



179 Cross Street, Suite A  
San Luis Obispo, CA 93401  
(805) 781-4472 Fax (805) 781-1291  
[www.slorta.org](http://www.slorta.org)

## BOARD AGENDA

Wednesday, July 17, 2019

**CITY OF ARROYO GRANDE, CITY COUNCIL CHAMBERS**  
**215 E. Branch Street. Arroyo Grande, California**  
**1:30 p.m. to 3:00 p.m.**  
***(Ending time is approximate)***

Chairperson: Lynn Compton

Vice Chair: Barbara Nicolls

Board Members:

Lynn Compton (Fourth District – SLO County)  
Jimmy Paulding (Arroyo Grande)

Barbara Nicolls (Grover Beach)  
Sheila Blake (Pismo Beach)

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act may request such accommodations to aid hearing, visual, or mobility impairment (including Limited English Proficiency persons) by contacting the SCT offices at 781-4472. Please note that 48 hours advance notice will be necessary to honor a request.

**NOTE:** Arroyo Grande City Offices are served hourly by SCT Route 24.  
Please call 541-2228 for more information.

### FLAG SALUTE

### CALL TO ORDER AND ROLL CALL

**PUBLIC COMMENTS:** This portion of the agenda is reserved for any members of the public to directly address the South County Transit Board on any items not on the agenda and within the jurisdiction of the Board. Comments are limited to three minutes per speaker. The Board will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.

#### A. INFORMATION AGENDA

A-1 Administrator's Report (Receive)

#### B. ACTION AGENDA

B-1 Resolution Electing to no Longer be Subject to the Public Employee' Medical and Hospital Care Act (Approve)

South County Transit, operated by the San Luis Obispo Regional Transit Authority, is a Joint Powers Agency serving residents and visitors of: Arroyo Grande, Grover Beach, Pismo Beach, Shell Beach and Oceano

**C. CONSENT AGENDA: (Roll Call Vote)** the following items are considered routine and non-controversial by staff and will be approved by one motion if no member of the South County Transit Board or public wishes an item be removed. If discussion is desired by anyone, the item will be removed from the consent agenda and will be considered separately. Questions of clarification may be made by South County Transit Board members, without the removal of the item from the Consent Agenda. Staff recommendations for each item are noted following the item.

C-1 SoCo Transit Minutes of April 24, 2019 (Approve)

C-2 CalTIP JPA and Bylaws Revisions (Approve)

**D. DIRECTORS' COMMENTS**

**E. EXECUTIVE COMMITTEE MEMBERS' COMMENTS**

**ADJOURNMENT**

Next South County Transit Board meeting: **October 16, 2019**

**SOUTH COUNTY TRANSIT  
JULY 17, 2019  
STAFF REPORT**

**AGENDA ITEM:** A-1

**TOPIC:** Administrator's Report

**PRESENTED BY:** Geoff Straw, Administrator

**STAFF RECOMMENDATION:** Information

**BACKGROUND/DISCUSSION:**

**Operations:**

SoCo Transit and the RTA will conduct a joint Employee of the Quarter luncheon on August 2<sup>nd</sup> at the RTA facility in San Luis Obispo. City Managers and Board members are encouraged to attend. It will be an especially important event, since the RTA will be celebrating 10 years of in-house operations and the many employees who have been with us the entire period.

After an extensive national search, we selected Omar McPherson as its new Operations Manager. Omar has admirably served as the RTA Grants and Financial Manager since 2008, so he is a familiar face and he has hit the ground running. One of Omar's responsibilities is ensuring that SoCo Transit employees' and riders' needs are addressed in a professional and compassionate manner. Please also welcome three other team members that filled recently vacated positions: Melissa Mudge to the Grants and Financial Manager position, Kayleigh McLeod into the Human Resources Officer position and Justin Kobielus into the Accounting Technician position.

Staff is still working with SLO County Real Estate Services and Pismo Beach City Attorney Dave Fleishman to extend the lease for the SoCo Transit operating facility on 800 Rodeo Drive in Arroyo Grande. Of particular interest is recognition by the County of repairs that SoCo Transit has had to make to the property, including a recent \$46,100 spent to extensively repair the pavement (up \$9,000 from the original \$37,000 estimate to also fix a broken underground drain pipe).

**Marketing & Service Planning:**

LSC Transportation Consultants is submitting interim documents to staff as part of the Short Range Transit Plans (SRTP) study for SoCo Transit and the various dial-a-ride systems in the county. The first three working papers (*Existing Conditions, Goals and Objectives* and *Service and System Evaluation*) posted on our website. Working Paper #4 is currently being developed, and will address findings in the initial three working papers. That alternatives document will be shared with City Managers and County staff

in late-July for review and comment. We will present these suggested service, capital, institutional and financial alternatives in a public hearing setting at the October 2019 Board meeting. The study is fully funded using FTA Section 5307 funds and California STA funds.

Staff has arranged for another BYD Corporation battery-electric bus demonstration bus the week of July 15<sup>th</sup>. We plan to operate it in revenue service on SoCo Transit Route 24 service for a full day on July 17<sup>th</sup> – so we should see it drive by during the Board meeting as it serves the bus stop in front of the Arroyo Grande City Council Chambers. We will also use the BEB on RTA Route 9 to evaluate its range and other operating characteristics, as well as on Paso Express routes later in the week. Because it is a demonstration bus, we are unable to install a farebox – so we will advertise it as a fare-free service and ask that riders text or email their impressions.

The CA Public Utilities Commission is currently reviewing a transportation electrification rate proposal submitted by PG&E in November 2018. PG&E asserts that its new rate proposal for transit fleets will reduce the cost of operating battery-electric buses by 30% compared to current rate structures, reducing the cost of electricity as a transportation fuel to below the cost of diesel. The proposal includes two rates: monthly “subscription charge” and a time-of-use “volumetric” charge. This rate scenario is similar to how cell phone plans are offered, although the PG&E proposal encourages smart-charging during hours of low-demand and greater grid capacity. RTA staff is working closely with our legislative advocates at the California Transit Association to determine how this new rate plan could affect the RTA as move toward full implementation of the Innovative Clean Transit fleet rule starting in 2026. The PUC is expected to rule on PG&E’s rate proposal in September 2019.

On June 27<sup>th</sup>, Governor Gavin Newsom signed AB 74, the state’s FY19-20 budget. Included in the budget are several line-items that will be critical to implementation of the California Air Resources Board’s *Innovative Clean Transit* fleet rule regulation. These include: \$182 million for ARB incentives that reduce the cost of zero-emission buses, trucks and off-road freight equipment; and, \$245 million for air quality management districts statewide for incentives to reduce mobile and stationary sources of emissions, like buses. This funding is expected to be available to transit agencies later this year.

### **Finance and Administration:**

SoCo Transit has been a long-time member of the California Transit Indemnity Pool, which is comprised of 30+ transit agencies throughout the state. CalTIP provides both liability and physical coverage, as well as a range of risk management training services for our staff. RTA Deputy Director Tania Arnold has served on the Finance Committee for many years, and she has served as CalTIP’s elected Treasurer since 2017. I was elected to the CalTIP Oversight Committee in 2016. In 2017, I was elected by my peers to serve as CalTIP’s Vice-President of the Board and in June 2019 I have assumed the CalTIP Board President position upon the retirement of Culver City Transit Manager Art Ida.

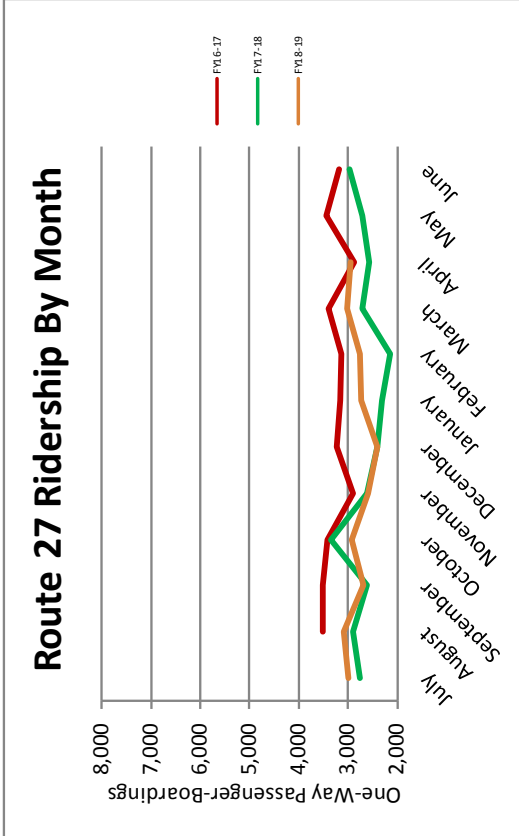
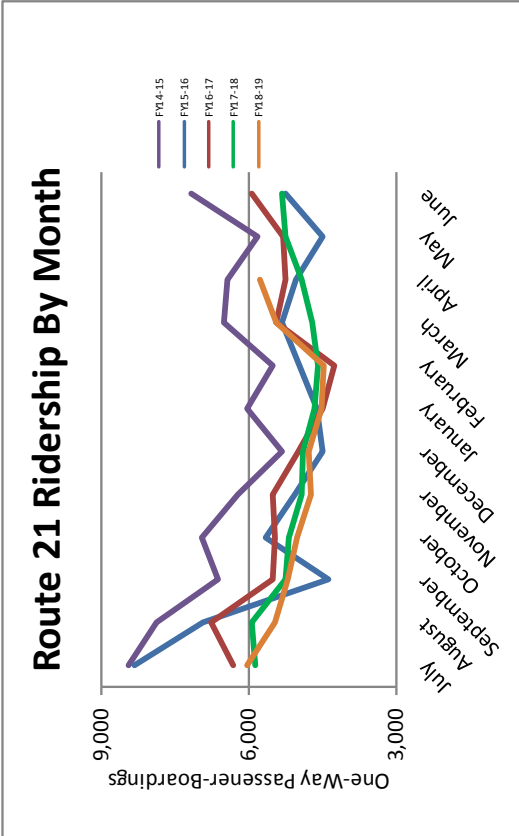
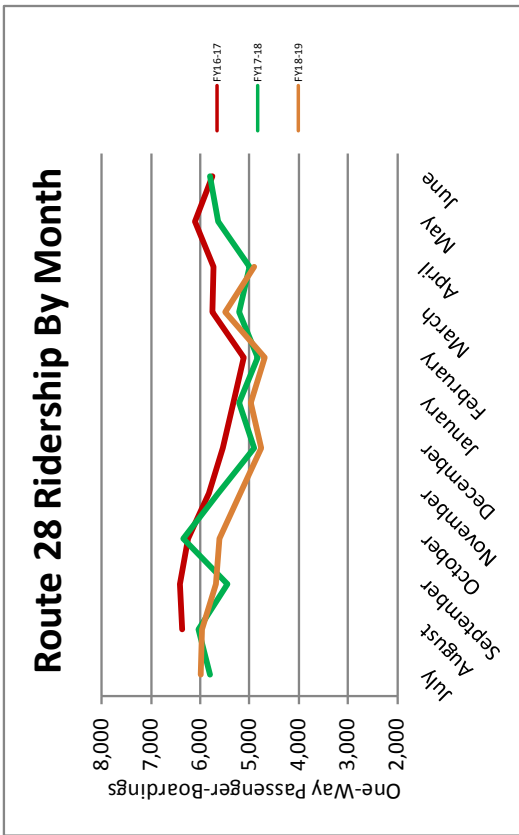
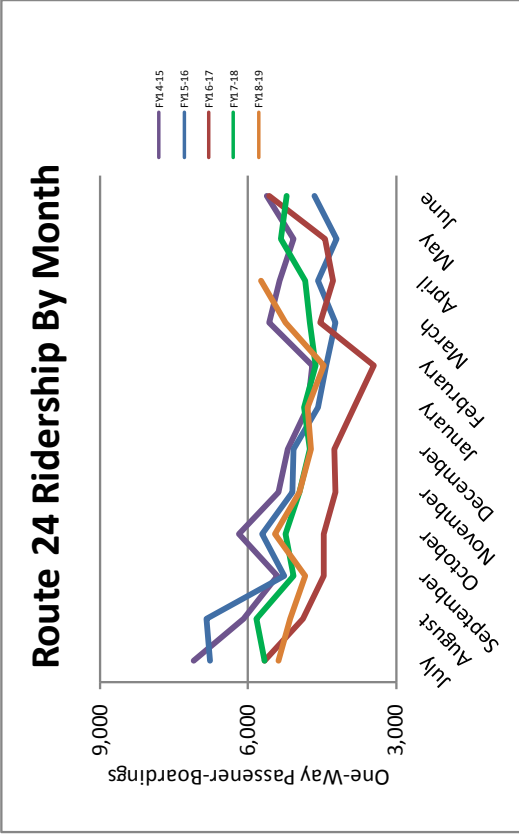
The RTA completed a Transportation Electrification-Readiness Plan as part of the new Bus Maintenance Facility design contract, which has helped us more precisely define the costs of battery-electric bus (BEB) infrastructure needs of the region. We used the Plan to help prepare and submit an FTA Section 5339(c) Low- and No-Emission grant application to purchase BEBs for SoCo Transit. We expect to hear back on that grant proposal in late-summer.

Attached are preliminary operating and financial data for the first ten months of FY18-19. Graphs showing historical ridership and productivity by route are provided in the ensuing pages, followed by a table providing detailed data. In summary, ridership through April 30, 2019 is up 0.7% in comparison to the same period in FY17-18 (183,526 vs. 182,290). The greatest ridership increase was experienced on weekday-only Route 27 (up 2.2%), which is still building after its initiation in July 2016; it may have also “eaten into” ridership on Route 28, which is down overall 2.1%. Routes 21 and 24 were essentially unchanged from a year ago. Productivity (the average number of one-way passenger boardings per hour of service) has remained above previous year results the past few months and well above the lowest figures experienced in FY16-17.

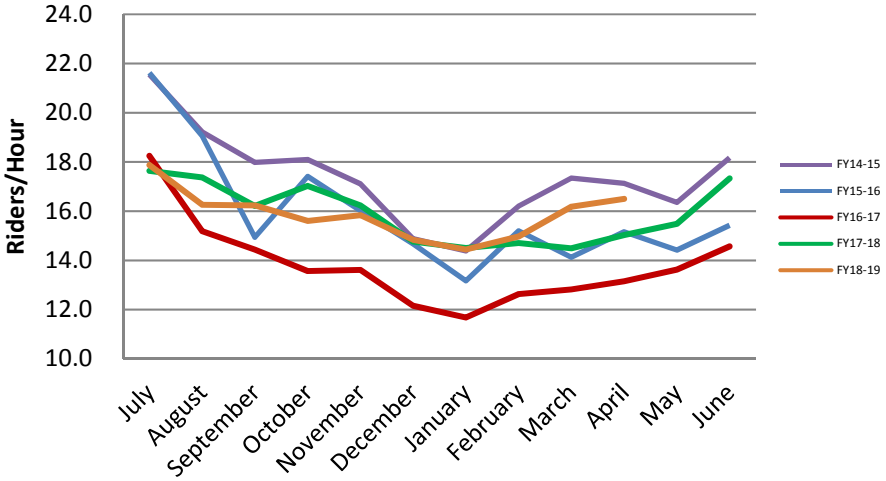
The financial results are provided in a table at the end of this report. As shown, we have expended 70.4% of our operating budget through 88.3% of the fiscal year. We are below budget in two of our three largest line-items – Salaries/Benefits and Maintenance, but we are over-budget for Fuel costs. The only non-operating budget funds expended to date have been for the SRTP, which kicked off in December 2018.

**STAFF RECOMMENDATION:**

Accept this as an information item.



### SCT Historical Productivity



**SOUTH COUNTY TRANSIT**  
2018-19 Budget vs. Actual (unaudited)

	FY 18/19 Adopted	January 2019	February 2019	March 2019	April 2019	Year to Date	Percent Year to Date
<b>Use of Resources</b>							
<u>Administrative Expenditures</u>							
Insurance	\$ 115,280	\$ 9,608	\$ 9,608	\$ 9,608	\$ 9,564	\$ 95,843	83.1%
Liability & Physical Damage	51,000	4,280	4,280	4,280	4,153	41,530	81.4%
Workers Compensation	740	53	53	53	53	527	71.2%
Property Insurance	30,600	2,550	2,550	2,550	2,550	25,500	83.3%
Rent	8,980	1,149	886	857	745	8,907	99.2%
Utilities	1,240	103	103	103	103	1,030	83.1%
Radio Expense	1,590	-	-	-	-	155	9.7%
Legal Services	760	56	49	180	55	545	71.7%
Payroll Processing	81,110	6,759	6,759	6,759	6,759	67,592	83.3%
Administration - Staff Time	14,320	1,193	1,193	1,193	1,193	11,933	83.3%
Finance - Staff Time	5,530	461	461	461	461	4,608	83.3%
Marketing - Staff Time	7,150	490	741	414	812	5,653	79.1%
Office Expense/Miscellaneous	3,310	-	-	-	-	3,215	97.1%
Audit	16,000	1,958	2,230	1,249	2,994	16,844	105.3%
Marketing/Community Relations/Printing	5,660	472	601	141	156	5,721	101.1%
Uniforms/Laundry/Physicals/Ads							
<u>Operating Expenditures</u>							
Salaries/Benefits	\$ 667,510	\$ 39,241	\$ 44,543	\$ 42,646	\$ 36,856	\$ 441,147	66.1%
Maintenance	226,920	16,264	15,127	10,989	16,966	143,203	63.1%
Dispatch	23,700	1,975	1,975	1,975	1,975	19,750	83.3%
SCT Bus Fuel	201,490	13,081	12,177	13,956	16,629	146,564	72.7%
Contingency	14,630	-	-	-	-	-	0.0%
<b>9</b> Total Operating Expenditures	\$ 1,477,520	\$ 99,694	\$ 103,336	\$ 97,414	\$ 102,024	\$ 1,040,265	70.4%
<u>Capital Service</u>							
Support Vehicle	\$ 33,000	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Short Range Transit Plan	105,000	5,220	6,101	6,400	-	17,721	16.9%
Facility Improvements/Bus Stop Amenities	43,410	-	-	-	-	-	0.0%
Transit Center Improvements	93,750	-	-	-	-	-	0.0%
Total Capital Service	\$ 275,160	\$ 5,220	\$ 6,101	\$ 6,400	\$ -	\$ 17,721	6.4%
<b>10</b> Total Use of Resources	\$ 1,752,680	\$ 104,914	\$ 109,438	\$ 103,814	\$ 102,024	\$ 1,057,987	60.4%



**SOUTH COUNTY TRANSIT  
OPERATING STATEMENT BY ROUTE - WEEKDAY AND TROLLEY  
YEAR TO DATE THRU APRIL 2019**

	RT 21 PISMO & SHELL BEACH	RT 24 GROVER B. A.G. VILLAGE, PISMO & A.G.	RT 27 GROVER B, AG, OCEANO CLOCKWISE	RT 28 GROVER B, AG, OCEANO COUNTER CW	TOTAL WEEKDAY SERVICE	AVILA BEACH TROLLEY
<b>REVENUES:</b>						
FARES	\$ 24,356	\$ 20,977	\$ 22,735	\$ 26,414	\$ 94,482	\$ 7,552
<b>TOTAL ROUTE REVENUES</b>	\$ 24,356	\$ 20,977	\$ 22,735	\$ 26,414	\$ 94,482	\$ 7,552
<b>EXPENDITURES:</b>						
ADMINISTRATION	\$ 16,396	\$ 15,909	\$ 17,448	\$ 18,781	\$ 68,534	\$ 3,070
MARKETING	4,099	3,968	4,397	4,744	17,208	-
OPERATIONS/CONTINGENCY	118,938	115,400	126,431	136,008	496,777	22,090
FUEL	31,910	24,503	26,375	27,475	110,263	7,375
INSURANCE	30,074	23,113	24,866	25,936	103,988	6,395
<b>TOTAL EXPENDITURES</b>	\$ 201,417	\$ 182,894	\$ 199,516	\$ 212,945	\$ 796,771	\$ 38,931
<b>FAREBOX RATIO</b>	12.09%	11.47%	11.40%	12.40%	11.86%	19.40%
<b>SERVICE MILES</b>	41,770.1	32,088.5	34,527.7	35,985.4	144,371.7	9,735.7
<b>SERVICE HOURS</b>	2,204.5	2,137.4	2,339.4	2,519.7	9,201.0	453.0
<b>RIDERSHIP (Automatic Counters)</b>	39,910	39,428	28,115	40,617	148,070	6,083
RIDERS PER MILE	1.0	1.2	0.8	1.1	1.0	0.6
RIDERS PER HOUR	18.1	18.4	12.0	16.1	16.1	13.4
COST PER PASSENGER	\$ 5.05	\$ 4.64	\$ 7.10	\$ 5.24	\$ 5.38	\$ 6.40
SUBSIDY PER PASSENGER	\$ 4.44	\$ 4.11	\$ 6.29	\$ 4.59	\$ 4.74	\$ 5.16
<b>RIDERSHIP (GFI Fareboxes)</b>	31,639	29,531	23,506	29,973	114,649	6,083
RIDERS PER MILE	0.76	0.92	0.68	0.83	0.79	0.62
RIDERS PER HOUR	14.35	13.82	10.05	11.90	12.46	13.43
COST PER PASSENGER	\$ 6.37	\$ 6.19	\$ 8.49	\$ 7.10	\$ 6.95	\$ 6.40
SUBSIDY PER PASSENGER	\$ 5.60	\$ 5.48	\$ 7.52	\$ 6.22	\$ 6.13	\$ 5.16

**SOUTH COUNTY TRANSIT  
OPERATING STATEMENT BY ROUTE - WEEKEND, AND TOTALS  
YEAR TO DATE THRU APRIL 2019**

	RT 21 - SAT PISMO & SHELL BEACH	RT 21 - SUN PISMO & SHELL BEACH	RT 24 - SAT GROVER B. A.G. VILLAGE/ PISMO & A.G.	RT 24 - SUN GROVER B. A.G. VILLAGE/ PISMO & A.G.	RT 28 - SAT GROVER B, AG, OCEANO COUNTER CW	RT 28 - SUN GROVER B, AG, OCEANO COUNTER CW	TOTAL WEEKEND SERVICE	TOTAL SCT ONLY SERVICE	TOTAL SCT AND AVILA SERVICE
<b>REVENUES:</b>									
FARES	\$ 4,164	\$ 2,916	\$ 4,058	\$ 2,959	\$ 4,384	\$ 4,353	\$ 22,834	\$ 117,316	\$ 124,868
<b>TOTAL ROUTE REVENUES</b>	\$ 4,164	\$ 2,916	\$ 4,058	\$ 2,959	\$ 4,384	\$ 4,353	\$ 22,834	\$ 117,316	\$ 124,868
<b>EXPENDITURES:</b>									
ADMINISTRATION	\$ 2,984	\$ 2,794	\$ 3,030	\$ 2,788	\$ 3,081	\$ 2,811	\$ 17,488	\$ 86,022	\$ 89,092
MARKETING	726	675	741	673	753	676	4,244	21,452	21,452
OPERATIONS/CONTINGENCY	21,553	20,217	21,873	20,177	22,238	20,332	126,390	623,167	645,257
FUEL	5,824	5,497	4,538	4,236	4,547	4,284	28,926	139,188	146,564
INSURANCE	5,553	5,221	4,327	4,025	4,326	4,063	27,516	131,505	137,900
<b>TOTAL EXPENDITURES</b>	\$ 36,641	\$ 34,403	\$ 34,508	\$ 31,899	\$ 34,946	\$ 32,165	\$ 204,563	\$ 1,001,334	\$ 1,040,265
<b>FAREBOX RATIO</b>	11.37%	8.47%	11.76%	9.28%	12.55%	13.53%	11.16%	11.72%	12.00%
<b>SERVICE MILES</b>	7,688.8	7,242.6	5,989.5	5,580.5	5,993.7	5,640.2	38,135.3	182,507.0	192,242.7
<b>SERVICE HOURS</b>	402.6	377.0	407.7	376.2	414.2	379.4	2,357.2	11,558.2	12,011.2
<b>RIDERSHIP (Automatic Counters)</b>	6,679	4,827	6,421	4,868	6,218	6,443	35,456	183,526	189,609
RIDERS PER MILE	0.9	0.7	1.1	0.9	1.0	1.1	0.9	1.0	1.0
RIDERS PER HOUR	16.6	12.8	15.7	12.9	15.0	17.0	15.0	15.9	15.8
COST PER PASSENGER	\$ 5.49	\$ 7.13	\$ 5.37	\$ 6.55	\$ 5.62	\$ 4.99	\$ 5.77	\$ 5.46	\$ 5.49
SUBSIDY PER PASSENGER	\$ 4.86	\$ 6.52	\$ 4.74	\$ 5.94	\$ 4.92	\$ 4.32	\$ 5.13	\$ 4.82	\$ 4.83
<b>RIDERSHIP (GFI Fareboxes)</b>	4,495	3,346	4,698	3,523	4,765	4,829	25,656	140,305	146,388
RIDERS PER MILE	0.58	0.46	0.78	0.63	0.79	0.86	0.67	0.77	0.76
RIDERS PER HOUR	11.17	8.87	11.52	9.36	11.50	12.73	10.88	12.14	12.19
COST PER PASSENGER	\$ 8.15	\$ 10.28	\$ 7.35	\$ 9.05	\$ 7.33	\$ 6.66	\$ 7.97	\$ 7.14	\$ 7.11
SUBSIDY PER PASSENGER	\$ 7.23	\$ 9.41	\$ 6.48	\$ 8.21	\$ 6.41	\$ 5.76	\$ 7.08	\$ 6.30	\$ 6.25

**SOUTH COUNTY TRANSIT  
JULY 17, 2019  
STAFF REPORT**

**AGENDA ITEM:** B-1

**TOPIC:** Resolution Electing to no Longer be Subject to the Public Employees' Medical and Hospital Care Act

**ACTION:** Approve Resolution

**PRESENTED BY:** Tania Arnold, RTA Deputy Director/CFO

**STAFF RECOMMENDATION:** Adopt Resolution and Provide Staff Direction

**BACKGROUND/DISCUSSION:**

Staff has completed a review of our current healthcare insurance offering as established by the Public Employees' Medical and Hospital Care Act (PEMHCA) between California Public Employees' Retirement System (CalPERS) and SoCo Transit, to ensure we are effectively managing the benefits program and providing affordable healthcare options to employees and retirees.

Staff will be recommending that SoCo Transit join the California State Association of Counties Excess Insurance Authority (CSAC EIA) Health insurance pool for a variety of reasons at the October 16, 2019 Board meeting. Prior to that action, staff is herein recommending approval of the attached Resolution Electing to no Longer be Subject to the PEMHCA. This advance notice is required, since CalPERS allows agencies a maximum of 60 days from the date final premium rates are released to terminate their participation from PEMHCA. As such, a termination resolution must be submitted to CalPERS by 5 P.M. on August 19, 2019.

In transitioning to CSAC EIA Health for the 2020 plan year, SoCo Transit would be able to provide equal, if not enhanced, benefit plans to all participating employees, and equity between all employee groups within the organization and the RTA, along with added plan stability. SoCo Transit would benefit in the future from the unique arrangement of the EIA Health insurance pool by being able to take advantage of the shared risk model offered by an insurance pool of small agencies as well as large agencies. The goal of the shared risk model is to stabilize premium rates across a large pool of members. As a member of the CalPERS health program, SoCo Transit benefited from the pool size, but we had no control or influence on decisions that directly impact premium rates paid by employees. With EIA Health, SoCo Transit is provided the opportunity to actively engage and evaluate new benefit offerings.

**STAFF RECOMMENDATION:**

Approve the attached resolution electing to no longer be subject to the Public Employees' Medical and Hospital Care Act. Direct staff to submit notice to CalPERS no later than 5 p.m. on August 19, 2019, presuming SoCo Transit can successfully join the CSAC-EIA Health program.

**SOUTH COUNTY TRANSIT  
RESOLUTION NO. 19-\_\_\_\_\_**

**RESOLUTION ELECTING TO NO LONGER BE SUBJECT TO THE PUBLIC EMPLOYEES'  
MEDICAL AND HOSPITAL CARE ACT**

**WHEREAS**, on the Board of South County Transit, as a contracting agency, elected to be subject to the Public Employees' Medical and Hospital Care Act (Gov. Code Sec. 22750 et seq.); and

**WHEREAS**, effective July 1, 2009, South County Transit employees, retired employees, and survivors became eligible to obtain health benefit coverage from the Board of Administration of the California Public Employees' Retirement System (CalPERS); and

**WHEREAS**, South County Transit now desires to obtain health benefit coverage for its employees, retirees and survivors through the California State Association of Counties Excess Insurance Authority (CSAC EIA); and

**WHEREAS**, Government Code Section 22938 provides that a contracting agency which has elected to be subject to the Public Employees' Medical and Hospital Care Act (the "Act") may cease to be so subject by proper application by the contracting agency; and

**WHEREAS**, South County Transit is a contracting agency under Government Code Section 22920 and subject to the Act;

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** by the Board of Directors of South County Transit:

1. South County Transit elects to no longer be subject to the Public Employees' Medical and Hospital Care Act; and
2. That coverage under the Act cease on December 31, 2019.

Upon motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and on the following roll call, to wit:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINING:**

The foregoing resolution is hereby passed and adopted by South County Transit of San Luis Obispo County, State of California, at a regular meeting of said Board of Directors held on the 17<sup>th</sup> day of July 2019.

\_\_\_\_\_  
Lynn Compton  
Chairperson, South County Transit

ATTEST:

\_\_\_\_\_  
Geoff Straw  
Administrator

APPROVED AS TO FORM AND LEGAL EFFECT:

Nina Negranti  
County Counsel

By: \_\_\_\_\_  
Legal Counsel

Dated: \_\_\_\_\_  
(Original signature in BLUE ink)

South County Transit  
Resolution No. 19-\_\_\_\_\_  
Resolution Electing to No Longer be Subject to the Public Employee' Medical and Hospital Care Act

**DRAFT**  
**SOUTH COUNTY TRANSIT**  
**MINUTES OF APRIL 24, 2019 BOARD MEETING**  
**City Council Chamber, Arroyo Grande**  
**C-1**

Directors Present:	Lynn Compton	County Supervisor, District 4
	Sheila Blake	City Council Member, Pismo Beach
	Barbara Nicolls	City Council Member, Grover Beach
	Jimmy Paulding	City Council Member, Arroyo Grande
Staff Present:	Geoff Straw	Administrator
	Tania Arnold	RTA Deputy Director and CFO
	Chelsea Sperakos	RTA Administrative Assistant
	Nina Negranti	San Luis Obispo County Counsel

**CALL TO ORDER AND ROLL CALL:** Director Lynn Compton called the meeting to order at 1:32 PM and roll call was taken. A quorum was present.

**PUBLIC COMMENT:** None.

**A. INFORMATION AGENDA**

**A-1 Administrator's Report (Receive)**

**Mr. Geoff Straw** stated the California clean transit requirement is to buy electric buses by 2026; by 2040 all buses must be electric. SCT intends to adopt a policy similar to RTA and ask for an exemption. The life cycle cost is projected to be less than the gas bus. We will be asking for 2 electric buses for SCT.

**Director Compton** asked if California was the only state that is going electric.

**Mr. Straw** stated Arizona, New Mexico, and Texas have gone to electric, not a lot of manufacturers, cost for electricity is cheaper than diesel. A demonstration of a battery electric bus (BEB) will be available after the meeting. Employee of the Quarter will be in Paso Robles. Omar McPherson has been promoted to operations manager, and RTA is looking to replace the Grants Manager. Justin Kobielsuz and Kayleigh McLeod were hired as Accounting Technician and Human Resources Officer. RTA anticipates to hire SCT Supervisors as a RTA employees for future consolidation purposes. We are looking to extend the lease on Rodeo Drive for the SCT yard. The City of Pismo Beach counsel will negotiate the lease. The short range transit plan work papers to date are available on the RTA website. Token Transit has made \$1,000 in the first week of sales. We are happy with it and have had some good feedback. Ridership is down, but trend is slowing down. The week day route 27 ridership is up 4% over last year. We are below budget, and the fare increases have helped. Discussion continued regarding US electrification of vehicles.

**Director Compton** opened and closed Board and public comment.

## **A-2 Strategic Business Plan Results (Receive)**

**Mr. Straw** continued to state the Short Range Transit Plan (SRTP) is done every 5-7 years to look at goals and objectives, and where the agency is going in the coming years and the Strategic Business Plan is an agency developed plan that has additional goals and objectives. SCT hasn't missed any trips; fare box recovery ratio and on time performance has improved.

**Director Compton** opened Board and public comment.

**Director Jimmy Paulding** stated that it is nice to see performance metrics showing improved fixed route productivity. Could we clarify fare box recovery in more detail?

Discussion continued regarding SCT route performance.

**Director Compton** closed Board and public comment.

## **B. ACTION AGENDA**

### **B-1 Fiscal Year 2019-20 Budget (Approve)**

**Ms. Tania Arnold** stated the FY 19/20 operating budget proposed is \$1.5 million and capital budget is \$45,000; the significant fluctuations are related to the purchase of vehicles. SCT will need to focus on where to acquire capital funding. We expect a financial penalty related to fare box recovery ratio which can be resolved with consolidation. SCT will operate the same fixed route service hours and routes. The SRTP reports will have service recommendations which will be considered in future service and budget plans.

The reserve policy is to maintain a cash flow reserve of one quarter of net operating costs since federal funds and is reimbursed on the end of the fiscal year. The capital projects reserve covers the average local match for vehicle replacements scheduled for the next five fiscal year. The budget assumption that changed was a reduction in risk management costs.

Operating revenue comes from the following federal (37%), fares (9.8%), county (3.3%), LTF local from sales tax (30%), LCTOP low carbon transit operations program (19.8%). Capital revenue sources are STA (including SB 1) and federal 5307. Administration and service delivery costs are salaries and benefits (minimum wage increased by over 8%), maintenance, staff time, contingency, insurance, property rental, and fuel. With consolidation, the one item that will increase is health insurance. Workers compensation has come down, rent for the current location is projected flat but is currently being negotiated. SCT & RTA are in the same insurance pools and consolidation will eliminate duplicate administration charges. Fuel prices are budgeted for \$3.30 for diesel. Vehicle capital will see significant increases for FY 22-23 to purchase electric buses. Staff will be bringing in budget amendments in October to carry over capital items, but not require additional funds. Staff anticipates a budget amendment to address consolidation at that time also.

**Director Compton** opened Board and public comment.

**Director Paulding** asked since we are LCTOP funds losing the funds 21-22, how are we planning to accommodate that? **Mr. Straw** responded we would look to SB 1 augmentation or LTF fund, or we could eliminate route 27, and the SRTP will address that.



**Director Paulding** asked if we know the cost of new vehicles vs vehicles sold. **Ms. Arnold** replied that the surplus buses were sold at auction and will be considered additional revenue, causing SCT to be coming in under budget will roll over to next FY as additional revenue.

**Director Sheila Blake** asked if we are saving \$70,000 by not being charged the farebox penalty by SLOCOG? **Mr. Straw** responded that we are hoping to resolve this summer; there are 4 full time employees with SCT and consolidation can hopefully happen by January 1, 2020.

**Director Compton** closed Board and public comment.

**Director Blake** moved to approve item B-1, and **Director Nicholls** seconded the motion. The motion passed unanimously via roll call vote.

### **B-2 Summer Youth Ride Free Program (Approve)**

**Mr. Straw** stated that RTA worked with organizations to give them a limited number of fare free riders (age 18 and under), work with groups and do training with them to convert to paying riders. AG High has seen increase. This is a great partnership with YMCA.

**Director Blake** moved to approve item B1, and **Director Paulding** seconded the motion. The motion passed unanimously via roll call vote.

### **B-3 Zero-Emission Vehicle Purchasing Policy (Approve)**

**Mr. Straw** stated that the RTA Board adopted in this policy March, which gives us the opportunity to evaluate whether the technology meets our need. SCT will be asking for a delay from resources board. We will need charging infrastructure, and it can be up to \$40k to install dual chargers. This allows the board to make a decision whether the technology works for SCT in 2026.

### **Questions**

**Director Paulding** asked are BEBs factored into local climate action planning and does SCT regionally plan with intent to pursue or not.

**Mr. Straw** stated that electrification of fleets are required of transit agencies not jurisdictions; we want to form a joint application with Civic Spark to plan on working together to use each other's resources. This will also prevent similar burn of 2006 of buying buses that don't work.

**Director Compton** opened and closed Board and public comment.

**Director Blake** moved to approve item B3, and **Director Nicholls** seconded the motion. The motion passed unanimously via roll call vote.

### **C. CONSENT AGENDA: (Roll Call Vote)**

#### **C-1 SoCo Transit Minutes of January 16, 2019 (Approve)**

**Director Compton** opened and closed Board and public comment.

**Director Blake** moved to approve item C1, and **Director Nicholls** seconded the motion. The motion passed unanimously via roll call vote, with **Director Paulding** abstaining.

**C-2 South County Transit Internal Controls Update (Information)**

**C-3 FTA Drug and Alcohol Policy, and Non-DOT Drug and Alcohol Policy and Testing Provisions Policy (Adopt)**

**C-4 South County Transit Employee Handbook (Adopt)**

**C-5 Revised Memorandum of Understanding – Dental Program (Adopt)**

**C-6 Request Authority for Lease Extension (Approve)**

**Director Blake** moved to approve items C2-C6, and **Director Paulding** seconded the motion. The motion passed unanimously via roll call vote.

**D. DIRECTORS' COMMENTS**

**None**

**E. EXECUTIVE COMMITTEE MEMBERS' COMMENTS**

**None**

**ADJOURNMENT**

**Director Compton** adjourned the meeting at 2:28 PM.

Next South County Transit Board meeting: July 17, 2019

Respectfully submitted, Chelsea Sperakos, Administrative Assistant

**SOUTH COUNTY TRANSIT  
JULY 17, 2019  
STAFF REPORT**

**AGENDA ITEM:** C-2

**TOPIC:** CalTIP Joint Powers Authority (JPA) Agreement

**ACTION:** Approve Resolution

**PRESENTED BY:** Geoff Straw, Administrator

**BACKGROUND/DISCUSSION:**

SoCo Transit joined the California Transit Systems Joint Powers Authority – also known as the California Transit Indemnity Pool (CalTIP, or Authority) – in July 2002 to obtain liability coverage, vehicle physical damage coverage, and risk management services through jointly pooling resources with the other transit agencies that are members of the Authority. CalTIP provides competitive rates and needed risk management services to over 30 transit agencies in the state. Similar to other self-insurance pools, CalTIP was formed in 1987 during a difficult time for public entities to obtain coverage from the insurance market. Although the difficulty of obtaining insurance from the standard markets eventually waned, the coverage provided by the insurance industry usually is not tailored to the specific needs of the public transit entities and has not provided the tailored risk management services we need.

CalTIP was originally formed upon the execution of a Joint Powers Agreement by each of its transit agency members. The Agreement was last amended in May 2011 to align the document with current operations and practices of the Authority at that time. The document has not been updated since then.

The current amendments to the Agreement are the result of discussions with CalTIP's Oversight Committee and its Board to address CalTIP's ongoing challenges associated with achieving certain quorum requirements at Board meetings in order to conduct business. The amendment also ensures the governing documents align with CalTIP's current practices and procedures.

At its April 18, 2019 meeting, the CalTIP Board approved submitting the amended Joint Powers Authority Agreement to the member agencies for approval. In addition, the CalTIP Board approved the amended Bylaws to become effective upon approval of the amended Agreement. While the CalTIP Board has the authority to approve the amendments to the CalTIP Bylaws, it has been included herein for informational purposes.

**CONCLUSION:**

The amended Agreement needs to be adopted by the governing bodies of at least three-fourths of the members of CalTIP, although the CalTIP Board believes it best to have all members adopt the amended Agreement. The amendments are intended to address ongoing challenges with quorum requirements and provide the CalTIP Board the flexibility and ability to make decisions and carry-forth initiatives in a more expeditious manner to the benefit of the organization. Each member, including South County Transit, has representation on the CalTIP Board of Directors and each director has similar interests as South County Transit in the operations of CalTIP because each member is a transit agency similar to the South County Transit. Thus, staff respectfully requests the South County Transit Board to approve the attached resolution.

**STAFF RECOMMENDATION:**

Approve the attached resolution acknowledging the South County Transit Board's approval of the amended Joint Powers Agreement for the California Transit Systems Joint Powers Authority.

**ATTACHMENTS:**

1. Resolution
2. Table: Comparison of Amended JPA Agreements – Current vs. Proposed
3. Original CalTIP Joint Powers Agreement – Effective May 2011
4. Amended CalTIP Joint Powers Agreement – As Amended 2019
5. Amended CalTIP Bylaws – Effective 2019

**SOUTH COUNTY TRANSIT  
RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE SOUTH COUNTY TRANSIT BOARD OF DIRECTORS  
APPROVING THE AMENDED JOINT POWERS AUTHORITY AGREEMENT  
FORMING THE CALIFORNIA TRANSIT SYSTEMS JOINT POWERS AUTHORITY**

WHEREAS, on July 1, 2002, South County Transit approved entering into an agreement that provided for the creation of the California Transit Systems Joint Powers Authority (hereinafter CalTIP) for the purpose of jointly funding tort liabilities and other losses and providing risk management services to reduce such losses;

WHEREAS, CalTIP has provided South County Transit coverage for such liabilities, including losses to vehicles, at overall cost-effective pricing;

WHEREAS, the South County Transit Board of Directors finds it is in the best interest of South County Transit to continue its participation in CalTIP and obtain liability coverage and risk management services from CalTIP;

WHEREAS, the joint powers authority agreement of CalTIP has retained its original form as drafted in 1987 and amended in 2011 and there have been changes in operations of CalTIP since that time;

WHEREAS, the South County Transit Board of Directors recognizes the need to amend the CalTIP joint powers authority agreement to enable CalTIP to effectively govern the organization and adapt to changes in the environment in which CalTIP operates.

NOW, THEREFORE, BE IT RESOLVED that the South County Transit Board of Directors accepts the changes to the joint powers authority agreement as presented, and

BE IT FURTHER RESOLVED that the South County Transit Board of Directors authorizes the Administrator to sign the amended joint powers authority agreement that shall enable South County Transit to continue to enjoy the joint self-insurance and risk management programs provided by CalTIP.

THIS RESOLUTION DULY PASSED this 17th day of July, 2019.

AYES:

NOES:

ABSENT:

ABSTAIN:

***This Page Left Intentionally Blank***

**California Transit Systems Joint Powers Authority**  
**Comparison of JPA Agreements – Current versus Proposed**

Current to Proposed:

<b>Current JPA Reference</b>	<b>Changes in Proposed JPA</b>	<b>Proposed JPA Reference</b>
Page 1, Lines 1 - 3	Changing the opening paragraph prior to recitals for clarification purposes.	Page 1, Lines 1 - 3
Page 1, Line 27	Adding language to clarify the amended Agreement will become effective as soon as three-quarters of the current Parties to the Agreement approve the Agreement.	Page 1, Lines 26 - 27
Page 2, Lines 81 - 83	Article IV – Term of Agreement: Adding language to clarify the agreement is effective as amended from time to time.	Page 2, Lines 85 - 87
Page 3, Line 111 - 112	Article VII – Governing Documents: Including language stating the amended Bylaws are attached to the document and noting they will be deemed adopted upon the effective date of the Agreement. (The Board has the authority to adopt the Bylaws; however, because some of the amendments to the Bylaws dovetail with the amendments to the Agreement, the Board adopted the amended Bylaws to become effective upon the effective date of the Agreement). The language was also changed to clarify the Board may amend the Bylaws.	Page 3, Lines 113 - 114
Page 3, Line 130	Article VIII – Responsibilities of the Parties: Clarifying one or more Alternates may be appointed to the Board, which is CalTIP’s current practice.	Page 3, Line 134
Page 4, Lines 148 - 154	Article X – Board of Directors: Adding language to maintain consistency regarding appointment of “one or more Alternates” to the Board, referring to the Bylaws for specifics regarding the constitution of the Board of Directors, and removing the specifics from the Agreement.	Page 4, Lines 153 - 154
Page 5, Line 202 - 203	Article XVI – New Parties: Removing the quorum requirement from this section of the Agreement. Specifics regarding the quorum requirement are contained in the amended Bylaws. (The Bylaws require a two-thirds affirmative vote of the Board present and voting).	N/A
Page 6, Lines 221 - 223	Article XVIII – Expulsion: Removing the quorum requirement from this section of the Agreement and referencing the Bylaws. (The Bylaws require a three-fourths vote of the Board present and voting). Adding language to clarify written notice of such action will be provided to the expelled Party at least 90 days prior to the effective date of the expulsion.	Page 6, Lines 220 - 222
N/A	Article XXII – Notices: Adding language stating notices of meetings may be provided via e-mail.	Page 7, Lines 290 - 291
Page 7, Line 303	Article XXV – Amendments: Changing the approval requirement to amend the Agreement from three-fourths of the Parties to two-thirds of the Parties for future amendments.	Page 7, Line 310





**CALIFORNIA TRANSIT SYSTEMS**

**JOINT POWERS AUTHORITY**

**JOINT POWERS AUTHORITY AGREEMENT**

May 2011



**TABLE OF CONTENTS**

**JOINT POWERS AUTHORITY AGREEMENT**

**CALIFORNIA TRANSIT SYSTEMS JOINT POWERS AUTHORITY (CalTIP)**

ARTICLE I - PURPOSE ..... 1

ARTICLE II - CREATION OF THE CALIFORNIA TRANSIT SYSTEMS JOINT POWERS AUTHORITY ..... 2

ARTICLE III - DEFINITIONS..... 2

ARTICLE IV - PARTIES TO THIS AGREEMENT..... 2

ARTICLE V - TERM OF AGREEMENT..... 2

ARTICLE VI - POWERS OF THE AUTHORITY ..... 3

ARTICLE VII - GOVERNING DOCUMENTS..... 3

ARTICLE VIII - RESPONSIBILITIES OF THE PARTIES..... 3

ARTICLE IX - POWERS RESERVED UNTO THE PARTIES ..... 4

ARTICLE X - BOARD OF DIRECTORS..... 4

ARTICLE XI - DUTIES OF THE BOARD NOT DELEGABLE..... 4

ARTICLE XII - BOARD MEETINGS AND RECORDS ..... 4

ARTICLE XIII - OFFICERS OF THE AUTHORITY ..... 5

ARTICLE XIV - ANNUAL BUDGET..... 5

ARTICLE XV - ADMINISTRATION OF FUNDS ..... 5

ARTICLE XVI - NEW PARTIES..... 5

ARTICLE XVII - WITHDRAWAL..... 5

ARTICLE XVIII - EXPULSION..... 6

ARTICLE XIX - EFFECT OF EXPULSION OR WITHDRAWAL..... 6

ARTICLE XX - TERMINATION AND DISTRIBUTION ..... 6

ARTICLE XXI - LIABILITY AND INDEMNIFICATION ..... 6

ARTICLE XXII - NOTICES ..... 7

ARTICLE XXIII - PROHIBITION AGAINST ASSIGNMENT ..... 7

ARTICLE XXIV - ARBITRATION..... 7

ARTICLE XXV - AMENDMENTS..... 7

ARTICLE XXVI - AGREEMENT COMPLETE..... 8



1 This Agreement is executed in the State of California by and among those public entities which are  
2 parties signatory to this Agreement. All parties signatory to this Agreement shall hereinafter be called  
3 "Party" [collectively "Parties"].

#### 4 5 **RECITALS**

6  
7 **Whereas**, Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et  
8 seq.) permits two or more public entities, by agreement, to exercise jointly powers common to the  
9 contracting parties; and

10  
11 **Whereas**, it is the mutual benefit of the Parties and in the public interest that the Parties join together  
12 to provide:

- 13
- 14 • Pooling of their self-insured losses caused by injury to, or disease of, a person or damage to  
15 property;
- 16 • Sharing the cost of excess insurance or reinsurance, if any, or pooling with other joint powers  
17 authorities or public entity pooling arrangement; and
- 18 • Sharing the administration of the Authority created by this document.

19  
20 **Whereas**, each Party desires to enter into this Agreement with each of the other Parties for the purpose  
21 of joint risk sharing and/or insuring against various risk of loss jointly, rather than individually;

22  
23 **NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

#### 24 25 **AGREEMENT**

26  
27 This amended Agreement replaces the original Agreement and any prior amendments that may exist.

28  
29 This Agreement is made under the authority of Government Code Section 6500 et seq. between the  
30 undersigned public entities, after the governing boards of the entities determine that it is in their best  
31 interest to execute this Agreement.

#### 32 33 **ARTICLE I - PURPOSE**

34  
35 The purpose of this Agreement is to exercise jointly powers common to each Party by:

- 36
- 37 • Creating an authority under Government Code Section 6500 et seq., a public entity that is  
38 separate and apart from the Parties, to be known as the California Transit System Joint Powers  
39 Authority, to administer a self-insurance pool,
- 40 • Sharing losses and purchase as a group, insurance or reinsurance and participate in other joint  
41 powers authorities or other public entity pooling arrangements,
- 42 • Maintaining funds sufficient to pay the losses to which the Parties agree to share through a  
43 Coverage Program, and
- 44 • Purchasing jointly administrative and other services, including risk management, loss  
45 prevention, and legal defense in connection with the Coverage Programs.

46 **ARTICLE II - CREATION OF THE CALIFORNIA TRANSIT SYSTEMS JOINT POWERS AUTHORITY**

47  
48 Pursuant to Government Code Section 6500 et seq., the Parties to this Agreement hereby create a public  
49 entity separate and apart from the Parties. This public entity created by this Agreement shall be known  
50 as the California Transit Systems Joint Powers Authority.  
51

52 **ARTICLE III - DEFINITIONS**

- 53
- 54 1. "Authority" shall mean the California Transit Systems Joint Powers Authority.
  - 55 2. "Board" or "Board of Directors" shall mean the governing board of the Authority.
  - 56 3. "Coverage Programs" shall mean programs as defined and adopted by the Board which may, but  
57 need not be limited to pooled risk programs, group purchase of insurance or reinsurance, or  
58 participation in other public entity pooling programs.
  - 59 4. "Coverage Program Documents" shall mean the Master Program Document defining the policies  
60 and procedures of the program and the Memorandum of Coverage defining the coverage  
61 provided by the program.
  - 62 5. "Contributions" shall mean payments by Members to the Authority, for other than interest,  
63 penalties paid, or reimbursements for payments made on behalf of the Member, for which the  
64 Authority is not liable.
  - 65 6. "Governing Documents" shall be those documents described in Article VII, Governing  
66 Documents.
  - 67 7. "Member" or collectively "Members" shall mean a Party who is participating in a particular  
68 Coverage Program.
  - 69 8. "Party" shall mean a signatory to this Agreement.
  - 70 9. "Officer" shall mean an officer of the Authority as defined in Article XIII.
- 71

72 **ARTICLE IV - PARTIES TO THIS AGREEMENT**

73  
74 Each Party to this Agreement certifies that it intends to, and does, contract with all other Parties who  
75 are signatories to this Agreement, and any signatories that may sign this Agreement in the future,  
76 pursuant to Article XVI. The withdrawal of any Party to this Agreement shall not affect this Agreement  
77 as respects the remaining Parties and those remaining Parties' intent to be bound by this Agreement.  
78

79 **ARTICLE V - TERM OF AGREEMENT**

80  
81 As authorized by Government Code Section 6510, this Agreement was effective from May 1, 1987 and  
82 shall stay in full force, as is, as amended on May 1, 2012 or any other subsequent amendments, until  
83 terminated in accordance with Article XX.  
84  
85  
86  
87

88 **ARTICLE VI - POWERS OF THE AUTHORITY**

89  
90 The powers of the Authority shall be the powers enjoyed by the County of Nevada or, if the County of  
91 Nevada is no longer a Party to this Agreement then, the County of Siskiyou, and is authorized to do all  
92 acts necessary to fulfill the purposes of this Agreement including, but not limited to, the following:  
93

- 94 1. Make and enter into contracts;  
95 2. Incur debts, liabilities and obligations, but no debt, liability or obligation of the Authority is the  
96 debt, liability or obligation of any Party except as otherwise provided;  
97 3. Acquire, hold or dispose of real and personal property;  
98 4. Receive contributions and donations of property, funds, services and other forms of assistance  
99 from any source;  
100 5. Assess Parties as deemed appropriate by the Board;  
101 6. Sue and be sued in its own name;  
102 7. Acquire, construct, manage and maintain buildings; and  
103 8. Lease real or personal property including property of a Party, and receive, collect, invest and  
104 disburse monies.

105  
106 These powers shall be executed in a manner provided by appropriate law and as set forth in this  
107 Agreement.  
108

109 **ARTICLE VII - GOVERNING DOCUMENTS**

110  
111 The Board of Directors shall adopt Bylaws consistent with this Agreement and applicable law to govern  
112 the operations of the Authority. The Board of Directors may adopt Coverage Program Documents,  
113 consistent with this Agreement and the Bylaws. These Coverage Program Documents define the  
114 Coverage Programs, the Members rights and duties, the Authority's rights and duties, and the  
115 operations of the programs. The Board may also adopt policies and procedures, consistent with this  
116 Agreement, the Bylaws, or Coverage Program Documents, to assist in the governance of the Authority's  
117 operations and activities. The Agreement, the Bylaws, Coverage Program Documents and policies and  
118 procedures adopted by the Board shall constitute the Governing Documents of the Authority.  
119

120 Unless otherwise stated, a Governing Document may be amended by a majority of the Board of  
121 Directors at a duly noticed regular or special Board meeting.  
122

123 **ARTICLE VIII - RESPONSIBILITIES OF THE PARTIES**

124  
125 The Parties to this Agreement shall have the following responsibilities:  
126

- 127 1. To abide by the terms of this Agreement and other Governing Documents;  
128 2. To cooperate fully with the Authority in the settlement of claims;  
129 3. To pay Contributions, assessments, or other charges promptly to the Authority when due; and  
130 4. To appoint a Director and an Alternate to the Board of Directors and to reappoint those  
131 positions upon the departure of anyone from those positions.

132  
133  
134  
135  
136  
137  
138  
139  
  
140  
141  
142  
143  
144  
145  
146  
147  
148  
149  
150  
151  
152  
153  
154  
155  
  
156  
157  
158  
159  
160  
161  
162  
163  
164  
165  
  
166  
167  
168  
169  
170  
171  
172  
173  
174  
175

**ARTICLE IX - POWERS RESERVED UNTO THE PARTIES**

The Parties reserve unto themselves the following powers:

1. To amend this Agreement;
2. Appoint the Representatives and Alternates to the Board of Directors; and
3. To terminate the Authority in accordance with Article XX.

**ARTICLE X - BOARD OF DIRECTORS**

There shall be a Board of Directors to govern the affairs of the Authority. The Board of Directors shall have all the powers of the Authority except those specifically reserved to the Parties. The Board of Directors shall have the authority to create committees as deemed necessary for the operations of the Authority. The Board has the power to delegate any and all of its powers, not specifically reserved exclusively to the Board, to a committee or an Officer of the Authority.

The Board of Directors shall consist of one Director and one Alternate from each Party to this Agreement. The Party shall appoint by official action an officer or employee of the Party to be the Director and such appointment shall remain in effect until such time as the Party appoints another to be the Director. The Party shall appoint by official action an officer or employee of the Party to be the Alternate and such appointment shall remain in effect until such time as the Party appoints another to be the Alternate. Each Director shall have one vote, and each Alternate shall have one vote only if the Director for which he/she is an Alternate is absent from the meeting.

**ARTICLE XI - DUTIES OF THE BOARD NOT DELEGABLE**

The Board may not delegate to any committee, office or person the authority to:

1. Adopt, amend or alter the Bylaws;
2. Adopt the Authority's Annual Budget;
3. Create a Coverage Program;
4. Accept a Party to this Agreement; or
5. Expel a Party to this Agreement.

**ARTICLE XII - BOARD MEETINGS AND RECORDS**

The Board of Directors shall hold at least one meeting each fiscal year. Regular and special meetings may be called in accordance with the Bylaws of this Authority and applicable laws. All meetings shall be open to the public except as permitted by Government Code Section 54950 et seq. The Secretary shall keep full and complete minutes of all Board meetings.



176  
177  
178  
179  
180  
181  
182  
183  
184  
185  
186  
187  
  
188  
189  
190  
191  
192  
  
193  
194  
195  
196  
197  
198  
  
199  
200  
201  
202  
203  
204  
205  
206  
  
207  
208  
209  
210  
211  
212  
213  
214  
215  
216  
217  
218

**ARTICLE XIII - OFFICERS OF THE AUTHORITY**

The Board shall elect one of its members as Chairperson and one as Vice Chairperson. The Board shall appoint a Secretary. The duties of the Chairperson, Vice Chairperson and Secretary shall be defined in the Bylaws.

In lieu of the designation of a treasurer and auditor as per Government Code Section 6505.6, the Board shall elect a Treasurer, who shall have, among other duties defined in the Bylaws, the duties of the treasurer and auditor as described in Government Code Section 6505.5.

The Board may appoint other officers of the Authority as described in the Bylaws.

**ARTICLE XIV - ANNUAL BUDGET**

Pursuant to Government Code Section 6508, the Board shall approve a budget for any given fiscal year prior to the inception of that year.

**ARTICLE XV - ADMINISTRATION OF FUNDS**

The Authority shall be responsible for the strict accountability of all funds and reports of all receipts and disbursements in conformity with Government Code Section 6505. All funds of the Authority may be held in common although there shall be a separate accounting for funds of each Coverage Program.

**ARTICLE XVI - NEW PARTIES**

Prospective Parties may apply to the Board of Directors at any time. The Board shall have the power to accept a prospective Party, after reviewing their application, with at least two-thirds affirmative vote of the entire Board. The membership shall become effective upon the Board's approval and the signing of this Agreement, participation in all mandatory Coverage Programs, and compliance with any and all other requirements imposed upon membership by the Bylaws or other Governing Documents.

**ARTICLE XVII - WITHDRAWAL**

A Party to this Agreement may not withdraw as a party to this Agreement prior to being a Party for at least three full fiscal years. A Party, who has been a Party for at least three full fiscal years, may withdraw from this Agreement only on the completion of a fiscal year. The Party must provide the Chairperson written notice of intent to withdraw at least six-months prior to withdrawal. The Party may rescind its notice of intent to withdraw at any time prior to ninety-days prior to the commencement of the next fiscal year. The Board may authorize rescission of the intent to withdraw upon a Party's request pursuant to the Bylaws at any time.

219  
220  
221  
222  
223  
224  
  
225  
226  
227  
228  
229  
230  
231  
232  
233  
234  
235  
236  
237  
238  
239  
240  
241  
  
242  
243  
244  
245  
246  
247  
248  
249  
250  
251  
252  
253  
254  
255  
  
256  
257  
258  
259  
260  
261  
262

**ARTICLE XVIII - EXPULSION**

The Authority may expel a Party to this Agreement as a Party by a three-fourth vote of the entire Board. The Party shall be given written notice of such action of the Board at least ninety-days prior to the expulsion.

**ARTICLE XIX - EFFECT OF EXPULSION OR WITHDRAWAL**

Pursuant to Government Code Section 6512.2, termination of any Party to this Agreement as a Party shall not be construed to be completion of the purpose of the Agreement and shall not require the return of any Contributions, payments or advances made by the Party until the Agreement is rescinded or terminated by all Parties in accordance with Article XX.

Termination of a Party to this Agreement as a Party shall not terminate its continuing responsibilities defined in any Governing Document or Coverage Program Document for the period of time in which the Party participated, including, but not limited to:

1. Cooperate fully with the Authority in the investigation and settlement of a claim;
2. Pay any Contributions, retentions or deductibles, assessments or other charges which are due and payable; and
3. Provide any statistical or loss experience data and other information as may be necessary for the Authority to carry out the purpose of this Agreement.

**ARTICLE XX - TERMINATION AND DISTRIBUTION**

This Agreement may be terminated at any time with written consent of three-fourths of the Parties; provided, however, that this Agreement and the Authority shall exist for the purpose of disposing of all claims, distribution of assets and any other functions necessary to wind up the affairs of the Authority. The Board shall be vested with all the powers of the Authority for the purposes of winding down and dissolving the business affairs of the Authority, including the power to assess past and present Parties in accordance with Coverage Program Documents.

In accordance with Government Code Section 6512, all assets of the Authority shall be distributed among those who were Parties within ten years of termination, in proportion to the Parties' Contributions. The Board shall determine when claims and liabilities are sufficiently realized as to not jeopardize the payment of any claim or liability that may arise in the future.

**ARTICLE XXI - LIABILITY AND INDEMNIFICATION**

Pursuant to Government Code Section 6508.1, the debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of any Party, except to the extent and in the proportions, imposed by the Bylaws or other Governing Documents. Each Party is independent of every other Party and of the Authority and not the agent of any Party or of the Authority. In contemplation of the provisions of Section 895.2 of the California Government Code, imposing certain tort liability jointly

263 upon public entities, solely by reason of a joint powers agreement as defined in Section 895 of that  
264 code, each Party, as between each other, pursuant to the authorization contained in Section 895.4 and  
265 895.6 of that code, does hereby assume the full liability imposed upon it, or any of its officers, agents, or  
266 employees by law for injury caused by a negligent or wrongful act or omission occurring in the  
267 performance of this Agreement, to the same extent that such liability would be imposed in the absence  
268 of Section 895.2 of the California Government Code. To achieve the above-stated purpose, each Party  
269 shall indemnify and hold harmless each other Party for any loss, costs, or expense that may be imposed  
270 upon such other Party solely by virtue of Section 895.2. The provisions of Section 2778 of the California  
271 Civil Code are made a part of this Agreement as if set forth fully in this Agreement.  
272

273 The members of the Board of Directors and the Officers and employees of the Authority shall act in good  
274 faith and in the best interests of the Authority in the performance of their duties. The members of the  
275 Board of Directors and Officers and employees shall be liable for an act or omission within the scope of  
276 their employment with the Authority as a public entity only in the event that they act or fail to act  
277 because of actual fraud, corruption, or malice. No member shall be liable for any actions taken or  
278 omissions by another member of the Board. Funds of the Authority shall be used to defend and  
279 indemnify members of the Board, Officers, and employees for any act or omission pursuant to the  
280 provisions of the Government Code Section 910 to 996.6, inclusive. The Authority may purchase  
281 insurance covering acts or omissions of the Board of Directors, Officers, and employees.  
282

#### 283 **ARTICLE XXII - NOTICES**

284  
285 Notices to any or all Parties shall be sufficient if mailed to their respective addresses on file with the  
286 Authority. Notice to the Authority shall be sufficient if mailed to the official address of the Authority as  
287 established by Resolution.  
288

#### 289 **ARTICLE XXIII - PROHIBITION AGAINST ASSIGNMENT**

290  
291 No Party may assign any right, claim, or interest it may have under this Agreement, and no creditor,  
292 assignee, or third party beneficiary of the Party shall have any right, claim or title to any part, share,  
293 interest, fund, premium, or asset of the Authority.  
294

#### 295 **ARTICLE XXIV - ARBITRATION**

296  
297 Any controversy between the Parties hereto arising out of this Agreement shall be submitted to  
298 arbitration, and such arbitration shall comply with and be governed by the provisions of the California  
299 Arbitration Act, Sections 1280 through 1294.2 of the California Code of Civil Procedure.  
300

#### 301 **ARTICLE XXV - AMENDMENTS**

302  
303 This Agreement may be amended at any time by approval of three-fourths of the Parties.  
304

305  
306  
307  
308  
309  
310  
311  
312  
313  
314  
315  
316  
317  
318  
319  
320  
321  
322  
323  
324  
325  
326  
327

**ARTICLE XXVI - AGREEMENT COMPLETE**

The foregoing constitutes the full and complete agreement of the Parties. There are no oral understandings or agreements not set forth in writing herein.

In Witness Whereof, the undersigned Party hereto has executed this Agreement on the date indicated below:

Date: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name of Authorized Signor

\_\_\_\_\_  
Signature of Authorized Signor

\_\_\_\_\_  
Title of Authorized Signor

\_\_\_\_\_  
Name of Agency

**CALIFORNIA TRANSIT SYSTEMS**

**JOINT POWERS AUTHORITY**

**AMENDED AND RESTATED**  
**JOINT POWERS AUTHORITY AGREEMENT**

**As Amended 2019**



**TABLE OF CONTENTS**  
**AMENDED AND RESTATED**  
**JOINT POWERS AUTHORITY AGREEMENT**

**CALIFORNIA TRANSIT SYSTEMS JOINT POWERS AUTHORITY (CaTIP)**

ARTICLE I - PURPOSE .....	1
ARTICLE II - CREATION OF THE CALIFORNIA TRANSIT SYSTEMS JOINT POWERS AUTHORITY .....	2
ARTICLE III - DEFINITIONS.....	2
ARTICLE IV - PARTIES TO THIS AGREEMENT.....	2
ARTICLE V - TERM OF AGREEMENT.....	2
ARTICLE VI - POWERS OF THE AUTHORITY .....	3
ARTICLE VII - GOVERNING DOCUMENTS.....	3
ARTICLE VIII - RESPONSIBILITIES OF THE PARTIES.....	3
ARTICLE IX - POWERS RESERVED UNTO THE PARTIES .....	4
ARTICLE X - BOARD OF DIRECTORS .....	4
ARTICLE XI - DUTIES OF THE BOARD NOT DELEGABLE.....	4
ARTICLE XII - BOARD MEETINGS AND RECORDS .....	4
ARTICLE XIII - OFFICERS OF THE AUTHORITY .....	5
ARTICLE XIV - ANNUAL BUDGET.....	5
ARTICLE XV - ADMINISTRATION OF FUNDS .....	5
ARTICLE XVI - NEW PARTIES.....	5
ARTICLE XVII - WITHDRAWAL.....	5
ARTICLE XVIII - EXPULSION.....	6
ARTICLE XIX - EFFECT OF EXPULSION OR WITHDRAWAL .....	6
ARTICLE XX - TERMINATION AND DISTRIBUTION .....	6
ARTICLE XXI - LIABILITY AND INDEMNIFICATION .....	6
ARTICLE XXII - NOTICES .....	7
ARTICLE XXIII - PROHIBITION AGAINST ASSIGNMENT .....	7
ARTICLE XXIV - ARBITRATION.....	7
ARTICLE XXV - AMENDMENTS.....	7
ARTICLE XXVI - AGREEMENT COMPLETE.....	8





1 This Amended and Restated Joint Powers Agreement (“Agreement”) is executed by and among those  
2 public entities which are signatories to this Agreement. Such parties shall hereinafter be referred to  
3 individually as “Party” or collectively, “Parties.”

4 **RECITALS**

5  
6 **Whereas**, Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et  
7 seq.) permits two or more public entities, by agreement, to exercise jointly powers common to the  
8 contracting parties; and

9  
10 **Whereas**, it is the mutual benefit of the Parties and in the public interest that the Parties join together  
11 to provide:

- 12
- 13 • Pooling of their self-insured losses caused by injury to, or disease of, a person or damage to  
14 property;
  - 15 • Sharing the cost of excess insurance or reinsurance, if any, or pooling with other joint powers  
16 authorities or public entity pooling arrangement; and
  - 17 • Sharing the administration of the Authority created by this document.
- 18

19 **Whereas**, each Party desires to enter into this Agreement with each of the other Parties for the purpose  
20 of joint risk sharing and/or insuring against various risk of loss jointly, rather than individually;

21  
22 **NOW, THEREFORE, IT IS AGREED AS FOLLOWS:**

23  
24 **AGREEMENT**

25  
26 This amended Agreement replaces and restates in its entirety the Agreement and any prior amendments  
27 that may exist and is effective upon approval by three-quarters of the current Parties to the Agreement.

28  
29 This Agreement is made under the authority of Government Code Section 6500 et seq. between the  
30 undersigned public entities, after the governing boards of the entities determine that it is in their best  
31 interest to execute this Agreement.

32  
33  
34 **ARTICLE I - PURPOSE**

35  
36 The purpose of this Agreement is to exercise jointly powers common to each Party by:

- 37
- 38 • Creating an authority under Government Code Section 6500 et seq., a public entity that is  
39 separate and apart from the Parties, to be known as the California Transit System Joint Powers  
40 Authority, to administer a self-insurance pool,
  - 41 • Sharing losses and purchase as a group, insurance or reinsurance and participate in other joint  
42 powers authorities or other public entity pooling arrangements,
  - 43 • Maintaining funds sufficient to pay the losses to which the Parties agree to share through a  
44 Coverage Program, and
  - 45 • Purchasing jointly administrative and other services, including risk management, loss  
46 prevention, and legal defense in connection with the Coverage Programs.

47 **ARTICLE II - CREATION OF THE CALIFORNIA TRANSIT SYSTEMS JOINT POWERS AUTHORITY**

48  
49 Pursuant to Government Code Section 6500 et seq., the Parties to this Agreement hereby create a public  
50 entity separate and apart from the Parties. This public entity created by this Agreement shall be known  
51 as the California Transit Systems Joint Powers Authority.  
52

53  
54

**ARTICLE III - DEFINITIONS**

- 55
- 56 1. "Authority" shall mean the California Transit Systems Joint Powers Authority.
  - 57 2. "Board" or "Board of Directors" shall mean the governing board of the Authority.
  - 58 3. "Coverage Programs" shall mean programs as defined and adopted by the Board which may, but  
59 need not be limited to pooled risk programs, group purchase of insurance or reinsurance, or  
60 participation in other public entity pooling programs.
  - 61 4. "Coverage Program Documents" shall mean the Master Program Document defining the policies  
62 and procedures of the program and the Memorandum of Coverage defining the coverage  
63 provided by the program.
  - 64 5. "Contributions" shall mean payments by Members to the Authority, for other than interest,  
65 penalties paid, or reimbursements for payments made on behalf of the Member, for which the  
66 Authority is not liable.
  - 67 6. "Governing Documents" shall be those documents described in Article VII, Governing  
68 Documents.
  - 69 7. "Member" or collectively "Members" shall mean a Party who is participating in a particular  
70 Coverage Program.
  - 71 8. "Party" shall mean a signatory to this Agreement.
  - 72 9. "Officer" shall mean an officer of the Authority as defined in Article XIII.
- 73  
74

75 **ARTICLE IV - PARTIES TO THIS AGREEMENT**

76  
77 Each Party to this Agreement certifies that it intends to, and does, contract with all other Parties who  
78 are signatories to this Agreement, and any signatories that may sign this Agreement in the future,  
79 pursuant to Article XVI. The withdrawal of any Party to this Agreement shall not affect this Agreement  
80 as respects the remaining Parties and those remaining Parties' intent to be bound by this Agreement.  
81

82  
83

**ARTICLE V - TERM OF AGREEMENT**

84  
85 As authorized by Government Code Section 6510, this Agreement which was originally effective May  
86 1, 1987 shall stay in full force, as amended from time to time, until terminated in accordance with  
87 Article XX.

88 **ARTICLE VI - POWERS OF THE AUTHORITY**

89  
90 The powers of the Authority shall be the powers enjoyed by the County of Nevada or, if the County of  
91 Nevada is no longer a Party to this Agreement then, the County of Siskiyou, and is authorized to do all  
92 acts necessary to fulfill the purposes of this Agreement including, but not limited to, the following:  
93

- 94 1. Make and enter into contracts;  
95 2. Incur debts, liabilities and obligations, but no debt, liability or obligation of the Authority is the  
96 debt, liability or obligation of any Party except as otherwise provided;  
97 3. Acquire, hold or dispose of real and personal property;  
98 4. Receive contributions and donations of property, funds, services and other forms of assistance  
99 from any source;  
100 5. Assess Parties as deemed appropriate by the Board;  
101 6. Sue and be sued in its own name;  
102 7. Acquire, construct, manage and maintain buildings; and  
103 8. Lease real or personal property including property of a Party, and receive, collect, invest and  
104 disburse monies.

105  
106 These powers shall be executed in a manner provided by appropriate law and as set forth in this  
107 Agreement.  
108

109  
110 **ARTICLE VII - GOVERNING DOCUMENTS**

111  
112 The attached amended Bylaws shall be deemed adopted upon the effective date of this Agreement.  
113 Thereafter, the Board of Directors may amend the Bylaws consistent with this Agreement and  
114 applicable law to govern the operations of the Authority. The Board of Directors may adopt Coverage  
115 Program Documents, consistent with this Agreement and the Bylaws. These Coverage Program  
116 Documents define the Coverage Programs, the Members' rights and duties, the Authority's rights and  
117 duties, and the operations of the programs. The Board may also adopt policies and procedures,  
118 consistent with this Agreement, the Bylaws, or Coverage Program Documents, to assist in the  
119 governance of the Authority's operations and activities. The Agreement, the Bylaws, Coverage Program  
120 Documents and policies and procedures adopted by the Board shall constitute the Governing  
121 Documents of the Authority.  
122

123 Unless otherwise stated, a Governing Document may be amended by a majority of the Board of  
124 Directors at a duly noticed regular or special Board meeting.  
125

126  
127 **ARTICLE VIII - RESPONSIBILITIES OF THE PARTIES**

128  
129 The Parties to this Agreement shall have the following responsibilities:  
130

- 131 1. To abide by the terms of this Agreement and other Governing Documents;  
132 2. To cooperate fully with the Authority in the settlement of claims;  
133 3. To pay Contributions, assessments, or other charges promptly to the Authority when due; and  
134 4. To appoint a Director and one or more Alternates to the Board of Directors and to  
135 reappoint those positions upon the departure of anyone from those positions.

136  
137  
138  
139  
140  
141  
142  
143  
144  
145  
146  
147  
148  
149  
150  
151  
152  
153  
154  
155  
156  
157  
158  
159  
160  
161  
162  
163  
164  
165  
166  
167  
168  
169  
170  
171  
172  
173

**ARTICLE IX - POWERS RESERVED UNTO THE PARTIES**

The Parties reserve unto themselves the following powers:

- 1. To amend this Agreement;
- 2. Appoint the Representatives and Alternates to the Board of Directors; and
- 3. To terminate the Authority in accordance with Article XX.

**ARTICLE X - BOARD OF DIRECTORS**

There shall be a Board of Directors to govern the affairs of the Authority. The Board of Directors shall have all the powers of the Authority except those specifically reserved to the Parties. The Board of Directors shall have the authority to create committees as deemed necessary for the operations of the Authority. The Board has the power to delegate any and all of its powers, not specifically reserved exclusively to the Board, to a committee or an Officer of the Authority.

The Board of Directors shall consist of one Director and one or more Alternates for each Party to this Agreement as provided for in the Bylaws.

**ARTICLE XI - DUTIES OF THE BOARD NOT DELEGABLE**

The Board may not delegate to any committee, office or person the authority to:

- 1. Adopt, amend or alter the Bylaws;
- 2. Adopt the Authority's Annual Budget;
- 3. Create a Coverage Program;
- 4. Accept a Party to this Agreement; or
- 5. Expel a Party to this Agreement.

**ARTICLE XII - BOARD MEETINGS AND RECORDS**

The Board of Directors shall hold at least one meeting each fiscal year. Regular and special meetings may be called in accordance with the Bylaws of this Authority and applicable laws. All meetings shall be open to the public except as permitted by Government Code Section 54950 et seq. The Secretary shall keep full and complete minutes of all Board meetings.

174  
175  
176  
177  
178  
179  
180  
181  
182  
183  
184  
185  
186  
187  
188  
189  
190  
191  
192  
193  
194  
195  
196  
197  
198  
199  
200  
201  
202  
203  
204  
205  
206  
207  
208  
209  
210  
211  
212  
213  
214  
215  
216  
217

**ARTICLE XIII - OFFICERS OF THE AUTHORITY**

The Board shall elect one of its members as Chairperson and one as Vice Chairperson. The Board shall appoint a Secretary. The duties of the Chairperson, Vice Chairperson and Secretary shall be defined in the Bylaws.

In lieu of the designation of a treasurer and auditor as per Government Code Section 6505.6, the Board shall elect a Treasurer, who shall have, among other duties defined in the Bylaws, the duties of the treasurer and auditor as described in Government Code Section 6505.5.

The Board may appoint other officers of the Authority as described in the Bylaws.

**ARTICLE XIV - ANNUAL BUDGET**

Pursuant to Government Code Section 6508, the Board shall approve a budget for any given fiscal year prior to the inception of that year.

**ARTICLE XV - ADMINISTRATION OF FUNDS**

The Authority shall be responsible for the strict accountability of all funds and reports of all receipts and disbursements in conformity with Government Code Section 6505. All funds of the Authority may be held in common although there shall be a separate accounting for funds of each Coverage Program.

**ARTICLE XVI - NEW PARTIES**

Prospective Parties may apply to the Board of Directors at any time. The Board shall have the power to accept a prospective Party, after reviewing their application. The membership shall become effective upon the Board's approval and the signing of this Agreement, participation in all mandatory Coverage Programs, and compliance with any and all other requirements imposed upon membership by the Bylaws or other Governing Documents.

**ARTICLE XVII - WITHDRAWAL**

A Party to this Agreement may not withdraw as a party to this Agreement prior to being a Party for at least three full fiscal years. A Party, who has been a Party for at least three full fiscal years, may withdraw from this Agreement only on the completion of a fiscal year. The Party must provide the Chairperson written notice of intent to withdraw at least six-months prior to withdrawal. The Party may rescind its notice of intent to withdraw at any time prior to ninety-days prior to the commencement of the next fiscal year. The Board may authorize rescission of the intent to withdraw upon a Party's request pursuant to the Bylaws at any time.

218  
219  
220  
221  
222  
223  
224  
225  
226  
227  
228  
229  
230  
231  
232  
233  
234  
235  
236  
237  
238  
239  
240  
241  
242  
243  
244  
245  
246  
247  
248  
249  
250  
251  
252  
253  
254  
255  
256  
257  
258  
259  
260  
261  
262  
263  
264

**ARTICLE XVIII - EXPULSION**

The Board may expel a Party to this Agreement as a Party as provided for in the Bylaws. The expelled Party shall be given written notice of such action of the Board at least ninety-days prior to the effective date of the expulsion.

**ARTICLE XIX - EFFECT OF EXPULSION OR WITHDRAWAL**

Pursuant to Government Code Section 6512.2, termination of any Party to this Agreement as a Party shall not be construed to be completion of the purpose of the Agreement and shall not require the return of any Contributions, payments or advances made by the Party until the Agreement is rescinded or terminated by all Parties in accordance with Article XX.

Termination of a Party to this Agreement as a Party shall not terminate its continuing responsibilities defined in any Governing Document or Coverage Program Document for the period of time in which the Party participated, including, but not limited to:

1. Cooperate fully with the Authority in the investigation and settlement of a claim;
2. Pay any Contributions, retentions or deductibles, assessments or other charges which are due and payable; and
3. Provide any statistical or loss experience data and other information as may be necessary for the Authority to carry out the purpose of this Agreement.

**ARTICLE XX - TERMINATION AND DISTRIBUTION**

This Agreement may be terminated at any time with written consent of three-fourths of the Parties; provided, however, that this Agreement and the Authority shall exist for the purpose of disposing of all claims, distribution of assets and any other functions necessary to wind up the affairs of the Authority. The Board shall be vested with all the powers of the Authority for the purposes of winding down and dissolving the business affairs of the Authority, including the power to assess past and present Parties in accordance with Coverage Program Documents.

In accordance with Government Code Section 6512, all assets of the Authority shall be distributed among those who were Parties within ten years of termination, in proportion to the Parties' Contributions. The Board shall determine when claims and liabilities are sufficiently realized as to not jeopardize the payment of any claim or liability that may arise in the future.

**ARTICLE XXI - LIABILITY AND INDEMNIFICATION**

Pursuant to Government Code Section 6508.1, the debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of any Party, except to the extent and in the proportions, imposed by the Bylaws or other Governing Documents. Each Party is independent of every other Party and of the Authority and not the agent of any Party or of the Authority. In contemplation of the provisions of Section 895.2 of the California Government Code, imposing certain tort liability jointly

265 upon public entities, solely by reason of a joint powers agreement as defined in Section 895 of that  
266 code, each Party, as between each other, pursuant to the authorization contained in Section 895.4 and  
267 895.6 of that code, does hereby assume the full liability imposed upon it, or any of its officers, agents, or  
268 employees by law for injury caused by a negligent or wrongful act or omission occurring in the  
269 performance of this Agreement, to the same extent that such liability would be imposed in the absence  
270 of Section 895.2 of the California Government Code. To achieve the above-stated purpose, each Party  
271 shall indemnify and hold harmless each other Party for any loss, costs, or expense that may be imposed  
272 upon such other Party solely by virtue of Section 895.2. The provisions of Section 2778 of the California  
273 Civil Code are made a part of this Agreement as if set forth fully in this Agreement.

274  
275 The members of the Board of Directors and the Officers and employees of the Authority shall act in good  
276 faith and in the best interests of the Authority in the performance of their duties. The members of the  
277 Board of Directors and Officers and employees shall be liable for an act or omission within the scope of  
278 their employment with the Authority as a public entity only in the event that they act or fail to act  
279 because of actual fraud, corruption, or malice. No member shall be liable for any actions taken or  
280 omissions by another member of the Board. Funds of the Authority shall be used to defend and  
281 indemnify members of the Board, Officers, and employees for any act or omission pursuant to the  
282 provisions of the Government Code Section 910 to 996.6, inclusive. The Authority may purchase  
283 insurance covering acts or omissions of the Board of Directors, Officers, and employees.

284  
285

#### 286 **ARTICLE XXII - NOTICES**

287  
288 Notices to any or all Parties shall be sufficient if mailed to their respective addresses on file with the  
289 Authority. Notice to the Authority shall be sufficient if mailed to the official address of the Authority as  
290 established by Resolution. Notices of meetings may be given by electronic mail to the respective  
291 electronic mail addresses on file with the Authority, which notice shall be deemed sufficient notice.

292  
293

#### 294 **ARTICLE XXIII - PROHIBITION AGAINST ASSIGNMENT**

295  
296 No Party may assign any right, claim, or interest it may have under this Agreement, and no creditor,  
297 assignee, or third party beneficiary of the Party shall have any right, claim or title to any part, share,  
298 interest, fund, premium, or asset of the Authority.

299  
300

#### 301 **ARTICLE XXIV - ARBITRATION**

302  
303 Any controversy between the Parties hereto arising out of this Agreement shall be submitted to  
304 arbitration, and such arbitration shall comply with and be governed by the provisions of the California  
305 Arbitration Act, Sections 1280 through 1294.2 of the California Code of Civil Procedure.

306  
307

#### 308 **ARTICLE XXV - AMENDMENTS**

309  
310 This Agreement may be amended at any time by approval of two-thirds of the Parties.

311  
312  
313  
314  
315  
316  
317  
318  
319  
320

**ARTICLE XXVI - AGREEMENT COMPLETE**

The foregoing constitutes the full and complete agreement of the Parties. There are no oral understandings or agreements not set forth in writing herein.

In Witness Whereof, the undersigned Party hereto has executed this Agreement on the date indicated below:

Date: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name of Authorized Signor

\_\_\_\_\_  
Signature of Authorized Signor

\_\_\_\_\_  
Title of Authorized Signor

\_\_\_\_\_  
Name of Agency



**CALIFORNIA TRANSIT SYSTEMS**

**JOINT POWERS AUTHORITY**

**BYLAWS**

Effective – 2019



**TABLE OF CONTENTS**

**BYLAWS**

**CALIFORNIA TRANSIT SYSTEMS JOINT POWERS AUTHORITY**

ARTICLE I - DEFINITIONS ..... 1

ARTICLE II - OFFICES..... 1

ARTICLE III - BOARD OF DIRECTORS ..... 1

ARTICLE IV - ELECTION AND DUTIES OF THE OFFICERS ..... 2

ARTICLE V - OVERSIGHT COMMITTEE ..... 3

ARTICLE VI - ADDITIONAL COMMITTEES ..... 4

ARTICLE VII - FISCAL YEAR ..... 5

ARTICLE VIII - BUDGET ..... 6

ARTICLE IX - RECEIPT AND DISBURSEMENT OF FUNDS ..... 6

ARTICLE X - PARTY'S RESPONSIBILITIES ..... 6

ARTICLE XI - COVERAGE PROGRAMS ..... 6

ARTICLE XII - PENALTY FOR MONEY IN ARREARS ..... 7

ARTICLE XIII - RIGHT OF OFFSET ..... 7

ARTICLE XIV - NEW PARTIES TO THE AGREEMENT ..... 7

ARTICLE XV - HIERARCHY OF GOVERNING DOCUMENTS..... 7

ARTICLE XVI - AMENDMENTS..... 7

APPENDIX A - PRINCIPAL EXECUTIVE OFFICE ..... 8



## **BYLAWS**

For the regulation of the California Transit Systems Joint Powers Authority, except as otherwise provided by statute or the Joint Powers Agreement creating the California Transit Systems Joint Powers Authority, also known as the California Transit Indemnity Pool ("CalTIP").

### **ARTICLE I - DEFINITIONS**

The terms in these Bylaws have the same definitions as those given in the Joint Powers Agreement Creating the California Transit Systems Joint Powers Authority, unless otherwise specified herein.

- A. "Master Program Document" is a document issued by the Authority specifying the rights and obligations of the Authority and the Members in the Coverage Program as well as the procedures and operations of the program.
- B. "Memorandum of Coverage" is the document issued by the Authority to the Members in a Coverage Program, specifying the type, term, and amount of coverage provided by the Authority.

### **ARTICLE II - OFFICES**

The principal executive office for the transaction of business of the Authority is hereby fixed and located at the address shown in Appendix A. Notwithstanding Article XVI, the Board shall have the authority to change the location of the principal executive office from time to time by a simple majority vote of the Board of Directors present at a duly authorized meeting and with 30 days' prior notice of such change. A revised Appendix A will be distributed to all then current Parties to the Agreement. Other business offices may at any time be established by the Board at any place or places.

### **ARTICLE III - BOARD OF DIRECTORS**

#### **A. GOVERNING BOARD**

In accordance with Article X of the Agreement, the Board of Directors shall be the governing body of the Authority. Each Party's governing board shall appoint, by resolution, an officer or employee of the Party to be the Director and one or more officers or employees of the Party to act as Alternate on the Board of Directors of the Authority. Such appointment shall not take effect until such resolution is received by the Authority at its executive office as defined in Article II above, and the appointees have complied with the Authority's Conflict of Interest Policy. Voting members of the Board of Directors shall be the Directors, or in the case of their absence, an Alternate. Alternates shall have all the same rights to hold office or sit on committees as a Director. No more than one alternate may exercise a Party's voting rights at a meeting.

The Board of Directors shall provide policy direction to the committees, the Officers, and any employees or contracted service providers of the Authority. The Board may delegate any and all powers except those specifically reserved onto the Board or specifically requiring a vote by the Board of Directors. The Board cannot delegate the following powers:

1. By a three-fourths vote of the Directors present and voting:
  - a. Expel an existing member from the Authority.

2. By a two-thirds vote of the Directors present and voting:
  - a. Accept a new Party to this Agreement.
  
3. By a majority vote of the Directors present and voting:
  - a. Amend these Bylaws pursuant to Article XVI of these Bylaws;
  - b. Create or terminate any self-insurance, group purchase insurance program, or Coverage program;
  - c. Remove an officer of the Authority or committee member;
  - d. Adopt an operating budget for each of the Authority's fiscal years;
  - e. Authorize a payment of a dividend, or charge an assessment under a retrospective adjustment;
  - f. Change the location of the principal executive office; or
  - g. Authorize a cash assessment.

## **B. MEETINGS**

All regular and special meetings of the Board of Directors shall be conducted in accordance with the Ralph M. Brown Act (Government Code Section 54950) as it now exists or may be amended from time to time. The Secretary shall cause notice to be given of all meetings and cause minutes to be prepared and distributed to the Board of Directors. The Board of Directors cannot conduct business unless a quorum is present at the meeting. A quorum consists of a majority of the Directors, or in the absence of a Director, the Alternate, that have complied with the requirements of Article III, A, and vacancies shall not be counted in determining a quorum. An official set of minutes of all Board meetings shall be kept at the principal executive offices of the Authority as defined in Article II.

All matters duly noticed and within the purview of the Board of Directors may be decided by a simple majority of those Directors voting at a regular or special meeting, unless the Governing Documents prescribe otherwise. Where the matter before the Board affects a particular Coverage Program, other than the financing of the Program, only those Directors representing Parties participating in the Coverage Program may vote; provided, however, that in the absence of a quorum of Coverage Program participant representatives the vote shall be by the Board of Directors.

The Board shall have at least one regular meeting a fiscal year. The date and time of such meeting and all other regular meetings of the Board for the next fiscal year shall be established by resolution of the Board adopted at the last regular Board meeting of the then current fiscal year.

Pursuant to Government Code Section 54956, a special meeting of the Board of Directors may be called by the Oversight Committee or by the Chairperson, with 24 hours' notice, stating the time and place of such meeting and the matter to be discussed. Such notice may be delivered personally, by way of electronic transmission (other than voice communication) or by mail. Notice by mail must be received at least 24 hours prior to the meeting.

All meetings may be postponed or cancelled by the Chairperson with at least 24 hours' prior notice.

## **ARTICLE IV - ELECTION AND DUTIES OF THE OFFICERS**

### **A. ELECTION OF THE OFFICERS**

The Officers of the Board of Directors shall be the Chairperson, Vice Chairperson, Treasurer, and

Secretary. The Officers shall be elected in the following manner:

1. Each Director may place any member of the Oversight Committee in nomination for the offices of Chairperson and Vice Chairperson. Each Director may place any member of the Board in nomination for the office of Treasurer.
2. Each Director shall cast one vote for the candidate of his or her choice for each office.
3. The terms of office of the Chairperson, the Vice Chairperson, and Treasurer shall be two years, commencing during the even numbered years. The Officers will begin serving terms upon the beginning of the fiscal year immediately following the election. The terms as Officers will end on the last day of a fiscal year. No officer may serve more than three consecutive terms in the same office. An exception may be made for the Treasurer's office if there are no other qualified Directors to serve.
4. Elections will be held whenever there is an Officer vacancy to fill the unexpired term.
5. The Office of the Secretary of the Board of Directors shall be the General Manager unless a separate Secretary of the Board of Directors is appointed by the Board of Directors.
6. The Office of Secretary has no set term but continues until there is a new General Manager or the Board appoints another as Secretary.

## **B. DUTIES OF THE OFFICERS**

The duties of the Chairperson shall be to preside at all meetings of the Board and to perform such other duties as the Board may specify. Upon the death, incapacity, or vacancy in the office of the Chairperson, the Vice Chairperson shall succeed to such office automatically, subject to ratification by the Board at its next meeting, at which time the Board shall also elect a new Vice Chairperson.

The duties of the Vice Chairperson shall be to act as the Chairperson in the absence of the Chairperson and to perform such other duties as the Board may specify.

The duties of the Treasurer shall be those specified in the Agreement, duties imposed on the Treasurer and Controller/Auditor as defined in Section 6505.5 and 6506 of the California Government Code and other duties as required by law or as specified by the Board. The Authority, at its own expense, shall maintain a bond covering the Treasurer and any other person having contact with funds of the Authority in an amount not less than \$250,000.

The duties of the Secretary shall be to cause minutes to be kept and to perform such other duties as the Board may specify.

## **ARTICLE V - OVERSIGHT COMMITTEE**

There shall be an Oversight Committee consisting of not less than seven nor more than nine members from the Board of Directors. The Board of Directors shall elect each member to a term of two-years concurrent with the fiscal year of the Authority, and commencing during the even numbered years. The Board of Directors shall determine the number of members to serve for the following two years at the time of each election. The elected members will begin serving terms upon the beginning of the fiscal year immediately following the election. The terms as elected members will end on the last day of a fiscal year. There is no maximum number of terms a member can serve. A vacancy shall be filled by an election by the Board of Directors at its next meeting.

The Board Chairperson shall be the Chair of the Oversight Committee. The Board Vice Chairperson shall be the Vice Chair of the Oversight Committee.

The Oversight Committee shall have the full authority of the Board of Directors except that authority for which the Board is precluded from delegating. The Oversight Committee shall review disputes between a Party and the Authority, and make a determination of appropriate action, regarding coverage or the administration of the Authority, enter into contracts where such authority has not been delegated to another, contract for a financial audit and for general legal services. The Oversight Committee shall monitor the performance and the operations of the Authority and Board policy and make recommendations of change where the Committee deems appropriate.

A majority of the members of the Oversight Committee shall constitute a quorum. An action by the Oversight Committee shall require a majority vote of those in attendance. Vacancies shall not be counted in determining a quorum.

## **ARTICLE VI - ADDITIONAL COMMITTEES**

In addition to the Oversight Committee, there shall be a Member Services Committee and a Finance and Administration Committee.

### **A. MEMBER SERVICES COMMITTEE**

The Member Services Committee shall consist of not less than five nor more than nine members of the Board of Directors, at the discretion of the Oversight Committee. The members are to be elected by the Oversight Committee. The terms of office shall be two years, with half the elected positions incepting on fiscal years starting on even numbered years and half the elected positions incepting on fiscal years starting on odd numbered years, if there are an even number of committee members. If the committee has an odd number of members, then the majority of the terms (half plus one) will incept on even years and the remaining members' terms incept on odd years. There is no maximum number of terms a member can serve. A vacancy shall be filled by an election by the Oversight Committee.

The Chairperson of the Member Services Committee shall serve a one-year term concurrent with the fiscal year of the Authority. Upon the completion of the term of the Committee Chair, the Committee Vice Chairperson shall become the Committee Chair. The Member Services Committee shall elect a new Vice Chairperson at its first meeting of the fiscal year of the Authority in which the Committee Vice Chairperson will be serving. In the absence of the Committee Chairperson, the Committee Vice Chairperson shall assume the role of Chairperson. If the Committee Chairperson has resigned or becomes incapacitated, the Committee Vice Chairperson shall assume the position as Chairperson and the Committee shall elect a new Vice Chairperson.

The Member Services Committee shall review applications for membership and make recommendations to the Board of Directors, underwrite Members of a Coverage Program, review claims made against a Coverage Program and take action as needed, including providing settlement authority, and implement safety and loss control strategies.

A majority of the members of the Member Services Committee shall constitute a quorum. An action by the Member Services Committee shall require a majority vote of those in attendance. Vacancies shall not be counted in determining a quorum.



## **B. FINANCE AND ADMINISTRATION COMMITTEE**

The Finance and Administration Committee shall consist of not less than five nor more than nine members of the Board of Directors, at the discretion of the Oversight Committee. All but one of the members is to be elected by the Oversight Committee, and the remaining member being the Treasurer, who shall have all the same rights as the other members. The terms of office shall be two years, with half the elected positions incepting on fiscal years starting on even numbered years and half the elected positions incepting on fiscal years starting on odd numbered years, if there are an even number of committee members. If the committee has an odd number of members, then the majority of the terms (half plus one) will incept on even years and the remaining members' terms incept on odd years. There is no maximum number of terms a member can serve. A vacancy shall be filled by an election by the Oversight Committee.

The Chairperson of the Finance and Administration Committee shall serve a one-year term concurrent with the fiscal year of the Authority. Upon the completion of the term of the Committee Chair, the Committee Vice Chairperson shall become the Committee Chair. The Finance and Administration Committee shall elect a new Committee Vice Chairperson at its first meeting of the fiscal year of the Authority in which the Committee Vice Chairperson shall be serving. In the absence of the Committee Chairperson, the Committee Vice Chairperson shall assume the role of Chairperson. If the Committee Chairperson has resigned or becomes incapacitated, the Committee Vice Chairperson shall assume the position as Chairperson and the Committee shall elect a new Vice Chairperson.

The Finance and Administration Committee shall review current financial conditions of the Authority and provide direction in the development of the budget for the coming fiscal year, review the allocation of revenues in the budget and make recommendations for change to the Board of Directors, and recommend to the Board the appropriate reserves for contingencies.

A majority of the members of the Finance and Administration Committee shall constitute a quorum. An action by the Finance and Administration Committee shall require a majority vote of those in attendance. Vacancies shall not be counted in determining a quorum.

## **C. OTHER COMMITTEES**

The Board of Directors may establish additional standing or ad hoc committees and delegate authority to such committees to accomplish certain tasks. Members of a committee shall remain members of that committee until such time as the Board appoints new members to the committee, the committee is dissolved by the Board, or the purpose has been completed and there are no more responsibilities assigned to the committee.

A quorum of a committee created under this section shall be a majority of the members of the committee, without counting any vacant positions. All actions by such committee shall require a majority vote of those in attendance, unless otherwise specifically stated.

Each committee shall appoint a chairperson who shall call the meetings.

## **ARTICLE VII – FISCAL YEAR**

The fiscal year shall commence on May 1 of each year and conclude on April 30 of the following year. Revenue and expenses shall be recorded on a full accrual basis.

## **ARTICLE VIII - BUDGET**

A budget shall be adopted prior to the inception of the fiscal year. The Budget shall separately show the following:

1. General and administrative costs;
2. Contributions, projected interest income and other income; and
3. The actuarially estimated claims and allocated claims adjustment costs.

## **ARTICLE IX - RECEIPT AND DISBURSEMENT OF FUNDS**

Payments to the Authority shall be received at its principal executive office. The Treasurer or other designee shall safeguard and invest funds in accordance with the Authority's current Investment Policy.

All disbursements (via check or electronic funds transfer) issuing funds of the Authority (for other than the payment of claims) shall require the signatures or approvals of the Treasurer and Chairperson, Vice Chairperson, or other Director or designee as approved by the Board. A register of all checks or electronic funds transfers issued since the last Board meeting shall be provided at each Board meeting and approved by the Board.

## **ARTICLE X – RESPONSIBILITIES OF THE PARTY**

The Authority is a participatory organization with the goal of reducing exposures to losses. To facilitate this goal, each Party agrees to perform the following functions in discharging its responsibilities:

1. Abide by all the rules and obligations imposed upon the Party by the Agreement, these Bylaws, any administrative policies and procedures adopted, any Master Program Documents and Memoranda of Coverage for any and all Coverage Programs to which the Member participates;
2. Appoint a Director and at least one Alternate to the Board;
3. Participate in the Liability Coverage Program;
4. Remit Contributions and other amounts due within 30 days of the date of invoice;
5. Cooperate fully with the Authority in reporting, and in determining the cause of claims and in the settlement of such claims; and
6. Upon withdrawal from the Authority, the Party shall remain responsible for any losses and any other costs which it has incurred while a Member of a Coverage Program and a Party to the Agreement.

## **ARTICLE XI - COVERAGE PROGRAMS**

All Parties to the Agreement shall participate in the Liability Coverage Program. Participation in any other Coverage Program is at the discretion of the Party.

Each Coverage Program shall have a Master Program Document that describes the rights and duties of the Authority, the Member, and the process by which the Coverage Program will be administered.

## **ARTICLE XII - PENALTY FOR MONEY IN ARREARS**

The penalty for Contributions not paid to the Authority within 30 days of the date of the invoice shall be the prime interest rate plus two points on the amount of Contributions owed. The prime rate used for penalty calculation will be the prime rate in effect 30 days after the invoice date at the commercial bank which holds funds of the Authority. This penalty is subject to a minimum amount established by resolution of the Board of Directors.

On appeal to the Oversight Committee, the Committee may waive the late payment penalty if the Party shows a hardship and presents a plan for repayment, if not already paid. Alternatively, or in addition, the Oversight Committee may prescribe or approve a payment plan for the Party other than those outlined in the Governing Documents of the Authority.

## **ARTICLE XIII - RIGHT OF OFFSET**

The Authority may offset any moneys owed to a Party, with amounts owed by the Party to the Authority whether the amounts owed by the Party are Contributions or any other amounts owed.

## **ARTICLE XIV - NEW PARTIES TO THE AGREEMENT**

A qualified public entity requesting to be a Party to the Authority shall complete an application form and provide other information and documentation requested by the Authority, including that required by any Coverage Program in which the prospective Party would like to participate.

Each prospective Party will submit a non-refundable application fee, as determined by the Board, to defray processing costs along with its completed application form. The prospective Party shall be presented in summary to the Board of Directors for a vote in accordance with the Agreement.

## **ARTICLE XV - HIERARCHY OF GOVERNING DOCUMENTS**

The Agreement forming the Authority shall be superior to these Bylaws and any provisions in these Bylaws that are contradictory or in conflict with any provisions in the Agreement shall be interpreted to be consistent with the Agreement or be voided to the extent it conflicts or is contradictory. The Board shall adopt Master Program Documents, and policies or procedures. However, such other documents shall be consistent with the Agreement and these Bylaws, and to the extent they are not consistent, those documents will be superseded by the Agreement and Bylaws.

## **ARTICLE XVI - AMENDMENTS**

These Bylaws may be amended by a majority vote of the Directors present and voting, provided that any amendment is compatible with the purposes of the Authority, is not in conflict with the Agreement, and has been submitted to the Board at least 30 days in advance. Any such amendment shall be effective immediately, unless otherwise designated.

## **APPENDIX A - PRINCIPAL EXECUTIVE OFFICE**

The principal executive office for the transaction of business of the Authority is hereby fixed and located at:

1750 Creekside Oaks Drive, Suite 200

Sacramento, CA 95833