority shall cause minutes of all meetings of the Board to be drafted and mailed to each Member promptly after each such meeting. Upon approval by the Board, such minutes shall become a part of the official public records of the Authority.

Section 4.3. Officers

(a) **Chair and Vice-Chair.** The Board shall select a Chair and Vice-Chair from among its members.

(b) **Secretary.** The Board shall appoint a Secretary from the Directors or the officers or employees of the Authority or a Member.

(c) **Treasurer and Auditor.** The Board shall appoint an officer or employee of the Authority or an officer or employee of a Member to hold the offices of Treasurer and Auditor of the Authority. Such offices may be held by separate officers or employees or
may be combined and held by one such officer or employee, as provided by the Board. Such person or persons shall possess the powers and duties of, and shall perform all Treasurer and Auditor functions for the Authority, including those required or authorized by California Government Code Sections 6505, 6505.5, and 6505.6. Until such time as the Board shall select another Treasurer and Auditor pursuant to this paragraph, the Finance Director of the City of __________ shall serve as Treasurer and Auditor of the Authority.

(d) **Executive Director.** The Board shall appoint an Executive Director, which appointment shall require the approval of two-thirds (2/3) of its entire membership. The Executive Director may be an officer or employee of a Member, and shall have full authority and responsibility to implement the purposes and objectives of the Authority, subject only to the general authority of the Board.

(e) **Terms.** The Chair, Vice-Chair, Secretary, Treasurer and Auditor shall serve during the pleasure of the Board and during that pleasure shall hold office for a period of one year, concurrent with the Authority fiscal year, and thereafter until their successors are selected and qualified (unless the Chair or Vice-Chair should cease to be a member of the Board). The appointment of such persons by the Board shall be evidence that the position of an officer, employee, or agent of the Authority is compatible with those of an officer, employee or agent of any Member.

(f) **Additional Officers.** The Board may appoint any additional officers deemed necessary or desirable. Such additional officers also may be officers or employees of a Member or of the Authority.

Section 4.4. **Bonding Requirements.** The officers or persons designated to have charge of, handle, or have access to any funds or property of the Authority shall be so designated and empowered by the Board. Each such officer or person shall be required to file an official bond with the Authority in an amount established by the Board. Should the existing bond or bonds of any such officer or persons be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein shall be appropriate expenses of the Authority.

Section 4.5. **Status of Officers and Employees.** All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workmen’s compensation, and other benefits which apply to the activity of officers, agents, or employees of the Authority when performing their respective functions within the territorial limits of a Member shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties under the provisions of this Agreement and Chapter 5 of Title 1 of Division 7 of the California Government Code, commencing with Section 6500. However, none of the officers, agents or employees appointed by the Board shall be deemed to be employed by any of the Members or to be subject to any of the requirements of such Members by reason of their employment by the Authority.
Section 4.6. Committees.

(a) Creation. The Board may create by resolution permanent or ad hoc committees to give advice to the Board of Directors on such matters as may be referred to such committee by the Board. Qualified persons shall be appointed to such committees by the Board and each such appointee shall serve at the pleasure of the Board.

(b) Meetings. All regular, adjourned and special meetings of such committees shall be called and conducted in accordance with the applicable requirements of the Ralph M. Brown Act, Government Code Section 54950 et. seq., as it now exists or may hereafter be amended and all other applicable law.

ARTICLE V
MISCELLANEOUS

Section 5.1. Amendments. This Agreement may be amended with the approval of not less than three-fourths (3/4) of all Members; provided, however, that no amendment may be made which would adversely affect the interests of the owner or owners of bonds, letters of credit or other financial obligations of the Authority without the consent of that owner or owners.

Section 5.2. Notice. Any notice required to be given or delivered by any provision of this Agreement shall be personally delivered or deposited in the U.S. Mail, registered or certified, postage prepaid, addressed to the Members at their addresses as reflected in the records of the Authority, and shall be deemed to have been received by the Member to which the same is addressed upon the earlier of receipt or seventy-two (72) hours after mailing.

Section 5.3. Attorney’s Fees. In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of its actual and reasonable attorney’s fees, costs and expenses incurred in the proceeding.

Section 5.4. Successors. This Agreement shall be binding upon and inure to the benefit of any successor of a Member.

Section 5.5. Assignment and Delegation. No Member may assign any rights or delegate any duties under this Agreement without the unanimous written consent of all other Members and any attempt to make such an assignment shall be null and void for all purposes.

Section 5.6 Counterparts. This Agreement may be executed in one (1) or more counterparts, all of which together shall constitute a single agreement, and each of which shall be an original for all purposes.
Section 5.7 Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any applicable law, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, or provisions of this Agreement shall not be affected thereby and to that end the parts, terms and provisions of this Agreement are severable.

Section 5.8 Integration. This Agreement represents the full and entire Agreement between the Members with respect to the matters covered herein.

Section 5.9 Execution. The legislative bodies of the Members each have authorized execution of this Agreement, as evidenced by the respective signatures attested below.

CITY OF ____________

By: __________________________

Mayor

ATTEST:
City Clerk

By: __________________________

(Seal)

APPROVED AS TO FORM:
City Attorney

Date of Execution
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