

**Public Utilities Code Division 12.7. County and Regional Transportation Commissions
Chapter 3. Transportation Consolidation for San Diego**

Article 1. General Provisions, Findings, and Definitions

§ 132350.

This chapter shall be known and may be cited as the San Diego Regional Transportation Consolidation Act. The purpose of this act is to provide for the consolidation of transportation responsibilities in the San Diego region which can only be provided for by and through enactment of state law.

§ 132350.1.

The Legislature hereby finds and declares all of the following:

- (a) There is an imperative need for comprehensive planning and implementation of regional transportation projects in the San Diego region. Diminution of congestion on the streets and highways in the San Diego region will facilitate passage of all Californians traveling through San Diego, and especially benefit persons who live or work in San Diego County who must commute to points within and outside the San Diego region on a daily basis.
- (b) Several separate limited-purpose transportation agencies have been established in the San Diego region, however, the San Diego region would benefit from coordinated and comprehensive planning by these agencies.
- (c) In view of the limited powers of the San Diego Association of Governments (SANDAG), to provide the needed comprehensive transportation planning and implementation without consolidation of certain responsibilities of the transit boards, the Legislature finds that consolidation of the planning, programming, project development, and construction activities of various transportation agencies in the San Diego region will improve the efficiency and effectiveness of implementing needed transportation infrastructure and services and provide for a focus on meeting the mobility needs of the region.
- (d) It is, therefore, the intent of the Legislature in enacting this chapter to consolidate SANDAG and certain responsibilities of the transit boards to provide for sufficient power and authority to solve the transportation problems in the San Diego region and the needed comprehensive transportation system.

§ 132350.2.

For purposes of this chapter, the definitions contained in this section have the following meanings:

- (a) "Consolidated agency" means the authority resulting from the consolidation of SANDAG and the transit boards' responsibilities as set forth herein.
- (b) "Consolidated entities" means SANDAG and the transit boards as set forth in Article 4 (commencing with Section 132353).
- (c) "Population" means that population of any agency last determined for the agency as certified by the Department of Finance as of April 1 of each year, or if no certification has been made, the last Federal Decennial Census, except that the population of San Diego County shall be that population determined in the same manner for the unincorporated area of the county. The population of the region shall be that population determined by adding the population of each agency.
- (d) "North county coastal" means the Cities of Del Mar, Solana Beach, Encinitas, Carlsbad, and Oceanside.

- (e) "North county inland" means the Cities of Vista, San Marcos, Escondido, and Poway.
- (f) "South county" means the Cities of Chula Vista, National City, Imperial Beach, and Coronado.
- (g) "East county" means the Cities of El Cajon, Santee, La Mesa, and Lemon Grove.
- (h) "San Diego region" means the territory located within the boundaries of San Diego County.
- (i) "Transit boards" means the San Diego Metropolitan Transit Development Board (MTDB) and the North San Diego County Transit Development Board (NCTD).

Article 2. Organization and Governance

§ 132351.

The consolidation of SANDAG and the transit boards will consolidate responsibilities under the organization and governance structure and with the powers, duties, functions, and authority as set forth herein.

§ 132351.1.

- (a) A board of directors consisting of 21 members shall govern the consolidated agency.
- (b) For purposes of this chapter, "governing body" means the board of supervisors, council, council and mayor where the mayor is not a member of the council, authority, trustees, director, commission, committee, or other policymaking body, as appropriate, that exercises authority over an entity represented on the board of the consolidated agency.
- (c) All powers, privileges, and duties vested in or imposed upon the consolidated agency shall be exercised and performed by and through a board of directors provided, however, that the exercise of all executive, administrative, and ministerial power may be delegated and redelegated by the board, to any of the offices, officers, or committees created pursuant to this chapter or created by the board acting pursuant to this chapter.
- (d) The board shall be composed of one primary representative selected by the governing body of each city in the county and a member of the San Diego County Board of Supervisors. However, the City of San Diego and the County of San Diego shall each have a primary and secondary representative, which for the City of San Diego shall be the mayor of the City of San Diego and the president of the city council. Each director shall be a mayor, councilperson, or supervisor, as applicable, of the governing body that selected him or her, and shall serve until recalled by the governing body of the city or county. Vacancies shall be filled in the same manner as originally selected. Each city or county shall also select one alternate to serve on the board when the primary or secondary representative, if applicable, is not available. The alternate shall be subject to the same restrictions and have the same powers, when serving on the board, as the representative for whom he or she is substituting. The alternate shall be a mayor, councilperson, or supervisor, as applicable, of his or her governing body.
- (e) Notwithstanding subdivision (d), in those years when the primary representative of the San Diego County Board of Supervisors is from a district that is substantially an incorporated area, a supervisor who represents a district that is substantially an unincorporated area shall be appointed to the board as the secondary representative. Alternatively, in those years when the primary representative of the San Diego County Board of Supervisors is from a district that is substantially an unincorporated area, a supervisor who represents a district that is substantially an incorporated area shall be appointed to the board as the secondary representative.
- (f) At its discretion, each city or county may select a second alternate, in the same manner as the first alternate, to serve on the board in the event that neither the primary representative nor the first alternate is able to attend a meeting of the board. This alternate shall be subject to

the same restrictions and have the same powers, when serving on the board, as the primary representative.

- (g) The board may allow for the appointment of advisory representatives to sit with the board but in no event shall those representatives be allowed a vote. The current advisory representatives to the San Diego Association of Governments may continue their advisory representation on the consolidated agency at the discretion of their governing body. The governing bodies of the County of Imperial and the cities in that county may collectively designate an advisory representative to sit with the board.

§ 132351.2.

- (a) A majority of the member agencies constitute a quorum for the transaction of business. In order to act on any item, the affirmative vote of the majority of the members of the board present is required. However, after a vote of the members is taken, a weighted vote may be called by the members of any two jurisdictions.
- (b) The governing body of the City of San Diego and the County of San Diego shall allocate their weighted votes equally between their primary and secondary members.
- (c) For the weighted vote, there shall be a total of 100 votes, except additional votes shall be allowed pursuant to subdivision (h). Each member agency shall have that number of votes determined by the following apportionment formula, provided that each agency shall have at least one vote, no agency shall have more than 50 votes, and there shall be no fractional votes:
 - (1) If any agency has 50 percent or more of the total population of the San Diego County region, allocate 50 votes to that agency and follow paragraph (2), and if not, follow paragraph (3).
 - (2) Total the population of the remaining agencies determined in paragraph (1) and compute the percentage of this total that each agency has.
 - (A) Multiply each percentage derived above by 50 to determine fractional shares.
 - (B) Boost fractions that are less than one to one and add the whole numbers.
 - (C) If the answer to subparagraph (B) is 50, drop all fractions and the whole numbers are the votes for each agency.
 - (D) If the answer to subparagraph (B) is less than 50, the remaining vote is allocated one each to the agency having the highest fraction excepting those whose vote was increased to one pursuant to subparagraph (B).
 - (E) If the answer to subparagraph (B) is more than 50, the excess vote is taken one each from the agency with the lowest fraction. In no case shall a vote be reduced to less than one.
 - (3) Total the population determined in paragraph (1) and compute the percentage of this total that each agency has.
 - (A) Boost fractions that are less than one to one and add the whole numbers.
 - (B) If the answer to subparagraph (A) is 100, drop all fractions and the whole numbers are the votes for each agency.
 - (C) If the answer to subparagraph (A) is less than 100, the remaining vote is allocated one each to the agency having the highest fraction excepting those whose vote was increased to one pursuant to subparagraph (A).
 - (D) If the answer to subparagraph (A) is more than 100, the excess vote is taken one each from the agency with the lowest fraction. In no case shall a vote be reduced to less than one.

- (d) When a weighted vote is taken on any item that requires more than a majority vote of the board, it shall also require the supermajority percentage of the weighted vote.
- (e) Approval under the weighted vote procedure requires the vote of not less than four members representing separate jurisdictions and not less than 51 percent of the total weighted vote to supersede the original action of the board.
- (f) For purposes of subdivision (c), the population of the County of San Diego is the population in the unincorporated area of the county.
- (g) The weighted vote formula under subdivision (c) shall be recomputed every July 1.
- (h) Any newly incorporated city shall receive one vote under the weighted vote procedure until the next recomputation of the weighted vote formula under subdivision (c), at which time the new agency shall receive votes in accordance with the recomputed formula. Until this recomputation, the total weighted vote may exceed 100.

§ 132351.3.

The consolidated agency is the successor agency to the San Diego Association of Governments (SANDAG) and those entities set forth in Article 4 (commencing with Section 132353). The consolidated agency is a statutorily created regional transportation planning agency under Section 29532.1 of the Government Code. As the successor to SANDAG, the consolidated agency succeeds to, continues, and maintains SANDAG's federal, state and local designations, including, but not limited to, designation as the Metropolitan Planning Organization, is the San Diego County Regional Transportation Commission pursuant to Section 132005, is the congestion management agency, and is the council of governments for the San Diego region.

§ 132351.4.

- (a) The consolidated agency shall have five standing policy advisory committees named the executive, transportation, regional planning, borders, and audit committees. The responsibilities of the committees shall be established by the board. Committee membership may be expanded by the consolidated agency, and shall be selected in accordance with a process established by the consolidated agency. The membership shall be as follows:
 - (1) The executive committee shall consist of six voting members with board members representing east county, north county coastal, north county inland, south county, and the representative, or the representative's alternate in their absence, from the City of San Diego and the county. The chairperson and the vice chairperson of the consolidated agency shall each be one of the six voting members.
 - (2)
 - (A) The transportation committee shall consist of 10 voting members with board members or alternates representing east county, north county coastal, north county inland, south county and the mayor or a council member from the City of San Diego, a supervisor from the County of San Diego, a member of the board of the MTDB appointed by the board of the MTDB, a member of the board of the NCTD appointed by the board of the NCTD, a member of the governing board of the San Diego Unified Port District appointed by the board of the port, and a member of the San Diego County Regional Airport Authority appointed by the airport authority.
 - (B) Among its transportation responsibilities, the transportation committee shall provide a strong focus and commitment to meeting the public transit needs of the San Diego region, set transit funding criteria and recommend transit funding levels, and undertake transit responsibilities resulting from consolidation, as delegated by the board.

- (C) The board shall provide a report, developed by the transportation committee, to the Legislature on or before July 1 of each year that outlines the public transit needs, transit funding criteria, recommended transit funding levels, and additional work on public transit, as delegated to the transportation committee by the board. The report shall specify the funds spent explicitly on public transportation. The report shall be submitted consistent with Section 9795 of the Government Code.
- (3) The regional planning committee shall consist of six voting members with board members or alternates representing east county, north county coastal, north county inland, south county, and the mayor or a council member from the City of San Diego, and a supervisor from the County of San Diego.
- (4) The borders committee shall consist of seven voting members with board members or alternates representing east county, north county coastal, north county inland, south county, the mayor or a council member from the City of San Diego, a supervisor from the County of San Diego, and a mayor, council member, or supervisor from the County of Imperial.
- (5) The audit committee shall consist of five voting members with two board members and three members of the public to be appointed by the board. The audit committee shall recommend to the board the contract of the firm conducting the annual financial statement audits and the hiring of the independent performance auditor and approve the annual audit plan after discussion with the independent performance auditor pursuant to subdivision (b) of Section 132354.1.
- (b) The board may appoint other standing and ad hoc working groups to advise it in carrying out its responsibilities.
- (c) No board member may serve as a member of more than two standing policy advisory committees at any one time, except those board members serving on the audit committee.

§ 132351.5

- (a) Each member of the consolidated agency, including alternate members when serving in the absence of a regular member at board meetings, and members, including alternates, of the policy advisory committees of the consolidated agency, shall be compensated as determined by the board, and for his or her necessary and reasonable expenses in performing his or her duties as a consolidated agency or policy advisory committee member.
- (b) The chairperson shall receive additional monthly compensation in an amount established from time to time by the board.

§ 132351.6

District 11 of the Department of Transportation shall coordinate with the consolidated agency on transportation planning for all projects within the jurisdiction of the consolidated agency in which the department and the consolidated agency have common planning or programming responsibilities.

Article 3. Administration

§ 132352

- (a) The consolidated agency may adopt bylaws and other rules necessary to carry out its responsibilities.
- (b) The clerk of the board shall cause a proposed ordinance or proposed amendment to an ordinance, and any ordinance adopted by the board, to be published at least once, in a

newspaper of general circulation published and circulated in the board's area of jurisdiction.

(c) The publication of an ordinance, as required by subdivision (b), may be satisfied by either of the following actions:

- (1) The board may publish a summary of a proposed ordinance or proposed amendment to an ordinance. The summary shall be prepared by a person designated by the board. The summary shall be published and a certified copy of the full text of the proposed ordinance or proposed amendment shall be posted in the office of the clerk of the board at least five days prior to the board meeting at which the proposed ordinance or amendment is to be adopted. Within 15 days after adoption of the ordinance or amendment, the board shall publish a summary of the ordinance or amendment with the names of those board members voting for and against the ordinance or amendment and the clerk shall post in the office of the clerk a certified copy of the full text of the adopted ordinance or amendment along with the names of those board members voting for and against the ordinance or amendment.
- (2) If the person designated by the board determine that it is not feasible to prepare a fair and adequate summary of the proposed ordinance or amendment, and if the board so orders, a display advertisement of at least one-quarter of a page in a newspaper of general circulation in the board's area of jurisdiction shall be published at least five days prior to the board meeting at which the proposed ordinance or amendment is to be adopted. Within 15 days after adoption of the ordinance or amendment, a display advertisement of at least one-quarter of a page shall be published. The advertisement shall indicate the general nature of, and provide information regarding, the adopted ordinance or amendment, including information sufficient to enable the public to obtain copies of the complete text of the ordinance or amendment, and the names of those board members voting for and against the ordinance or amendment.

§ 132352.1

All meetings of the consolidated agency, including, but not limited to, adjourned regular and special meetings of the board, shall be called, noticed, held, and conducted in accordance with the provisions of the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code). Ten members of the board shall constitute a quorum for transaction of the business of the board.

§ 132352.2

Acts of the board shall be expressed by motion, resolution, or ordinance.

§ 132352.3

The officers of the board are the chairperson and the vice chairperson. The chairperson and vice chairperson shall be elected by the membership of the board every two years or when a vacancy exists, by means of the weighted vote pursuant to Section 132351.2. The chairperson and vice chairperson shall not represent the same subregion, with the subregions being east county, north county coastal, north county inland, south county, the City of San Diego, and the County of San Diego. The board may create additional officers and elect members to those positions. However, no member may hold more than one office. The term of office for any officers of the board other than the chairperson and the vice chairperson shall be established by the board.

§ 132352.4.

(a) The Legislature finds and declares that there is a compelling interest in ensuring that all federal, state, local, and private funds available to the consolidated agency are captured and used in a timely manner. In order to maximize the use of federal, state, local, and private

funds and to maintain a competitive posture in seeking supplemental federal funds, the consolidated agency shall have the authority to establish and use a flexible contracting process to maximize efficient use of public funds.

- (b) The consolidated agency shall have the following powers with regard to contracting:
- (1) The consolidated agency may make contracts and enter into stipulations of any nature whatsoever, either in connection with eminent domain proceedings or otherwise, including, without limiting the generality of the foregoing, contracts and stipulations to indemnify and hold harmless, and to do all acts necessary for, incidental to, or convenient for the full exercise of the powers granted in this chapter.
 - (2) The consolidated agency may contract with any department or agency of the United States or the State of California, local governmental authorities within or outside of the region, including those in Mexico, any city, county, public district, public corporation, or joint powers authority formed pursuant to the provisions of the Joint Exercise of Powers Act, Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code upon those terms and conditions as the consolidated agency finds are for the best interests of the consolidated agency.
 - (3) If the estimated total cost of any construction project or public works project will exceed fifty thousand dollars (\$50,000), the consolidated agency shall solicit bids in writing and shall award the work to the lowest responsible bidder or reject all bids. The consolidated agency shall establish rules for procurement of construction of public works projects.
 - (4) Notwithstanding any provision of the Public Contract Code or any other provision of law, the consolidated agency may contract for the construction of buildings, structures, roads, bridges, and related facilities in accordance with Article 6.8 (commencing with Section 20209.5) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code.
 - (5) Except in cases when an article of a specified brand or trade name is the only article that will properly meet the needs of the consolidated agency, all contracts for the acquisition or lease of materials, supplies, or equipment in an amount of fifty thousand dollars (\$50,000) or a higher amount as may be authorized by the board, shall be made or entered into with the lowest responsible bidder meeting specifications. For purposes of determining the lowest bid, the amount of sales tax shall be excluded from the total amount of the bid.
 - (6) If the estimated total cost of required services exceeds one hundred thousand dollars (\$100,000), the services will not be performed by an entity described in paragraph (2) of subdivision (b) of Section 132352.4, and the services are not within the category of services defined in Section 4525 of the Government Code, the consolidated agency shall solicit bids in writing and shall award the work in a competitive procurement process that is in the best interest of the consolidated agency.
 - (7) Contracts for architectural, landscape architectural, engineering, environmental, land surveying services, and construction project management services in excess of fifty thousand dollars (\$50,000) shall be let in accordance with the provisions of Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code.
 - (8) Notwithstanding any other provisions of this chapter, the consolidated agency is authorized to use any procurement method authorized for state or local agencies by state or federal law, including, but not limited to, use of a competitive negotiation process in accordance with the provisions of Article 7.5 (commencing with Section 20216) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code. The consolidated agency shall maintain acquisition and contracting guidelines to be followed by the consolidated agency with respect to procurement of goods and services. These guidelines may be in the form of standard formats or model formats.

§ 132352.5

- (a) All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, workers' compensation, and other benefits that apply to the activity of officers, agents, or employees of a public agency when performing their respective functions shall apply to employees of the consolidated agency.
- (b) All claims for money or damages against the consolidated agency or its employees shall be governed by Part 1 (commencing with Section 810), Part 2 (commencing with Section 814), Part 3 (commencing with Section 900), and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code applicable to public agencies and their employees, or by other statutes or regulations expressly applicable thereto.

§ 132352.6. Repealed by Stats.2010, c. 491 (S.B.1318), § 10

Article 4. Consolidation

§ 132353

The following definitions contained in this article shall govern the construction of this article.

- (a) "Construction" shall mean the final design, permitting and building of all transit projects including, but not limited to, commuter and freight rail, light rail, general rail infrastructure, regional bus facilities, paratransit, and other regional transit projects. Construction shall exclude the Oceanside to Escondido Rail Project and the Mission Valley East Extension Light Rail Project, and other projects or those portions of projects which have a construction contract in place at the time of the subsequent transfer defined in Section 132353.2. The aforementioned construction contracts may be assigned to the consolidated agency with mutual agreement of the consolidated agency and the respective transit board. Construction projects shall exclude local and minor improvement projects as defined in the transition plan.
- (b) "Planning" shall include, but not be limited to, conceptual development of transit projects and services and integration and coordination of all modes of transportation.
- (c) "Programming" shall mean the, acquisition, prioritization and allocation of funding of transit projects and services.
- (d) "Project development" shall mean alternative analysis, environmental review and clearance, preliminary engineering, and any other activities necessary to prepare for the construction of a transit project, as defined in the transition plans.

§ 132353.1.

Notwithstanding any other provision of law and except as provided in this chapter, the San Diego Association of Governments shall be consolidated into a public agency known as the consolidated agency. In addition, upon adoption of the 2030 Regional Transportation Plan by the consolidated agency, and not later than July 1, 2003, all public transit and other transportation planning and programming responsibilities, including, but not limited to, short and near-term operational and financial planning and program development of the San Diego Metropolitan Transit Development Board (MTDB) and the North San Diego County Transit Development Board (NCTD), except as set forth in subdivision (c) of Section 132353.2 shall be consolidated into the consolidated agency. This consolidation shall be referred to as the initial transfer. A transition plan for the initial transfer of transit functions and responsibilities shall be developed by February 28, 2003, by the consolidated agency in consultation with the transit boards to ensure the efficient and timely transfer of the transit boards' functions and responsibilities. All local, state, federal, and other funding available to carry out these responsibilities and those set forth in Section 132353.2, upon any consolidation, shall be deemed to be funding of the consolidated agency.

§ 132353.2

- (a) A transition plan for the transfer of project development and construction responsibilities of the transit boards and the financial resources therefore to the consolidated agency shall be developed by the consolidated agency in consultation with the transit boards to ensure the efficient and timely transfer of the transit boards' project development and construction functions and responsibilities to the consolidated agency no later than September 30, 2003. The transfer and consolidation of project development and construction functions and responsibilities and the funding therefore shall occur no later than January 30, 2004, and shall be referred to as the subsequent transfer.
- (b) The transition plans should define the functional roles and responsibilities of the consolidated agency and the transit boards and should define, in the applicable transition plan, service and operational planning, programming, project development, and construction. The transition plans should acknowledge a strong linkage between service planning and operations scheduling.
- (c) Local route planning and scheduling and local financial planning therefor, would continue to be the responsibility of the transit boards in accordance with guidelines provided by the consolidated agency. The initial transition plan would include the development of guidelines and would define local route planning.
- (d) Notwithstanding the provisions of Section 132353.2, at any time after the initial transfer, the consolidated agency may enter into individual agreements with the MTDB or the NCTD for the transfer and consolidation of any or all functions, personnel, and funding of either agency, except those functions set forth in Section 132354.5, to the consolidated agency on terms and conditions as may be mutually agreed upon.
- (e) The MTDB and the NCTD shall continue to be a claimant, applicant, and grantee of local, state, and federal grants until the transfer and consolidation of functions or responsibilities to the consolidated agency pursuant to a transition plan at which time the consolidated agency shall become the claimant, applicant, and grantee for these funds. Except for funds which are transferred to the consolidated agency pursuant to a transition plan, the MTDB and the NCTD shall continue to receive funding pursuant to Article 4 (commencing with Section 99260) and Article 4.5 (commencing with Section 99275) of the Transportation Development Act in Chapter 4 of Part 11 of Division 10 and the State Transportation Assistance Fund in accordance with state law. Except for funds which are transferred to the consolidated agency pursuant to a transition plan, the MTDB and the NCTD shall continue to receive the Federal Section 5307 Urbanized Area Formula funds pursuant to federal statute. These funds should be allocated in a manner which will help enable the transit boards to meet their obligations and responsibilities recognizing the methodology and historic funding levels that have previously guided these funding decisions. The consolidated agency shall conduct a periodic review of the allocation and methodology for all formula-based funding.
- (f) The consolidated agency and the MTDB and the NCTD shall work together to obtain funds for transit projects and services.
- (g) It is the intent of the Legislature that future consolidation of transit operations of the MTDB and the NCTD into the consolidated agency should be comprehensively evaluated by the consolidated agency. This consolidation shall be referred to as a complete consolidation and shall be implemented only if it is considered to be appropriate by the consolidated agency and approved by a statute enacted by the Legislature.

§ 132353.3.

In the event of complete consolidation of MTDB with the consolidated agency, any corporation that is a wholly owned subsidiary of MTDB shall become a subsidiary of the consolidated agency.

§ 132353.4.

Upon the transfer of responsibilities and obligations from the consolidated entities into the consolidated agency, the consolidated agency, shall by operation of law, and in accordance with transition plans, succeed to all of the rights and obligations of the consolidated entities, including MTDB and NCTD, which enable the consolidated agency to perform the responsibility and obligations transferred, as provided in this section. This shall include, but not be limited to:

- (a) The rights and property of the consolidated entities, including MTDB and NCTD, pertaining to the responsibilities and obligations transferred.
- (b) The legally enforceable debts and liabilities of the consolidated entities, including MTDB and NCTD, pertaining to the responsibilities and obligations transferred in the same manner as if the consolidated agency had itself incurred them.
- (c) The rights of creditors and all liens upon the property of the consolidated entities or of their responsibilities shall be preserved unimpaired, limited in lien to the property affected by the liens immediately prior to the transfer of related responsibilities and obligations.
- (d) An action or proceeding pending by or against a consolidated entity, including MTDB and NCTD, may be prosecuted to judgment, and the judgment shall be binding on the consolidated agency, or the consolidated agency may be proceeded against or substituted in the place of a consolidated entity, if the action or proceeding pertains to a transferred responsibility or obligation.
- (e) In order to protect the holders of outstanding, unmatured bonds and other evidences of indebtedness of the consolidated entities, including MTDB and NCTD pertaining to the responsibilities and obligations transferred, the consolidated agency shall have the power to take all actions and do all things necessary or required for the protection of those holders and for compliance with the terms of those bonds and other evidences of indebtedness. The consolidated agency shall have the power to continue all services that the consolidated entities, including MTDB and NCTD are furnishing pertaining to the responsibilities and obligations transferred on the date of the transfer.

Article 5. Powers and Functions

§ 132354.

The consolidated agency shall have and may exercise all rights and powers, expressed or implied, that are necessary to carry out the purposes and intent of this chapter, including, but not limited to, the power to do all of the following:

- (a) Sue and be sued.
- (b)
 - (1) To acquire any property by any means, and to hold, manage, occupy, develop, jointly develop, dispose of, convey, or encumber property.
 - (2) To create a leasehold interest in property for the benefit of the consolidated agency.
- (c) To acquire, by eminent domain, any property necessary to carry out any of its powers or functions.
- (d) To merge or split parcels, adjust boundary lines, or take similar actions as part of the acquisition of land or as needed in order to carry out its functions.
- (e) To construct, acquire, develop, jointly develop, maintain, operate, lease, and dispose of work, property, rights-of-way, and facilities.
- (f) To appoint necessary employees, including counsel, and to define their qualifications and duties.
- (g) To enter into and perform all necessary contracts.

- (h) To fix and collect fees for any services rendered by it.
- (i) To adopt a seal and alter it at the consolidated agency's pleasure.
- (j) To adopt an annual budget and to fix the compensation of its officers, board members, and employees.
- (k) To establish and enforce rules and regulations for the administration, operation, and maintenance of facilities and services.
- (l) To enter joint powers arrangements with other entities.
- (m) To provide insurance
- (n) To issue bonds.
- (o) To do any other things necessary to carry out the purposes of this chapter.

§ 132354.1.

- (a) The board shall arrange for a post audit of the financial transactions and records of the consolidated agency to be made at least annually by a certified public accountant.
- (b)
 - (1) The audit committee shall appoint an independent performance auditor, subject to approval by the board, who may only be removed for cause by a vote of at least two-thirds of the audit committee and the board.
 - (2) The independent performance auditor shall have authority to conduct or to cause to be conducted performance audits of all departments, offices, boards, activities, agencies, and programs of the consolidated agency. The auditor shall prepare annually an audit plan and conduct audits in accordance therewith and perform those other duties as may be required by ordinance or as provided by the California Constitution and general laws of the state. The auditor shall follow government auditing standards. All officers and employees of the consolidated agency shall furnish to the auditor unrestricted access to employees, information, and records, including electronic data, within their custody regarding powers, duties, activities, organization, property, financial transactions, contracts, and methods of business required to conduct an audit or otherwise perform audit duties. It is also the duty of any consolidated agency officer, employee, or agent to fully cooperate with the auditor, and to make full disclosure of all pertinent information.
 - (3) The auditor shall have the power to appoint, employ, and remove assistants, employees, and personnel as deemed necessary for the efficient and effective administration of the affairs of the office and to prescribe their duties, scope of authority, and qualifications.
 - (4) The auditor may investigate any material claim of financial fraud, waste, or impropriety within the consolidated agency and for that purpose may summon any officer, agent, or employee of the consolidated agency, any claimant, or other person, and examine him or her upon oath or affirmation relative thereto. All consolidated agency contracts with consultants, vendors, or agencies will be prepared with an adequate audit provision to allow the auditor access to the entity's records needed to verify compliance with the terms specified in the contract. Results of all audits and reports shall be made available to the public in accordance with the requirements of the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of the Title 1 of the Government Code).
- (c) The board shall develop and adopt internal control guidelines to prevent and detect financial errors and fraud based on the internal control guidelines developed by the Controller pursuant to Section 12422.5 of the Government Code and the standards adopted by the American Institute of Certified Public Accountants.

- (d) The board shall develop and adopt an administration policy that includes a process to conduct staff performance evaluations on a regular basis to determine if the knowledge, skills, and abilities of staff members are sufficient to perform their respective functions, and shall monitor the evaluation process on a regular basis.
- (e) The board members shall make an annual report to their member agencies at a public meeting pursuant to Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code, that includes a summary of activities by the consolidated agency including, but not limited to, program developments, project updates, changes to voter-approved expenditure plans, and potential ballot measures.

§ 132354.2.

This chapter is necessary for the public health, safety, and welfare, and shall be liberally construed to carry out the objects and purposes of this chapter and the declared policy of the state as set forth in this chapter.

§ 132354.3.

It is the intent of the Legislature that the federal government, the state, and local agencies within the jurisdictional area of the consolidated agency will participate in support of the consolidated agency. It is further the intent of the Legislature that financial support for the activities of the consolidated agency will be made available from federal, state, and local sources normally available for transportation and other planning purposes in the region and for those functions consolidated within the consolidated agency.

§ 132354.4.

The consolidated agency shall be excluded from the requirements of a "local agency" set forth in Section 53091 of the Government Code.

§ 132354.5.

Nothing in this chapter authorizes the consolidated agency to operate public transit systems.

§ 132354.6.

Except as otherwise provided by law, the consolidated agency shall not have any authority over local land use decisions affecting permitting or zoning of public or private development projects.

§ 132354.7.

The consolidated agency shall not enter into a construction contract over one million dollars (\$1,000,000) with any entity unless the entity provides to the consolidated agency an enforceable commitment that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or a contract that falls within an apprenticeship occupation in the building and construction trades in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

- (a) This subdivision shall not apply if any of the following requirements are met:
 - (1) The consolidated agency has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project or the consolidated agency has contracted to use a skilled and trained workforce and the entity has agreed to be bound by that project labor agreement.
 - (2) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the consolidated agency before January 1, 2017.

(3) The entity has entered into a project labor agreement that will bind the entity and all its subcontractors at every tier performing the project or the entity has contracted to use a skilled and trained workforce.

(b) For purposes of subdivision (a), "project labor agreement" has the same meaning as defined in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

Article 6. Staffing, Labor, and Retirement Benefits

§ 132355.

Administrative authority for the consolidated agency shall be vested in the office of the executive director, subject to the direction and policies of the consolidated agency as approved by the board. The executive director shall serve at the pleasure of the board and may appoint employees as may be necessary to carry out the functions of the consolidated agency.

§ 132355.1.

The employees of the consolidated entities affected by this chapter shall become employees of the consolidated agency and shall suffer no loss of employment or reduction in wages, health and welfare and other benefits, seniority, retirement benefits or contributions made to retirement plans, or any other term or condition of employment as a result of the enactment of this chapter.

§ 132355.2.

(a) Upon succession of the consolidated agency under Section 132351.3, and in accordance with Article 4 (commencing with Section 132353), all affected employees of the consolidated entities shall become employees of the consolidated agency at their existing or substantially equivalent classifications, salaries, and benefits. All consolidated entity employees who become employees of the consolidated agency shall be given sick leave, seniority, and vacation credits in accordance with the records of the consolidated entity that previously employed them.

(b) On the effective date of succession of the consolidated agency:

(1) Regular employees of the consolidated entities shall be deemed qualified, and no other qualifications shall be required for employment or retention by the consolidated agency.

(2) Probationary employees of consolidated entities shall retain their probationary status and rights, and shall not be deemed to have transferred so as to require serving a new probationary period.

(c) Upon transfer of any public benefit corporation owned solely by the MTDB pursuant to Section 132353.3, any reference to the board or to the San Diego Metropolitan Transit Development Board in Article 1 (commencing with Section 120500), Article 2 (commencing with Section 120520), and Article 3 (commencing with Section 120540) of Chapter 5 of Division 11 shall be deemed to refer to the consolidated agency.

§ 132355.3.

(a) Members and beneficiaries of any pension or retirement system or other benefits established by the consolidated entities shall continue to have comparable rights, privileges, benefits, obligations, and status with respect to the established systems.

(b) The consolidated agency and the Public Employees' Retirement System (PERS) shall enter into an agreement to provide comparable benefits to those persons who were employees, retirees, or beneficiaries of the consolidated entities' pension and retirement plans at the time of

consolidation. Any expense related to this agreement between the consolidated agency and PERS, including retiree coverage, shall be borne by the consolidated agency. The agreement shall be effective as of the date of succession by the consolidated agency.

- (c) Those retired employees of the consolidated entities, including their eligible dependents, who are (1) retired on the effective date of the succession; or (2) an eligible beneficiary of a retired employee on the effective date of succession, and (3) who were eligible for benefits through PERS as provided and paid for by a consolidated entity, shall continue to be eligible for comparable benefits, including health care insurance, under the terms of the contracts between the consolidated entities and PERS in effect on the day prior to the succession. These benefits shall be provided at no cost to the retired employee or eligible beneficiary, except for normal copayments as otherwise provided for in the terms of the contracts between the consolidated entities and PERS in effect on the day prior to the succession.
- (d) Allowances of persons retired from the consolidated entities as of the consolidation date and their beneficiaries and of beneficiaries of deceased members or retired persons who are receiving allowances as of the succession date, shall be continued in at least the amount provided under the contracts between the consolidated entities and PERS in effect on the day prior to the succession. The succession shall not affect the contribution rate of any employee, retiree, or beneficiary or any retirement allowance or other benefit based on service to a consolidated entity being paid on the day prior to succession.
- (e) Notwithstanding Section 20511 of the Government Code, time of service by consolidated entity employees shall be credited as services rendered for the consolidated agency for purposes of calculating retirement benefits. The time of service by consolidated entity employees shall create prior service liabilities against the consolidated agency. Service rendered by consolidated entity employees who become employees of the consolidated agency on the date of succession shall be combined with service rendered by the employee as an employee of the consolidated agency for purposes of calculating retirement benefits. The consolidated agency's contract with PERS shall contain a provision to bring this section into effect.

§ 132355.4.

- (a) Whenever a majority of the employees employed by the consolidated agency in a unit appropriate for collective bargaining indicate a desire to be represented by a labor organization, and upon determining that the labor organization represents at least a majority of the employees in the appropriate unit, the determination of questions concerning employee representation and the conduct of employee-employer relations for the consolidated agency shall be governed by the Meyers-Milias-Brown Act (Chapter 10 (commencing with Section 3500) of Division 4 of Title 1 of the Government Code).
- (b) For the purposes of the wage orders of the Industrial Welfare Commission, the consolidated agency shall be considered a special district.

Article 6.3. Adoption and Revision of a Regional Aviation Strategic Plan and Airport Multimodal Accessibility Plan

§ 132357.

On or before June 30, 2008, the San Diego County Regional Airport Authority and the consolidated agency shall enter into an agreement for the coordination of responsibilities for the adoption of, and updates to, the regional aviation strategic plan and the airport multimodal accessibility plan for San Diego County pursuant to this article. The agreement shall include provisions for coordination and timing of the preparation and maintenance of the plans. The agreement shall also provide for coordination of efforts to obtain funding from outside sources

and equitable allocation of funding responsibilities for the airport multimodal accessibility plan.

§ 132358.

- (a) The San Diego County Regional Airport Authority shall prepare a regional aviation strategic plan with the objective of identifying workable strategies to improve the performance of the San Diego County regional airport system.
- (b) The San Diego County Regional Airport Authority shall seek review and comment from the consolidated agency regarding the scope and content of the regional aviation strategic plan and any updates to the plan.
- (c) The elements of the regional aviation strategic plan shall include the following:
 - (1) A forecast of air passenger and air cargo demand in San Diego County.
 - (2) Identification of the existing capacity of the airports in the county for commercial and general aviation.
 - (3) Identification of the strategies and facilities required to accommodate additional demand both as it relates to the air transportation system and the ground access system.
 - (4) A financial strategy that estimates, over the life of the plan, the amount of funding that can be expected and the likely sources for the funding. The financial strategy shall include a program of investments supported by the expected revenues and estimated schedule of their implementation.
 - (5) Other elements that further the development of the regional aviation strategic plan.
- (d) The regional aviation strategic plan shall incorporate the master plans and airport land use compatibility plans for the airports in San Diego County.
- (e) During the preparation of the regional aviation strategic plan, the San Diego County Regional Airport Authority shall take into consideration the interregional aviation plans from the regions bordering San Diego County.
- (f) During the preparation of the regional aviation strategic plan, the San Diego County Regional Airport Authority shall consult with all of the following:
 - (1) Civilian and military airport operators in San Diego County.
 - (2) Appropriate state and federal agencies.
 - (3) Airport operators in regions adjacent to San Diego County.
 - (4) The cities in San Diego County.
 - (5) San Diego County.
 - (6) The consolidated agency.
 - (7) The public pursuant to subdivision (g).
- (g) The San Diego County Regional Airport Authority, in consultation with the consolidated agency, shall undertake and complete a public participation process to aid in the preparation of the regional aviation strategic plan. The public participation process shall employ a procedure that includes a method of addressing and responding to recommendations made by the public.
- (h) A draft of the regional aviation strategic plan and its recommendations shall be circulated for review and comment to the consolidated agency, to the civilian and military airport operators in the county, to cities within San Diego County in which an airport is located, and to San Diego County.

- (i) The first regional aviation strategic plan shall be adopted by June 30, 2011.
- (j) Upon adoption of the regional aviation strategic plan, the San Diego County Regional Airport Authority shall submit the plan to the consolidated agency.

§ 132359.

- (a) The consolidated agency shall prepare and adopt a multimodal surface transportation accessibility plan for airports in San Diego County (airport multimodal accessibility plan) by December 31, 2013. The airport multimodal accessibility plan should be updated as necessary for the consolidated agency to comply with Section 132360.2.
- (b) The airport multimodal accessibility plan shall be prepared in consultation with the San Diego County Regional Airport Authority, San Diego County, the cities within San Diego County, the transit operators within San Diego County, the Department of Transportation, the civilian and military airport operators within San Diego County, and airport operators in regions adjacent to San Diego County.
- (c) The consolidated agency, in consultation with the San Diego County Regional Airport Authority, shall undertake and complete a public participation process to aid in the preparation of the airport multimodal accessibility plan. The public participation process shall employ a procedure that includes a method of addressing and responding to recommendations made by the public.
- (d) The elements of the airport multimodal accessibility plan shall include the following:
 - (1) The identification of multimodal transportation investments that will improve surface transportation access to the airports in San Diego County and to other counties, if appropriate. The investments may include improvements that increase capacity through the construction of new facilities, or modification to existing facilities, and investments in operational improvements that enhance the carrying capacity of existing facilities.
 - (2) A program of investments and the anticipated schedule for the development of the projects that comprise the program.
 - (3) A financial element that estimates for the period of the plan the amount of funding that can be expected, the likely revenue sources from which the funding will be derived, and the program of investments supported by the expected revenue. The financial element shall also contain recommendations for allocation of funds. The financial element may recommend the development of specified new sources of revenue, consistent with the policy element and action.
 - (4) Other elements that further the development of the airport multimodal accessibility plan.
- (e) In preparing the airport multimodal accessibility plan, the consolidated agency shall consider the following:
 - (1) The regional aviation strategic plan prepared by the San Diego County Regional Airport Authority.
 - (2) The airport master plans of the civilian and military airport operators in the county.
 - (3) The general plans and their circulation element of the cities within San Diego County and San Diego County.
 - (4) The transit plans of the transit operators in San Diego County.
 - (5) The highway system improvement plans and programs of the Department of Transportation.
 - (6) The intercity passenger rail plans of the California High-Speed Rail Authority.

- (7) The interregional aviation and rail plans from the regions bordering San Diego County.
- (8) Other pertinent plans.
- (f) Not less than six months prior to the adoption of the airport multimodal accessibility plan, the consolidated agency shall circulate for review and comment the draft plan and its proposed recommendations to the San Diego County Regional Airport Authority, the operators of the remaining civilian and military airports in San Diego County, the cities within San Diego County in which an airport is located, San Diego County, the Department of Transportation, representatives of the tenants of the airports, and other interested parties.
- (g) Following adoption of the first airport multimodal accessibility plan, the San Diego County Regional Airport Authority shall submit updated airport land use compatibility plans to the consolidated agency for review prior to adoption of the revised airport land use compatibility plan by the San Diego County Regional Airport Authority. The board of directors of the consolidated agency shall review proposed airport land use compatibility plans and updates to the plans submitted by the San Diego County Regional Airport Authority and make a determination as to their compatibility with the airport multimodal accessibility plan. In the event the consolidated agency finds that the plans are incompatible with the airport multimodal accessibility plan, the consolidated agency shall return the plan to the San Diego County Regional Airport Authority with its findings. The San Diego County Regional Airport Authority shall make any necessary modifications to achieve compatibility and resubmit the plan to the consolidated agency for another compatibility review.
- (h) The regional aviation strategic plan shall be reviewed not less than every five years and shall be updated, as necessary, to comply with Section 132360.2.
- (i) The airport multimodal accessibility plan shall not limit the authority granted to the San Diego County Regional Airport Authority in subdivision (a) of Section 170048.

Article 6.5. Adoption and Administration of a Regional Comprehensive Plan

§ 132360.

- (a) It is the intent of the Legislature that the consolidated agency complete a public process by June 30, 2004, to prepare and adopt a regional comprehensive plan based on the local general and regional plans that integrates land uses, transportation systems, infrastructure needs, and public investment strategies, within a regional framework, in cooperation with member agencies and the public.
- (b) The regional comprehensive plan should be updated as necessary for the consolidated agency to comply with Section 132360.2.

§ 132360.1.

In preparing and updating the regional comprehensive plan, it is the intent of the Legislature that:

- (a) The regional comprehensive plan preserve and improve the quality of life in the San Diego region, maximize mobility and transportation choices, and conserve and protect natural resources.
- (b) The regional comprehensive plan shall address the greenhouse gas emissions reduction targets set by the State Air Resources Board as required by Section 65080 of the Government Code and include strategies that provide for mode shift to public transportation.
- (c) The regional comprehensive plan shall identify disadvantaged communities as designated pursuant to Section 39711 of the Health and Safety Code and include transportation strategies to reduce pollution exposure in these communities.

- (d) In formulating and maintaining the regional comprehensive plan, the consolidated agency shall take account of and shall seek to harmonize the needs of the region as a whole, the plans of the county and cities within the region, and the plans and planning activities of organizations that affect or are concerned with planning and development within the region.
- (e) The consolidated agency shall engage in a public collaborative planning process. The recommendations resulting from the public collaborative planning process shall be made available to and considered by the consolidated agency for integration into the draft regional comprehensive plan. The consolidated agency shall adopt a procedure to carry out this process including a method of addressing and responding to recommendations from the public.
- (f) In formulating and maintaining the regional comprehensive plan, the consolidated agency shall seek the cooperation and consider the recommendations of all of the following:
 - (1) Its member agencies and other agencies of local government within the jurisdiction of the consolidated agency.
 - (2) State and federal agencies.
 - (3) Educational institutions.
 - (4) Research organizations, whether public or private.
 - (5) Civic groups.
 - (6) Private individuals.
 - (7) Governmental jurisdictions located outside the region but contiguous to its boundaries.
- (g) The consolidated agency shall make the regional comprehensive plan, policies, and objectives available to all local agencies and facilitate consideration of the regional comprehensive plan in the development, implementation, and update of local general plans. The consolidated agency shall provide assistance and enhance the opportunities for local agencies to develop, implement, and update general plans in a manner that recognizes, at a minimum, land use, transportation compatibility, and a jobs-to-housing balance within the regional comprehensive plan.
- (h) The consolidated agency shall maintain the data, maps, and other information developed in the course of formulating the regional comprehensive plan in a form suitable to assure a consistent view of developmental trends and other relevant information for the availability of and use by other government agencies and private organizations.
- (i) The components of the regional comprehensive plan may include, but are not limited to, transportation, housing, water quality and supply, infrastructure, air quality, energy, solid waste, economy, and open space, including habitat. Performance standards and measurable criteria shall be established through a public process to ensure that the regional comprehensive plan is prepared consistent with these measures as well as in determining achievement of the regional comprehensive plan goals throughout its implementation.
- (j) Any water supply component or provision of the regional infrastructure strategy regarding water supply contained in the regional comprehensive plan shall be consistent with the urban water management plan and other adopted regional water facilities and supply plans of the San Diego County Water Authority.

§ 132360.2.

The regional transportation plan, the regional aviation strategic plan, the airport multimodal accessibility plan, and the regional comprehensive plan should be compatible. The regional comprehensive plan should set the framework for the type of changes upon which subsequent regional transportation plans, regional aviation strategic plans, and airport multimodal accessibility plans should focus.

§ 132360.3.

The consolidated agency shall maintain the data, maps, and other information developed in the course of formulating the regional comprehensive plan in a form suitable to assure a consistent view of developmental trends and other relevant information for the availability of and use by other government agencies and private organizations.

§ 132360.4.

Each member agency should review the actions that the consolidated agency makes on state and federally regulated or mandated items and report these actions to their respective jurisdiction for review.

§ 132360.5.

All documents created in compliance with this article shall be made available and ready for public review in compliance with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

§ 132360.6.

The consolidated agency may use the authority for the retail transactions and use tax provided under Sections 132301 and 132302 to fund and finance infrastructure needs identified in the regional comprehensive plan developed in accordance with this article. Development of the proposal and expenditure plan shall be conducted using a public collaborative planning process that is consistent with Section 132360.1.

Article 7. Voter Approval

§ 132362.

(a) In addition to the authority set forth in Article 5 (commencing with Section 132300) and Article 6 (commencing with Section 132320) of Chapter 2 of Division 12.7, if the consolidated agency provides compensation to San Diego County for the cost of including an ordinance or measure on the ballot, the consolidated agency may call an election, including an advisory election, in San Diego County on any ordinance or measure regarding the governance of or matters related to the powers, privileges, or duties of the consolidated agency, including, but not limited to, merger or complete consolidation of the transit boards.

(b) The ordinance or measure shall be consistent with, and shall not be in conflict with, any other provision of this chapter.

§ 132364.

The county shall conduct an election, including an advisory election, called by the consolidated agency in the same manner as provided by law for the conduct of elections by a county.

Article 8. Bonds, Equipment, and Leases

§ 132370.

The consolidated agency may issue bonds, payable from revenue of any facility or enterprise to be acquired or constructed by the consolidated agency, in the manner provided by the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code), and all of the provisions of that law are applicable to the consolidated agency.

§ 132370.1.

- (a) The consolidated agency may issue revenue bonds under the Revenue Bond Law of 1941 for any one or more transit facilities authorized to be acquired, constructed, or completed by the consolidated agency or for transit equipment described in Section 132372 below authorized to be acquired by the consolidated agency or, in the alternative, the consolidated agency may issue revenue bonds under the Revenue Bond Law of 1941 for the acquisition, construction, and completion of any one of those transit facilities or for transit equipment described in Section 132372 below authorized to be acquired by the consolidated agency.
- (b) Nothing in this article prohibits the consolidated agency from availing itself of, or making use of, any procedure provided in this chapter for the issuance of bonds of any type or character for any of the transit facilities authorized hereunder, and all proceedings may be carried on simultaneously or, in the alternative, as the consolidated agency may determine.
- (c) Article 3 (commencing with Section 54380) of Chapter 6 of Part 1 of Division 2 of Title 5 of the Government Code does not apply to the issuance and sale of bonds pursuant to this chapter and the consolidated agency shall authorize the issuance of such bonds by resolution of its governing board.

§ 132370.2.

The Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code), and the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code), are applicable to the consolidated agency.

§ 132370.3.

Chapter 1 (commencing with Section 99000) of Part 11 of Division 10 of the Public Utilities Code is applicable to the consolidated agency.

§ 132370.4.

The consolidated agency shall be considered to be a "local agency" as defined in subdivision (h) of Section 53317 of the Government Code and the provisions of Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code are applicable to the consolidated agency.

§ 132370.5.

The consolidated agency shall be considered to be a "local agency" as defined in subdivision (f) of Section 6585 of the Government Code and the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code are applicable to the consolidated agency.

§ 132370.6.

The consolidated agency may borrow money in accordance with Article 7 (commencing with Section 53820), Article 7.6 (commencing with Section 53850), or Article 7.7 (commencing with Section 53859) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code.

§ 132370.7.

- (a) The consolidated agency may borrow money in anticipation of the sale of bonds which have been authorized to be issued, but which have not been sold and delivered, and may issue negotiable bond anticipation notes therefor and may renew the bond anticipation notes from

time to time, but the maximum maturity of any bond application notes, including the renewals thereof, shall not exceed five years from the date of delivery of the original bond anticipation notes.

- (b) The bond anticipation notes may be paid from any money of the consolidated agency available therefor and not otherwise pledged. If not previously otherwise paid, the bond anticipation notes shall be paid from the proceeds of the next sale of the bonds of the consolidated agency in anticipation of which they were issued. The bond anticipation notes shall not be issued in any amount in excess of the aggregate amount of bonds which the consolidated agency has not been authorized to issue, less the amount of any bonds of the authorized issue previously sold, and also less the amount of other bond anticipation notes therefor issued and then outstanding.
- (c) The bond anticipation notes shall be issued and sold in the same manner as the bonds. The bond anticipation notes and the resolution or resolutions authorizing them may contain any provisions, conditions, or limitations which a resolution of the consolidated agency authorizing the issuance of bonds may contain.

§ 132370.8.

The consolidated agency may bring an action to determine the validity of any of its bonds, equipment trust certificates, warrants, notes, or other evidences of indebtedness pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

§ 132370.9.

All bonds and other evidences of indebtedness issued by the consolidated agency under this chapter, and the interest thereon, are free and exempt from all taxation within the state, except for transfer, franchise, inheritance and estate taxes.

§ 132370.10.

- (a) Notwithstanding any other provisions of this article or any other law, the provisions of all ordinances, resolutions, and other proceedings in the issuance by the consolidated agency of any bonds, bonds with a pledge of revenues, bonds for any and all evidences of indebtedness or liability constitute a contract between the consolidated agency and the holders of the bonds, equipment trust certificates, notes, or evidences of indebtedness or liability, and the provisions thereof are enforceable against the consolidated agency or any or all of its successors or assigns, by mandamus or any other appropriate suit, action, proceeding in law or in equity in any court of competent jurisdiction.
- (b) Nothing in this article or in any other law shall be held to relieve the consolidated agency or the territory included within it from any bonded or other debt or liability contracted by the consolidated agency. Upon dissolution of the consolidated agency or upon withdrawal of territory therefrom, that territory formerly included within the consolidated agency, or withdrawn therefrom, shall continue to be liable for the payment of all bonded and other indebtedness or liabilities outstanding at the time of the dissolution or withdrawal as if the consolidated agency had not been so dissolved or the territory withdrawn therefrom, and it shall be the duty of the successors or assigns to provide for the payment of the bonded and other indebtedness and liabilities.
- (c) Except as may be otherwise provided in the proceedings for the authorization, issuance, and sale of any revenue bonds, bonds secured by a pledge of revenues, or bonds for improvement districts secured by a pledge of revenues, revenues of any kind or nature derived from any revenue-producing improvements, works, facilities, or property owned, operated, or controlled by the consolidated agency shall be pledged, charged, assigned, and have a lien thereon for the payment of the bonds as long as they are outstanding, regardless of any

changes in ownership, operation, or control of the revenue-producing improvements, works, facilities or property and it shall, in any later event or events, be the duty of the successors or assigns to continue to maintain and operate the revenue-producing improvements, works, facilities, and property as long as bonds are outstanding.

§ 132372.

- (a) The consolidated agency may purchase transit equipment such as cars, trolley buses, motorbuses, light rail vehicles, or rolling equipment, and may execute agreements, leases, and equipment trust certificates in the forms customarily used by private corporations engaged in the transit business appropriate to effect the purchase and leasing of transit equipment, and may dispose of the equipment trust certificates upon the terms and conditions that the consolidated agency may deem appropriate.
- (b) Payment for transit equipment, or rentals therefor, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates that are or will be legally available to the consolidated agency. Title to the equipment shall not vest in the consolidated agency until the equipment trust certificates are paid.

§ 132372.1.

The agreement to purchase or lease transit equipment may direct the vendor or lessor to sell and assign or lease the transit equipment to a bank or trust company duly authorized to transact business in the state as trustee for the benefit and security of the equipment trust certificates, and may direct the trustee to deliver the transit equipment to one or more designated officers of the consolidated agency and may authorize the consolidated agency to simultaneously therewith execute and deliver an installment purchase agreement or a lease of such equipment to the consolidated agency.

§ 132372.2.

- (a) The agreements and leases shall be duly acknowledged before a person authorized by law to take acknowledgments of deeds and in the form required for acknowledgment of deeds.
- (b) The agreements, leases and equipment trust certificates shall be authorized by resolution of the consolidated agency and shall contain covenants, conditions, and provisions which may be deemed necessary or appropriate to ensure the payment of the equipment trust certificates from such legally available source or sources of funds as may be specified in the certificates.

§ 132372.3.

The covenants, conditions, and provisions of the agreements, leases and equipment trust certificates shall not conflict with any of the provisions of any trust agreement or similar document securing the payment of bonds, notes, or certificates of the consolidated agency.

§ 132372.4.

- (a) An executed copy of each agreement and lease shall be filed in the office of the Secretary of State, who shall be entitled to receive one dollar (\$1) for each copy filed.
- (b) The filing constitutes notice to any subsequent judgment creditor or any subsequent purchaser.