

Los Angeles County Metropolitan Transportation
Authority Law

With corresponding provisions of the Southern California
Rapid Transit District Law and Los Angeles County
Transportation Commission Law

(Compiled from the California Public Utilities Code as of June 2006)

Introduction

The Southern California Rapid Transit District, also known as the SCRTD or the “District” (1964-1993) was created by the State as the successor to the Los Angeles Metropolitan Transit Authority or “LAMTA” (1958-1964). LAMTA was the first publicly governed transit operator in Los Angeles and also responsible for the planning of a new mass transit system to replace the aging remnants of the transit systems built by Pacific Electric (1899-1953) and Los Angeles Railway (1895-1945). Unfortunately, the LAMTA had no ability to raise tax revenues or powers of eminent domain, and its board was appointed by the Governor, making the task building local support for mass transit improvements difficult at best. Dissatisfaction with the underpowered LAMTA led to a complete re-write of its legislative authority. While referred to in state legislation as a merger, the District law completely overwrote the LAMTA Act of 1957.

The Los Angeles County Transportation Commission, also known as LACTC or the “Commission” (1977-1993) was created by the State in 1976 as a separate countywide transportation planning agency, along with transportation commissions in San Bernardino, Riverside, and Orange counties. At the time the District was initially created, there were no transit or transportation grant programs available from the State or Federal governments. Once funding sources became available from the Urban Mass Transit Administration, now the Federal Transit Administration, the California Transportation Commission, and others, the creation of county transportation commissions ensured coordination of multimodal transportation planning and funding programs.

As the two agencies matured and began building rail based mass rapid transit systems, heavy rail by the District and light rail by the Commission, the State created a merger of the two agencies effective February 1, 1993. In this case, there was no new law that replaced the laws of the predecessor agencies. Instead, a bill that modified the language of the Commission law created the Los Angeles County Metropolitan Transportation Authority (LACMTA or Authority). AB152 (Katz), also known as the Los Angeles County Metropolitan Transportation Authority Reform Act of 1992, left the SCRTD or “District” law nearly unchanged, added new language to the LACTC or “Commission” law, and left the majority of the county commissions law also unchanged.

Specifically, AB152 (Katz) amended section 99285 of the Transit Development Act and section 130108 of the Commissions Act, added sections 130050.2, 130051.9, 130051.10, 130051.11, 130051.12, 130051.13, 130051.14, 130051.15, 130051.16, 130051.17, 130051.18, and 130051.19 to the Commissions Act, repealed only sections 30251 and 30800-30812 of the District Law, and replaced sections 130051, 130051.5, and 130051.6 of the Commissions Act. A follow-up bill, AB3547 (Katz) amended sections 30201.5 of the District Law, amended sections 130051.1, and 130051.7, added sections 130051.17, 130051.18, and 130051.21, added and repealed section 130051.20, and repealed section 130051.8 of the Commissions Act.

The key section of the Public Utilities Code that ties the responsibilities of the District and the Commission together under the Authority is section 130051.14:

“On and after April 1, 1993, any reference in this part, or in any other provision of law or regulation, to the Southern California Rapid Transit District or to the Los Angeles County Transportation Commission or to the county transportation commission in general shall be deemed to refer to the Los Angeles County Metropolitan Transportation Authority.”

This document contains the sections of the California Public Utilities Code that cover District law, Authority law, and Commission law.

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SCRTD “Transit District” Law

State of California, Public Utilities Code, Chapter 3, Sections 30000 et al

Southern California Rapid Transit District

General Provisions and Definitions

30000. This part shall be known as the Southern California Rapid Transit District Law.

30001. The Legislature hereby finds and declares:

(a) There is an imperative need for a comprehensive mass rapid transit system in the southern California area, and particularly in Los Angeles County. Diminution of congestion on the streets and highways in Los Angeles will facilitate passage of all Californians motoring through the most populous area of this state and will especially benefit domiciliaries of that county who reside both within and without the rapid transit district. It is, further, the declared policy of the state to foster the development of trade and the movement of people in and around the Los Angeles area for the benefit of the entire state, and one of the purposes of the Southern California Rapid Transit District is to further this policy.

(b) In view of the limited powers of the Los Angeles Metropolitan Transit Authority (herein sometimes referred to as "authority") it has become apparent that the authority is unable to solve the transit problems of the southern California area and provide the needed comprehensive mass rapid transit system.

(c) It is, therefore, necessary to provide a successor corporation to the authority, to wit: a transit district, and to establish such transit district governed by representatives of the governmental agencies in the southern California area so that there will be sufficient power and authority to solve the transportation problems in the southern California area and to provide the needed comprehensive mass rapid transit system.

(d) It is evident, therefore, that such a transit district may plan to meet the transit needs and problems of the whole southern California area; and that the estimates of future population growth for the southern California area make it imperative that a comprehensive plan for rapid transit contain projections of population trends extending over the next 30 years.

30002. The part shall be liberally construed to carry out the objects and purposes and the declared policy of the State of California as in this part set forth.

30003. Unless the context otherwise requires, the provisions of this chapter govern the construction of this part.

30004. "District," as used in this part, means the Southern California Rapid Transit District.

30005. (a) "Rapid transit," as used in this part, means the transportation of passengers only and their incidental baggage by means other than by chartered bus, sightseeing bus, taxi, or any other

motor vehicle not on an individual passenger fare paying basis, except as otherwise provided in subdivision (b).

(b) Nothing in this section shall be construed to prohibit the district from any of the following:

(1) Leasing its buses to private certified public carriers.

(2) Providing school bus service for the transportation of pupils between their homes and schools.

(3) Providing charter bus services to governmental agencies, if comparable service is unavailable through privately operated bus companies, and to special events, other than regular and preseason scheduled professional and amateur sporting events.

(c) Notwithstanding subdivision (a) or paragraph (3) of subdivision (b), nothing in this section shall be construed to prohibit the district from providing charter bus services, which are incidental to the holding of the Olympic Games in Los Angeles, to any party or to any event during the period from May 1, 1984, to September 30, 1984, inclusive, if the district does not curtail existing, regularly scheduled services.

30006. "Board of directors," "board," or "directors," as used in this part, means the board of directors of the district.

30007. "Public agency," as used in this part, includes the State of California, and any county, city and county, city, district, or other political subdivision or public entity of, or organized under the laws of, this State.

Creation of the District

30100. There is hereby created the Southern California Rapid Transit District, comprising that territory hereinafter described in this section lying within the boundaries of the County of Los Angeles and such territory in the County of Los Angeles and in other counties as may be hereafter annexed to the district as provided in this part. The territory within the County of Los Angeles which is hereby created into such district is described as follows:

All that portion of the County of Los Angeles, State of California, lying southerly of the line formed by the south lines of Sections 13, 14, 15, 16, 17, and 18 of Township 3 North, Range 15 West S.B.B. & M., the south lines of Sections 13, 14, 15, 16, 17, and 18 of Township 3 North, Range 16 West S.B.B. & M., the west line of Range 16 West S.B.B. & M., and the south lines of Sections 13 and 14 of Township 3 North, Range 17 West S.B.B. & M., and the westerly extension of such lines in the Rancho Simi to the westerly boundary of the County of Los Angeles, and westerly of the east line of Range 15 West S.B.B. & M., and all that portion of the remainder of said county lying southerly of the north line of Township 2 North S.B.B. & M., excepting therefrom the islands of Santa Catalina and San Clemente.

30101. The district created in accordance with the provisions of this part is a public corporation created for the purposes set forth in this part.

Government of the District

Board of Directors

30200. All powers, privileges and duties vested in or imposed upon the district shall be exercised and performed by and through a board of directors; provided, however, that the exercise of any and all executive, administrative, and ministerial power may be delegated and redelegated by the board of directors to any of the offices and officers created pursuant to this part or created by the board of directors acting pursuant to this part.

30201. The board of directors shall consist of 11 members appointed as follows: Five by the Board of Supervisors of the County of Los Angeles, who, in the discretion of such board of supervisors, may or may not be members of such board of supervisors, but each of whom shall be a resident of a different supervisorial district. Two by the Mayor of the City of Los Angeles, subject to confirmation by the City Council of the City of Los Angeles, who may or may not be members of such city council, but each of whom shall be a resident of such city. Four by the city selection committee, each of whom, in the discretion of such committee, may or may not be a member of the city selection committee, but who shall be an elected city official, shall be a resident of a different city, and shall not be a resident of the City of Los Angeles. The city selection committee shall adopt rules and regulations grouping or combining the areas of the cities within the district, except the City of Los Angeles, into four corridors based on existing or proposed transit lines. The rules and regulations shall provide that the member of the board to be selected by a subcommittee of the city selection committee shall be a resident of the corridor represented by the subcommittee. The terms of office of these four members of the board shall be for four years. On and after January 1, 1977, any appointment to the board shall be made by a subcommittee of the committee, which subcommittee shall include only members representing those cities within the corridor that the previous director represented. The appointment of a subcommittee shall be deemed approved by the city selection committee unless rejected by a two-thirds vote of the committee within 30 days of the appointment. If the appointment is so rejected, the subcommittee shall make another appointment.

30201.5. Notwithstanding Section 30201, if a director appointed by the Mayor of the City of Los Angeles is a member of the city council of that city, confirmation by the city council is not required. If a director appointed by the mayor is not a member of the city council, the person appointed may serve for 60 days without confirmation.

30202. At its first regular meeting after the effective date of this part, the Board of Supervisors of the County of Los Angeles shall appoint as members of the first board of directors of the district the number to be appointed by it under Section 30201.

30203. At its first regular meeting after the effective date of this part, the Mayor of the City of Los Angeles, subject to confirmation by the City Council of the City of Los Angeles, shall appoint as members of the first board of directors of the district the number to be appointed by it under Section 30201.

30204. Each member of the board of directors appointed by the Board of Supervisors of the County of Los Angeles, shall serve at the pleasure of the appointing body. Each member of the board of directors appointed by the Mayor of the City of Los Angeles, subject to confirmation by the City Council of the City of Los Angeles, may be removed at any time thereafter by following the same procedure used for appointment. If he is a member of the Board of Supervisors of the County of Los Angeles or the City Council of the City of Los Angeles and his term of office as a member of such bodies terminates, a vacancy is automatically created in his office as a member of the board of directors. If he is not a member of such bodies his term of office shall terminate at the end of his term as director.

30205. Each director appointed by the Board of Supervisors of the County of Los Angeles shall be appointed by resolution, and each director appointed by the Mayor of the City of Los Angeles, subject to confirmation by the City Council of the City of Los Angeles, shall be confirmed by resolution, and certified copies of the resolutions, together with notices of appointments made thereby, shall be forwarded without delay to the secretary of the district and to the County Clerk of Los Angeles County.

30206. Any vacancy in the members of the board of directors appointed by the County of Los Angeles or by the City of Los Angeles shall be filled by appointment in the same manner as the appointment was made to the office in which the vacancy exists, in the manner provided in this part.

30207. A city selection committee shall be established which shall consist of one member representing each city within the district as described in Section 30100, except the City of Los Angeles. Each member of the city selection committee shall serve without compensation from the district and shall be designated and appointed by and be a member of the governing body of the city he represents. As a member of the city selection committee, each member shall be entitled to vote on all motions coming before the committee or subcommittee thereof of which such member is a member, and shall be entitled to cast one vote for each 10,000, or major fractional part thereof, of population in the city represented by him as shown by the latest population estimate prepared by the population research unit of the Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code; provided, that each member shall have at least one vote and no city shall have votes exceeding in number the total number of votes of all the other cities represented on the committee. For the purposes of this section, the term "major fractional part" means a fractional part larger than one-half.

30208. On or before the second Monday which is not a holiday following the effective date of this part, the governing body of each city within the district, except the City of Los Angeles, shall appoint from among its members, to serve as members of the city selection committee, the number of members of the city selection committee to be appointed by it under Section 30207.

30209. Each member of the city selection committee shall serve at the pleasure of the governing body of the city by which he was appointed. If his term of office as a member of such appointing body terminates, a vacancy is automatically created in his office as a member of the city selection committee, and also as a member of the board of directors, if he is so serving.

30210. Each member of the city selection committee shall be appointed by a resolution adopted by the governing body of the appointing body. Certified copies of all resolutions of appointment, together with notices of appointment made thereby, shall be forwarded without delay to the secretary of the district.

30211. Any vacancy in the city selection committee shall be filled by appointment by the body which originally made the appointment to the office in which the vacancy exists, in the manner provided in this part.

30212. No person serving as a member of the city selection committee shall be eligible for appointment to any salaried office or employment in the service of the district nor shall he become eligible for such appointment within one (1) year after he has ceased to be a member of the city selection committee; provided, however, that, as provided in this part, members of the city selection committee may serve as directors of the district.

30213. The county auditor shall furnish the necessary certificates as to assessed valuation to enable the city selection committee to function.

30214. All meetings of the city selection committee shall be conducted pursuant to the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1, Division 2, Title 5 of the Government Code.

30215. The presence of members of the city selection committee representing more than fifty (50) percent of the total number of votes of all the members of the city selection committee shall constitute a quorum.

30216. The affirmative votes of members representing more than fifty (50) percent of the total number of votes of all the members of the city selection committee shall be necessary and, except as otherwise provided in this part, shall be sufficient to carry any motion coming before the city selection committee.

30217. Within ten (10) days after the Secretary of State has received certified copies of the resolutions appointing a majority of the city selection committee, he shall call the first meeting of the city selection committee to be held not less than twenty (20) days thereafter at an appropriate time and place. The meeting shall be held in any city within the district designated by the Secretary of State, and may be adjourned from time to time or to a different place as determined by a majority of the total number of votes of all members present whether there be a quorum or less than a quorum.

30218. The city selection committee shall appoint from its members a chairman and such other officers as may be necessary. Until a chairman is appointed, the Secretary of State, or his deputy, shall act as chairman.

30219. The city selection committee shall appoint as members the number to be appointed by it under Section 30201 as the first board of directors of the district. All such appointments shall be completed within ten (10) days after the first meeting called by the Secretary of State.

30220. Members of the board of directors who are not members of the Board of Supervisors of the County of Los Angeles or members of the City Council of the City of Los Angeles shall, at the first meeting of the board of directors be assigned by lot so far as possible staggered terms of one, two, three and four years in that order and thereafter the terms of such members of the board of directors shall be four years.

30221. Whenever a vacancy occurs in the member of the board appointed by a subcommittee of the city selection committee, the vacancy shall be filled by that subcommittee. The subcommittee shall meet within 30 days following the occurrence to appoint a director to fill the vacancy. The board shall determine promptly the time and place of the meeting of the subcommittee and shall give the members at least 10 days notice thereof. Whenever there shall not be quorum present at the meeting of the subcommittee, the meeting shall be adjourned to a subsequent time and place as determined by a majority of the total number of votes present. The appointment of the subcommittee shall be deemed approved by the city selection committee unless rejected by a two-thirds vote of the committee within 30 days of the appointment. If the appointment is so rejected, the subcommittee shall make another appointment. An appointment to fill a vacancy shall be for the unexpired portion of the term.

30222. The city selection committee shall meet within 45 days after receiving the latest population estimate prepared by the population research unit of the Department of Finance pursuant to Section 2227 of the Revenue and Taxation Code (1) to determine the number of votes each member is entitled to cast and (2) to enable each subcommittee of the committee to appoint a member to the board on the basis of the newly determined number of votes each member is entitled to cast; provided, however, that nothing herein shall prevent the reappointment of directors who are currently serving or who have served previously. The board shall determine the time and place of the meeting of the city selection committee and shall give the members at least 10 days notice thereof. Whenever there shall not be a quorum present at the meeting of the city selection committee, the meeting shall be adjourned to a subsequent time and place as determined by a majority of the total number of votes present.

30223. Upon petition signed by members of the city selection committee representing more than two-thirds (2/3) of the total number of votes of all the members of the city selection committee, the city selection committee shall meet for the purpose of considering the recall of any member of the board of directors appointed by the city selection committee and named in such petition. The board of directors shall determine promptly the time and place of the meeting of the city selection committee and shall give the members at least ten (10) days notice thereof. Whenever there shall not be a quorum present at the meeting of the city selection committee the meeting shall be adjourned to a subsequent time and place as determined by a majority of the total number of votes present. If at such meeting another person is appointed in place of the person named in the petition such person shall be deemed to be recalled and the vacancy created thereby shall be filled by the new member thus appointed.

30224. Members of the board of directors shall serve until their respective successors are appointed and qualified.

30225. Except as provided in Section 30251 of this part, no person serving as a director shall be eligible for appointment to any salaried office or employment in the service of the district nor shall he become eligible for such appointment or employment within one (1) year after he has ceased to be a director.

30226. In order to provide orderly transition from the Los Angeles Metropolitan Transit Authority (herein sometimes referred to as "authority") to the district, it may be desirable for a member or members or former member or members of the authority to serve or continue to serve as a member or members of the board of directors of the district and nothing in this part shall prevent each one of the three appointing bodies from each appointing a member or members of the authority as a member or members of the board of directors of the district if the appointing body involved, in its discretion, wishes so to do.

30227. Within ten (10) days after the Secretary of State has received certified copies of the resolutions appointing a majority of the directors, he shall call the first meeting of the board of directors at an appropriate time within twenty (20) days thereafter. The meeting shall be held in the City of Los Angeles.

Powers and Duties of Directors

30250. Each director, before entering upon the duties of his office, shall take the oath of office. The oath shall be filed with the Secretary of State and a copy thereof with the secretary of the district.

30252. The board of directors is the legislative body of the district and, consistent with the provisions of this part, shall determine all questions of district policy.

30253. The board may contract and take any and all actions and proceedings and do any and all other things necessary to carry out the purposes of this part.

30254. The board shall determine what transit facilities should be acquired, constructed, developed, jointly developed, leased, or disposed of, by means including, but not limited to, lease, sale, purchase, option, gift, devise, condemnation, grant, or otherwise.

30255. In order to provide orderly transition from the Los Angeles Metropolitan Transit Authority (herein sometimes referred to as "authority") to the district, it may be desirable for certain members or former members of the authority or the officers, advisors and staff thereof, or both, to serve in an advisory capacity to the board. The board may, in its discretion, establish an advisory board of the above-named persons or any others that it sees fit, provided that each member of such advisory board shall consent to serve and also that there shall be no compensation paid by the district to members of such advisory board.

30256. The board shall supervise and regulate every transit facility owned and operated by the district, including the fixing of rates, fares, rentals, charges, and classifications thereof, and the making and enforcement of rules, regulations, contracts, practices, and schedules, for or in connection with any transit facility owned or controlled by the district.

30257. Subject to the provisions of Article 10 (commencing with Section 30750), Chapter 5 of this part, the board may adopt a personnel system for the purpose of recruiting and maintaining an effective working force with good morale. The board shall by resolution determine and create such number and character of positions as are necessary properly to carry on the functions of the district. The board shall establish an appropriate salary, salary range, or wage for each position so created, except for positions in a bargaining unit represented by a labor organization. The board may also establish health and other fringe benefits. The board may by resolution abolish any such position. Except as otherwise provided in this part, appointments to such positions shall be made by the general manager.

30258. The board may contract for or employ any professional services required by the district or for the performance of work or services for the district which, in the opinion of the board, cannot satisfactorily be performed by the officers or employees of the district.

30259. The board shall have an annual audit made of all books and accounts of the district by an independent certified public accountant or public accountant.

30260. As soon as practicable after the close of each fiscal year the board shall submit to the chief administrative officers and legislative bodies of cities and counties within the district a financial report showing the result of operations during the preceding fiscal year and the financial status of the district on the final day thereof. Copies of the report shall be supplied to the general public upon request in the quantity deemed appropriate by the board.

30261. The board may provide by resolution, under such terms and conditions as it sees fit, for the payment of demands against the district without prior specific approval thereof by the board if the demand is for a purpose for which an expenditure has been previously approved by the board and in an amount no greater than the amount so authorized, and if the demand is approved by the general manager or such other officer or deputy as the board may prescribe.

30262. To facilitate the business of the district, the board may provide for the creation and administration of such funds as the needs of the district may require. The funds shall be disbursed in accordance with rules established by the board and all payments from any fund shall be reported to the board.

30263. The board may hold public hearings, subpoena witnesses, and perform all other acts necessary to properly carry out its duties. The board may delegate such authority to other officers of the district who shall report thereon to the board.

30264. Each director may administer oaths and affirmations in any district investigation or proceeding.

Meetings and Legislation

30270. All meetings of the board of directors shall be conducted pursuant to the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1, Division 2, Title 5 of the Government Code.

30271. The affirmative votes of a majority of the members of the board shall be necessary and, except as otherwise provided in this part, shall be sufficient to carry any order, resolution, or ordinance coming before the board of directors.

30272. The board shall adopt rules for the general conduct of its proceedings including, without limitation, penalties for unexcused absence from meetings.

30273. (a) The acts of the board shall be expressed by motion, resolution, or ordinance. No ordinance shall be passed by the board on the day of its introduction, nor within five days thereafter, nor at any time other than a regular or adjourned regular meeting. No ordinance shall take effect until the expiration of 30 days following its adoption, unless otherwise provided in this part. (b) The following ordinances shall take effect upon adoption: (1) An ordinance relating to an election, or to the issuance or sale of bonds, or to the levying or collection of taxes, or the fixing of fares. (2) An ordinance necessary for the immediate preservation or protection of the property, interests, or welfare of the district, which shall contain a specific statement showing its urgency, passed by two-thirds of the votes of all of the members of the board. (c) All ordinances except those which take effect upon their adoption shall be subject to referendum as provided in Section 30741.

30274. The enacting clause of all ordinances shall be as follows: "Be it ordained by the Board of Directors of the Southern California Rapid Transit District:"

30275. All ordinances shall be signed by the president or the vice president of the board and attested by the secretary. All ordinances shall be published once within 15 days after passage in a newspaper of general circulation printed and published in the district.

Officers

30300. The officers of the district shall consist of the members of the board of directors; a president and a vice president of the board, each of whom shall be a member of the board; a secretary, a general manager, a general counsel, a treasurer, an auditor, and such other or subordinate officers, assistants, and deputies as the board may deem necessary and provide for by ordinance or resolution.

30301. The secretary, general manager, general counsel, treasurer, and auditor shall be full-time officers and shall be appointed by and may be removed by the affirmative votes of a majority of the members of the board. All other officers and employees shall be appointed by the general manager and shall serve at his pleasure, subject to the provisions of this part relating to personnel.

30302. The compensation of all district officers and employees, except as otherwise provided in this part, shall be fixed by ordinance or resolution of the directors.

30303. The general counsel shall be a person admitted to practice law in the Supreme Court of California and shall have been actively engaged in the practice of law for not less than seven (7) years next preceding his appointment. The person appointed auditor shall have been actively engaged in the practice of accounting for not less than seven (7) years next preceding his appointment.

30304. The oath of office of all officers appointed by the board of directors or by the general manager of the district shall be taken, subscribed, and filed with the secretary of the district at any time after the officer has notice of his appointment but not later than fifteen (15) days after the commencement of his term of office. No other filing is required.

30305. The board may require officers, assistants, deputies and employees to give bonds and may fix the amount thereof.

30306. Article 4 (commencing with Section 1090), Chapter 1, Division 4, Title 1, of the Government Code shall apply to all officers and contracts of the district.

30307. The treasurer shall be the custodian of the funds of the district and shall make payments only upon warrants duly and regularly signed by the president or vice president of the board, or other person authorized by the board so to do, and by the secretary or general manager. He shall keep an account of all receipts and disbursements.

30308. The district may designate the treasurer and the auditor of the County of Los Angeles as treasurer and auditor of the district and the treasury of that county may be designated the depository for district funds for such time as the board may determine.

General Manager

30330. The board shall appoint and fix the salary of a general manager, who shall have full charge of the acquisition, construction, development, joint development, maintenance, operation, leasing, and disposition of the facilities of the district and also of the administration of the business affairs of the district.

30331. All other things being equal, the general manager shall be chosen on the basis of his qualifications with special reference to his actual experience in or his knowledge of accepted practices in respect to the duties of his office as hereinafter set forth.

30332. The general manager need not be a resident of this State at the time of his appointment.

30333. The general manager shall hold office for an indefinite term and may be removed by the board upon the adoption of a resolution by the affirmative vote of a majority of all members of the board. Before the general manager may be removed, he shall, if he demands it, be given a written statement of the reasons alleged for his removal and he shall have the right to be publicly heard thereon at a meeting of the board prior to the final vote on the resolution providing for his removal, but pending and during such hearing the board may suspend him from office. The board may not reduce the salary of the general manager below the amount fixed at the time of his original appointment except upon the adoption of a resolution by a like vote and after a like opportunity to be heard. The action of the board in suspending or removing the general manager or reducing his salary is final.

30334. The powers and duties of the general manager are: (a) To have full charge of the acquisition, construction, development, joint development, maintenance, operation, leasing, and disposition of the facilities of the district. (b) To have full charge of the administration of the business affairs of the district. (c) To see that all ordinances of the district are enforced. (d) To administer the personnel system and collective bargaining agreements adopted by the board and,

except for officers appointed by the board, to appoint, discipline, or remove all officers and employees subject to the rules and regulations adopted by the board and the applicable provisions of this part or the terms and conditions contained in any applicable collective bargaining agreement. (e) To prepare and submit to the board, as soon as practical after the end of each fiscal year, a complete report of the finances and administrative activities of the district for the preceding year. (f) To keep the board advised as to the needs of the district. (g) To prepare, or cause to be prepared, all plans and specifications for the construction of the works of the district. (h) To devote the manager's entire time to the business of the district. (i) To cause to be installed and maintained a system of auditing and accounting which shall completely, and at all times, show the financial condition of the district. (j) To perform other and additional duties that the board may require.

30335. The general manager shall attend meetings of the board and be entitled to participate in the deliberations of the board, but shall not have a vote as to any matter before the board. 30336. The directors may appoint a general manager pro tempore to serve during any absence or disability of the general manager.

Retirement System and Employee Benefits

Establishment

30400. The board may establish a retirement system for the officers and employees of the district and provide for the payment of annuities, pensions, retirement allowances, disability payments, and death benefits or any of them.

30401. The district may maintain its own retirement fund or may provide for benefits to eligible officers and employees, or their beneficiaries, by means of group insurance or other insurance, or by such means as in the opinion of the board will satisfactorily provide an adequate and sure method of meeting the payments contemplated by the retirement system.

30402. Before establishing any retirement system the board shall secure a report from a qualified actuary, which shall show the cost of the benefits provided by the system, and the prospective assets and liabilities of the system.

30403. The board may adopt all ordinances and resolutions and perform all acts necessary or convenient to the initiation, maintenance, and administration of the retirement system.

30404. As an alternative method of providing a retirement system the board may contract with the Board of Administration of the Public Employees' Retirement System and enter all or any portion of its employees under such system pursuant to law and under the terms and conditions of such contract, or may contract with the Board of Administration of the Public Employees' Retirement System for reciprocal benefits between the Public Employees' System, or a city, or city and county, or any other public agency contracting with the Public Employees' Retirement System and the district's retirement system as authorized by Section 20042 of the Government Code, and may perform all acts necessary or convenient to provide for such reciprocal benefits.

30405. The board may also contract with the Board of Administration of the State Employees' Retirement System for participation in the Federal Social Security Act and may perform all acts necessary or convenient for such participation.

30406. The board may classify and determine the officers and employees who shall be included as members in the retirement system and may change the classification from time to time. Membership of all officers and employees so classified and included in the retirement system is compulsory.

Benefits and Contributions

30430. The board may prescribe the terms and conditions upon which the officers and employees of the district or their beneficiaries shall be entitled to benefits and the amounts thereof.

30431. Any pension or retirement system adopted shall be on a sound actuarial basis and provide for contributions by both the district and the employee members of the system which shall be based on percentage of pay roll to be changed only by adjustments on account of experience under the system.

30432. Contributions shall be in amounts which will accumulate at retirement a fund sufficient to carry out the promise to pay benefits to the individual on account of his service as a member of the system, without further contributions from any source.

30433. Nothing in any pension or retirement system or plan shall prevent the board from, at any time, amending, changing, modifying or terminating any provision for benefits, participation, or contributions thereto or thereunder.

Employees Under Bargaining Agreements

30450. Articles 1 (commencing with Section 30400) and 2 (commencing with Section 30430) do not apply to any employees of the district in a bargaining unit which is represented by a labor organization.

30451. The adoption, terms, and conditions of the retirement systems covering employees of the district in a bargaining unit represented by a labor organization shall be pursuant to a collective bargaining agreement between such labor organization and the district. Any such retirement system adopted pursuant to a collective bargaining agreement shall be on a sound actuarial basis. The district and the labor organization representing the district's employees in a bargaining unit shall be equally represented in the administration of such retirement system.

Other Benefits

30470. The district shall take such steps as may be necessary to obtain coverage of its employees under Title 2 of the Federal Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act, as amended.

30471. The district shall take such steps as may be necessary to obtain coverage for the district and its employees under the state laws relating to workers' compensation and insurance, unemployment compensation, and disability compensation.

Powers and Functions of the District

Corporate Power

30500. The district has perpetual succession and may adopt a seal and alter it at pleasure.

30501. The district and its officers may sue and be sued in all actions and proceedings, in all courts and tribunals of competent jurisdiction.

30502. The district may levy and collect or cause to be collected, taxes for any lawful purpose, as provided in Chapter 6 (commencing with Section 30800) of this part.

30503. The district may exercise the right of eminent domain within the boundaries of the district to take any property necessary, incidental, or convenient to the exercise of the powers granted in this part.

30504. The district is authorized to maintain a suitable security force comprised of transit police officers and security guards. Persons designated as transit police officers are peace officers pursuant to Section 830.33 of the Penal Code. The district shall adhere to the standards for recruitment and training of peace officers established by the Commission on Peace Officer Standards and Training pursuant to Title 4 (commencing with Section 13500) of Part 4 of the Penal Code in the recruitment and training of its transit police officers. Every transit police officer employed by the district shall conform to the standards for peace officers of the Commission on Peace Officer Standards and Training and the commanding officer of the unit shall, not later than July 1, 1979, (1) have at least 10 years of active law enforcement experience in a capacity of employment requiring peace officer status and (2) have met the requirements for the advanced certificate of the Commission on Peace Officer Standards and Training, (3) have attended a POST-approved law enforcement management course, and (4) have an associate of arts degree or higher. Any such officer who fails to conform to such standards by July 1, 1979, shall not continue to have the powers of a peace officer.

30505. The district is entitled to the benefit of any reservation or grant, in all cases, where any right has been reserved or granted to the State or any agency or political subdivision thereof or any public corporation to construct or maintain roads, highways or other crossings over any public or private lands.

30506. The district may exercise any and all powers granted by any other law which by its terms is applicable to districts generally, to public corporations generally, or to any classification of districts or public corporations which includes a district of the type provided for in this part, but no such power shall be exercised contrary to any express provision of this part.

30507. Prior to the time the district incurs any bonded indebtedness, the district shall insofar as possible follow the budgetary control procedures for counties, pursuant to Articles 1 to 8, inclusive (commencing with Section 29000), Chapter 1, Division 3, Title 3 of the Government Code. Transfers of funds within, or revisions of, a budget adopted by the district, whether before or after the incurring of any bonded indebtedness, may be made by appropriate act of the board at a regular, adjourned regular or special meeting. After the district incurs any bonded indebtedness the district shall establish suitable budgetary procedures and thereafter copies of each proposed annual budget shall be available to interested persons a reasonable time before the

adoption thereof and copies of the final budget shall likewise be available to interested persons. Copies of any special budgets shall be furnished to interested parties on request.

Contracts

30530. The district 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 save harmless, and to do all acts necessary for, incidental to, or convenient for the full exercise of the powers granted in this part.

30531. The district may contract with any department or agency of the United States of America or of the State of California or with any public or private corporation upon such terms and conditions as the directors find is for the best interests of the district.

30532. The district may contract with any person, firm, corporation, association, organization, or other entity, public or private, for the acquisition, construction, development, joint development, maintenance, operation, leasing, and disposition of facilities of the district.

30533. The district may insure against any accident to or destruction of the system or any part thereof.

30534. The district may insure against loss of revenues from any cause whatsoever.

30535. The district may insure against public liability or property damage, or both. It may provide in the proceedings authorizing the issuance of any bonds for the carrying of such or any other insurance, in such amount and of such character as may be specified, and for the payment of the premiums thereon.

30536. Any bonds, notes, warrants and other evidences of indebtedness issued or incurred by the district shall be signed as provided in the section of this part applicable thereto or as provided in any other law applicable thereto; provided, however, that if the particular section or law does not prescribe the method of such execution, the method provided for bonds of the district shall apply so far as applicable. All other contracts of the district shall be executed on behalf of the district by the general manager; provided, however, that the board may, by resolution, fix any other method of executing such contracts.

Property

30600. The district may take by grant, purchase, gift, devise, or lease, or by condemnation, or otherwise acquire, and hold and enjoy, real and personal property of every kind within or without the district necessary or incidental to the full or convenient exercise of its powers. That property includes, but is not limited to, property necessary for, incidental to, or convenient for joint development and property physically or functionally related to rapid transit service or facilities. The board may lease, sell, jointly develop, or otherwise dispose of any real or personal property within or without the district when, in its judgment, it is for the best interests of the district so to do.

Rapid Transit Service and Facilities

30630. The district may provide a rapid transit system for the transportation of passengers and their incidental baggage.

30630.5. The district may operate charter bus service, subject to all of the following limitations:

(a) No bus equipment that is designed solely for charter service shall be purchased. A bus equipped with a toilet or underfloor baggage compartment shall be deemed to be bus equipment that is designed solely for charter service.

(b) Except as provided in subdivisions (d) and (e), the board shall hold a public hearing prior to adopting a charter rate schedule or any amendment thereto. Notice of the hearing shall be mailed to each charter-party carrier operating within the district at least 30 days prior to the date of the hearing. The notice shall include the proposed charter rate schedule. At the close of the public hearing, the board may adopt charter rate schedules, which shall not be less than the average for the three largest private charter-party carriers operating similar service in the district.

(c) Charter service operations by the district shall originate and terminate within the area served by the district, unless a private charter-party carrier requests the district to provide service beyond that area.

(d) The district may establish a schedule of rates for charter bus services that are incidental to the holding of the Olympic Games in Los Angeles. The rates for charter-party bus services established under this subdivision shall be sufficient to pay all fully allocated costs related to those charter bus services and shall contribute financially to the reduction of deficits incurred by the district in the operation of scheduled route services. The rates shall be at least equal to the average of the lowest rates charged by the three largest private charter-party carriers operating similar service in Los Angeles County. The schedule of rates shall be effective from May 1, 1984, to September 30, 1984, inclusive.

(e) The district may provide charter service for a national political convention to be held in Los Angeles in August 2000, to the extent that private charter-party carriers are not capable of providing that service. As used in this subdivision, the phrase "not capable of providing that service" includes, but is not limited to, the inability to meet requirements including, but not limited to, requirements with regard to unique equipment, fuel type, number of doors, accommodations for standing passengers, handicap accessibility, or the nature of the service.

30631. (a) The district may acquire, construct, develop, lease, jointly develop, own, operate, maintain, control, use, jointly use, or dispose of rights-of-way, rail lines, monorails, buslines, stations, platforms, switches, yards, terminals, parking lots, air rights, land rights, development rights, entrances and exits, and any and all other facilities for, incidental to, necessary for, or convenient for rapid transit service, including, but not limited to, facilities and structures physically or functionally related to rapid transit service, within or partly without the district, underground, upon, or above the ground and under, upon, or over public street, highways, bridges, or other public ways or waterways, together with all physical structures necessary for, incidental to, or convenient for the access of persons and vehicles thereto, and may acquire, lease, sell, or otherwise contract with respect to any interest in or rights to the use or joint use of any or all of the foregoing. However, installations in state freeways are subject to the approval of

the Department of Transportation and installations in other state highways are subject to Article 2 (commencing with Section 670) of Chapter 3 of Division 1 of the Streets and Highways Code.

(b) The use of the streets, highways, freeways, and other public places by the district for any of the purposes permitted herein is presumed to be no greater burden on adjoining properties than the uses existing as of August 22, 1964. If facilities, other than state highways or freeways referred to above, (including, but not limited to, streets, highways, pipelines, sewers, water mains, storm drains, poles, communications wires, and electric transmission wires) of another public agency, of the state, or of a private owner are necessarily required to be relocated, replaced, or altered in order for the district to construct or operate its system, or if the construction or operation by the district of its system makes necessary the relocation, replacement, or alteration of any of those facilities of another public agency, of the state, or of a private owner in order to maintain the functioning of the facilities at their previous level of service, the facilities shall be relocated, replaced, or altered with reasonable promptness by the respective public corporation, state, or private owner and the district shall, by prior agreement, reimburse the public corporation, state, or private owner for the actual cost necessarily incurred in the relocation, replacement, or alteration.

(c) The district may enter into an agreement with any city or county having jurisdiction over the street or highway involved, and, as may be provided in the agreement, may close any city street or county highway at or near the point of its interception with any district facility or may make provision for carrying the city street or county highway over or under or to a connection with the district facility and may do any and all work on the city street or county highway as is necessary therefor. No city street or county highway shall be closed, either directly or indirectly, by the construction of district facilities except pursuant to such an agreement or while temporarily necessary during the construction of district facilities if the district has first obtained a temporary street or highway closing permit.

30632. The district may lease or contract for the use of its facilities, or any portion thereof, to any operator, and may provide for subleases by such operator upon such terms and conditions as it deems in the public interest. The word "operator" as used in this section means any city or public agency or any person, firm or private corporation engaged in the transportation of passengers for hire, properly holding a Public Utilities Commission approved and authorized certificate of public convenience and necessity for the transportation of passengers.

30633. The district may construct, acquire, develop, jointly develop, maintain, operate, lease, and dispose of works and facilities in, under, upon, over, across, or along any road, street, alley, avenue, or public highway or any stream, bay, watercourse, or other public ways or waterways, or over any of the lands which are the property of the state, including, but not limited to, facilities and structures physically or functionally related to rapid transit service, to the same extent that those rights and privileges relating to public ways or waterways are granted to municipalities within the state for those uses or any other use or uses, including, but not limited to, those uses specified in Article 3 (commencing with Section 10101) of Chapter 1 of Division 5.

30634. (a) The district may enter into agreements for the joint use or joint development of any property or rights by the district and any city, public agency, or public utility operating transit facilities or nontransit facilities, or both, or any other person, firm, corporation, association, organization, or other entity, public or private, either, in whole or in part, within or outside the

district, for the joint use or development of any property of the district or of the city, public agency, public utility, person, firm, corporation, association, organization, or other entity, public or private, or the establishment of through routes, joint fares, station cost-sharing, connector fees, or land, air, or development rights sales or leasing, transfer of passengers, pooling arrangements, or for any other purpose necessary for, incidental to, or convenient for the full exercise of the powers granted in this part. As to any service which the district is authorized to perform pursuant to this part, the district may contract for the performance of the service by any city, county, or public utility operating transit facilities, the territory of which is, in whole or in part, within the district.

(b) "Joint development" includes, but is not limited to, agreements with any person, firm, corporation, association, organization, or other entity, public or private, to develop or to engage in the planning, financing, or construction of district facilities or development projects adjacent, or physically or functionally related, to district facilities.

(c) Notwithstanding any other provision of this part, no joint development of nontransit facilities may be accomplished without the prior approval of the legislative body of the local jurisdiction within which the development is to take place.

(d) "Transit facilities," as used in this section, includes land, buildings, and equipment, or any interest therein, whether or not the operation thereof produces revenue, which have as their primary purpose the operation of a rail transit system or the providing of services to the passengers of a rail transit system.

(e) "Nontransit facilities," as used in this section, includes any land, buildings, or equipment, or interest therein, which is used primarily for the production of transit revenue not arising from the operation of a rail transit system.

30635. The district may operate such feeder bus lines and other feeder services as necessary.

30636. As soon as practicable after the effective date of this part, the board shall cause a preliminary report to be made as to a rapid transit service and system which shall include:

(a) The estimated cost of the proposed acquisition, and construction and all incidental expenses connected therewith.

(b) The probable sources of income from the system and the estimated amount thereof.

(c) The estimated cost of maintenance and operation thereof.

(d) The proposed method or methods of financing.

(e) Any other information deemed pertinent, including, without limitation, a preliminary sketch or sketches, plan or plans or design of stations, platforms, terminals, structures and facilities constituting a method of rapid transit (all of the foregoing being hereafter referred to in this section by the word "facilities"), the proposed locations thereof and the proposed routes of the system.

The district shall, in connection with the studies necessary to determine the possible routes and locations for the said facilities, confer with the appropriate local governing bodies and other agencies that may be affected thereby and with their technical and planning personnel, obtaining where available any master or general plan in the affected areas.

The district shall give written notice of the preliminary report to each affected city or county that it may, within a period prescribed by the district (which period shall not be less than sixty (60) days), submit comments or evidence as to the effect that the design, location and routes of said facilities would have in their areas, including, without limitation, the effect upon property values, state and local facilities, and city street and county highway traffic.

When sufficient information has been accumulated to permit intelligent discussion, the district shall publicize and hold such public meeting or meetings as may be reasonably necessary to acquaint interested individuals, officials and civic or other groups with the studies made and the information developed and to obtain their views with respect to the preliminary report.

Using the information developed the district shall then prepare a final report containing the foregoing subdivisions (a) to (e) and such other matters deemed pertinent, including, without limitation, the information obtained at conferences and meetings, the relationship between all proposed routes and locations of such facilities and any master or general plans of the affected local agency or agencies and any information submitted by affected cities or counties pursuant to this section. The final report shall conclude with a recommendation as to the routes, location and design of such facilities.

The district shall serve written notice of the final report to each affected city or county that it may, within a period to be prescribed by the district (which period shall be not less than sixty (60) days), request a public hearing. Such notification shall include a statement that the district will hold a public hearing, if requested to do so by the governing body, within thirty (30) days following receipt of such written notification by the governing body; provided, however, that if, prior to receipt of such notification from the district, the governing body or bodies shall have, by resolution, declared that no public hearing by the district is necessary, then the notification by the district shall advise such governing body only of the intention of the district to consider the matter.

If any such governing body requests such hearing, the district shall hold a hearing, after public notice given in such manner as the district may determine, at which time and place all persons, and official bodies and other organizations interested in the matter, shall be afforded an opportunity to be heard. The district may also, on its own motion, call a public meeting or hold such hearings as it may deem appropriate. If no hearing is requested, the district may determine the routes, locations and design for the said facilities within the limits of the cities or counties to which the notice required by this section was given after the expiration of such period of thirty (30) days. If a hearing is requested, the district must determine the routes, location and design for said facilities within the limits of the cities or counties to which the notice required by this section was given within ninety (90) days after the first day on which such hearing is held.

This section is not intended to require in any report or reports made under the section prior to a bond election for the acquisition and construction of a line or lines or system (or such part thereof as the board determines to call a bond election on, and whether such report or reports be designated preliminary or final) detailed plans and specifications such as would be necessary for the acquisition and construction of the facilities or any part thereof, nor is it the intent of this section to prevent the district from taking advantage in the final plans and specifications of any technological advances, if the same occur, or from making changes due to additional information based on the results of surveys, experiments or tests.

Failure to comply in whole or part, or any defect in compliance with this section prior to a bond election, shall not affect the validity of the bond election or of the bonds, but as to any line to be acquired or constructed from the proceeds of the bonds this section must be substantially complied with prior to the expenditure of the proceeds of the bonds on such line, and no substantial change in any route theretofore determined following the procedure required by this section may be made without holding further hearings pursuant to notice given in such manner as the district may determine if the proposed change in the route is objected to by any city or county affected thereby.

30636.2. In planning the development of a rapid transit system or any part thereof within its territory and in carrying out the provisions of Section 30001, the district may extend its studies to include any city or unincorporated area not within the territory of the district. The district may invite the participation in such studies of government agencies having planning jurisdiction in such extended areas, and the studies shall be coordinated with regional comprehensive and transportation planning programs. The district may accept and use for the purpose of rapid transit planning in such extended areas any funds provided for such purpose.

30636.5. (a) Not later than January 10, 1974, the district shall submit to the Legislature its plan for the implementation of a rapid transit system, and the financing thereof, in the district.

(b) Prior to adding any new, or extending any existing, scheduled or regularly scheduled bus service, the district shall prepare a cost-benefit study of the proposed added or extended bus service.

30637. The district shall not exercise control over any transit facilities now or hereafter owned and operated wholly or partly within, or without, the district by any city or public agency, unless by consent of such city or public agency and upon such terms as are mutually agreed upon between the board and such city or public agency.

The district shall not establish, construct, complete, acquire, operate, extend, or reroute (all of the foregoing being hereinafter referred to by the word "establish" in all forms thereof), directly or indirectly, either itself or by lease or contract with any other person or otherwise, any rapid transit service or system in such manner or form as will or may, either then or at any time in the future, divert, lessen, or compete for the patronage or revenues of the existing system of a publicly or privately owned public utility without the consent of the public utility, if the existing system has been in operation since at least August 1, 1974.

The maintenance and operation, but not the extension or rerouting, of any existing system acquired by the district from a publicly or privately owned public utility shall not be deemed to be the establishment of a rapid transit service or system within the meaning of this section.

The construction by the district of any structures constituting a method of rapid transit, and the operation therein and thereon of any equipment except buses, shall not be deemed to be the establishment, construction, completion, acquisition, operation, or extension of rapid transit within the meaning of this section.

No publicly owned public utility shall establish, construct, complete, acquire, or extend, directly or indirectly, either itself or by lease or contract with any other person or otherwise, any rapid transit service system in such manner or form as will then substantially divert or reduce the patronage or revenues of the system operated by the district. Any municipality may acquire and operate any existing transportation system within its existing transit service area without being in

violation of this paragraph and may make route extensions to such system within its existing transit service area where such extensions do not compete with the established services of the district.

Nothing in this part shall be construed as in any way preventing or restricting the City of Los Angeles or any other city from exercising any powers which it has under Section 9 of Article XI of the California Constitution, including, without limitation, the establishing and operation of any point to point lines or system of rapid transit to operate in connection with any other transportation services established and operated by such city.

30638. (a) The rates, fees, and charges for service or rights furnished, leased, or otherwise transferred pursuant to this part, including, but not limited to, station cost-sharing, connector fees, and land or air rights sales or leasing, shall be fixed by a vote of two-thirds of all of the members of the board and shall be reasonable. Insofar as practicable, the rates, fees, and charges shall be determined and fixed so as to result in revenue which will make the transit system self-supporting and shall be sufficient to accomplish all of the following:

- (1) Pay the operating expenses of the district.
- (2) Provide for repairs, maintenance, and depreciation of works owned or operated by the district.
- (3) Provide for the purchase, lease, or acquisition of equipment under Article 3 (commencing with Section 30940) of Chapter 7.
- (4) Provide for the payment of the interest and principal of the bonded debt, subject to the applicable provisions of this part authorizing the issuance and retirement of bonds.
- (5) Provide for the payment of contracts, agreements, leases, equipment, trust certificates, and other legal liabilities assumed under Chapter 8 (commencing with Section 31000).

(b) After making any current allocations of funds required for the purposes prescribed by paragraphs (1) to (5), inclusive, of subdivision (a) and by the terms of any indebtedness incurred under Article 1 (commencing with Section 30900), Article 2 (commencing with Section 30930), and Article 5 (commencing with Section 30960) of Chapter 7, the board may provide funds for any purpose the board deems necessary and desirable to carry out the purposes of this part.

(c) This section does not constitute a covenant to the holders of any bonds or other evidences of indebtedness of the district unless the ordinance, resolution, or indenture providing for the issuance of those instruments so provides.

30638.2. Notwithstanding Section 30638, all net income from fees, charges, rents, profits, or other net income arising from joint development of the property of the district which was acquired exclusively for the rail rapid transit system shall be used only for the following purposes:

- (a) Pay the capital and operating expenses of the rail rapid transit system.
- (b) Provide for the payment of interest and principal of the bonded debt for the rail rapid transit system, subject to the applicable provisions of this part authorizing the issuance and retirement of bonds.

(c) Provide for the payment of contracts, agreements, leases, equipment, and other legal liabilities assumed under Chapter 8 (commencing with Section 31000).

As used in this section, "operating expenses" includes the expenses of operation, maintenance, and repair of all personal or real property physically or functionally related to rail rapid transit services or facilities.

30639. The board of supervisors of a county, or the governing body of a city having territory located within the district may file a request for a hearing before the district board as to the reasonableness of any rates or charges fixed by the district and as to any proposal for fixing the location of facilities by the district. The request shall be in writing and shall state the subject matter on which a hearing is desired.

30640. Upon the filing of a request for hearing as provided in Section 30639, the district board shall fix the time and place for hearing. The time fixed shall not be less than 15 days nor more than 60 days from the date the request is filed. Notice of the hearing shall be given to the county or city requesting the hearing, shall be mailed to the governing body of each city and county located, in whole or in part, within the district, and shall be published once by the board.

30641. At the time fixed for any hearing before the board any board of supervisors or city governing body eligible to file a request for hearing, not a party to the original request for hearing, may intervene and shall be entitled to be heard and to introduce evidence.

30642. The district, petitioner or petitioners, and the intervenors shall have the right to call and examine witnesses; to introduce exhibits; to cross-examine opposing witnesses on any matter relevant to the issues even though that matter was not covered in direct examination; and to rebut evidence introduced by other parties.

30643. Oral evidence shall be taken only on oath or affirmation. The hearing need not be conducted according to technical rules relating to evidences and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious business affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in a civil action. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in a civil action.

30644. A complete record of all proceedings and testimony before the board at such hearing shall be taken down by a reporter appointed by the board. In case an action is brought to review any decision of the board, a transcript of such testimony, together with all exhibits or copies thereof introduced, together with the written request for hearing and other proceedings in the cause shall constitute the record on review; provided, however, that the board and other parties may stipulate in writing that a specified portion of the evidence be certified to the court for judgment and in such case the portion of the evidence specified and the stipulation specifying such evidence shall be the record on review.

30645. Within 30 days after the conclusion of the hearing, the board shall render its decision, in writing, with written findings of fact. Copies of the findings and decision shall be sent immediately to the petitioners and intervenors by certified mail, postage prepaid.

30646. The district shall be subject to regulations of the Public Utilities Commission relating to safety appliances and procedures, and the commission shall inspect all work done pursuant to this part and may make such further additions or changes necessary for the purpose of safety to employees and the general public. The district shall be subject to the jurisdiction of the Public Utilities Commission with respect to safety rules and other regulations governing the operation of street railways. The commission shall enforce the provisions of this section.

30647. The district shall be subject to the provisions of Division 14.8 (commencing with Section 34500) of the Vehicle Code with respect to the operation of buses and to the rules and regulations prescribed by the Department of the California Highway Patrol pursuant to that chapter regulating the safe operation of buses.

30648. (a) The Legislature recognizes that the district made specified representations regarding construction plans at the time it received authorization to proceed with the planning and construction of an exclusive public mass transit guideway system.

(b) The Legislature further recognizes that it is traditionally less expensive to construct exclusive public mass transit guideway systems using two construction crews working from each terminus to the middle.

(c) Within three years after the start of construction of any portion of the exclusive public mass transit guideway system-San Fernando Valley-Downtown Los Angeles Metro Rail project, the district shall start station construction on the segment of the system in the San Fernando Valley, as defined in Section 11093 of the Government

Code. In the aggregate, within one year after the start of construction of any portion of the project, the funding in each year for below-ground construction on the North Hollywood terminus station, which shall be located either adjacent to Lankershim Boulevard within one-half mile south of Chandler Street or adjacent to Chandler Street within one-half mile west of Lankershim Boulevard, as determined by the Los Angeles County Transportation Commission, and for tunneling and subway construction within this segment shall not be less than 15 percent of the amount of nonfederal funds allocated and spent in the previous year to construct the metro rail project. Any funds which would have been required to be spent on Valley Metro Rail construction pursuant to Chapter 617 of the Statutes of 1984, shall be deposited in a trust fund which shall be spent on qualified Valley Metro Rail construction pursuant to this subdivision, except that any interest earned on those funds may be used to subsidize commuter rail transportation serving the San Fernando Valley Statistical Area, as described in subdivision (g) of Section 76191 of the Government Code.

(d) If the entire public mass transit guideway system-San Fernando Valley-Downtown Los Angeles Metro Rail project is converted to an at-grade light rail system, then the construction to be done with the portion of the funds designated in subdivision (c) for tunneling and subway construction may be modified to conform to the mode of construction to be used on the entire route of the San Fernando Valley-Downtown Los Angeles Metro Rail project.

(e) Funding for this construction may include, but is not limited to, any of the following sources:

(1) Funds derived from Los Angeles County Transportation Commission revenue bonds.

(2) Funds derived from the Los Angeles County Transportation Commission one-half of 1 percent transactions and use tax.

(3) Funds allocated by the California Transportation Commission for exclusive public mass transit guideway construction pursuant to Article XIX of the California Constitution and funds for that construction allocated by the California Transportation Commission from the Transportation Planning and Development Account in the State Transportation Fund. However, the funds allocated by the California Transportation Commission shall not be available for deposit in the trust fund specified in subdivision (c).

Citizens' Advisory Committees

30650. Before the district takes action on a route, grades, or station location, including parking and storage facilities, for any portion of a rail transit system, the district may establish a citizens' advisory committee in the area for any identifiable segment of a rail transit system.

30651. The citizens' advisory committee may advise the district of the prevalent sentiments of its area and shall advise the board on any and all related transit issues currently under the jurisdiction of, or contemplated by, the district.

30652. The district may establish a citizens' advisory committee in any identifiable area in which rail transportation is not currently contemplated, but in which the district determines that the board can benefit from public communication, advice, and reaction to district operations, policies, procedures, and plans.

30653. (a) The district shall designate the area to be represented by each citizens' advisory committee, with a separate area for any identifiable segment of a rail transit system and for any identifiable area in the district in which rail transportation is not currently contemplated. (b) "Identifiable segment of a rail transit system" means an area of a communality of interest surrounding a station structure or structures and the lines between structures. 30655. A citizens' advisory committee shall consist of not less than 15 persons and not more than 45 persons.

30656. Every meeting of a citizens' advisory committee is open to the general public. Minutes of the proceedings shall be kept and shall be available for inspection at the district office.

Claims

30670. All claims for money or damages against the district are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

Indebtedness

30700. The district may issue any bonds, borrow money and incur indebtedness as authorized by law or in this part provided.

30701. The district may accept contributions or loans from the United States, or any department, instrumentality, or agency thereof, for the purpose of financing the acquisition, construction, development, joint development, maintenance, and operation of transit facilities, and may enter into contracts and cooperate with, and accept cooperation from, the United States, or any department, instrumentality, or agency thereof, in the acquisition, construction, development, joint development, maintenance, and operation of any transit facilities in accordance with any legislation which Congress may have adopted or may hereafter adopt, under which aid, assistance, and cooperation may be furnished by the United States in the acquisition, construction, development, joint development, maintenance, and operation or in financing the acquisition, construction, development, joint development, maintenance, and operation of any transit facilities. The district may do any and all things necessary, within the limitations imposed by this part or by any indebtedness created pursuant to this part, in order to avail itself of the aid, assistance, and cooperation under any federal legislation now or hereafter enacted. Any bonds, notes, equipment trust certificates, or like evidences of indebtedness issued for a purpose authorized by this section shall be issued in accordance with Chapter 7 (commencing with Section 30900).

30702. The district may cooperate with and enter into agreements with the State of California or any public agency for the acquisition, construction, development, joint development, completion, maintenance, operation, or repair, joint or otherwise, and in whole or in part, of transit facilities. In connection with any such cooperation or contract, the state or any public agency may make public contributions to the district as in the judgment of the Legislature, or the governing board of the agency, are necessary or proper for its undertaking, and the district may reimburse the state or public agency for any advance or contribution from the proceeds of the sale of bonds or any other funds available to the district. The state or any public agency may also authorize, aid, and assist the district to carry out any activity which the state or public agency is authorized to perform and carry out on its own behalf. Any bonds, notes, equipment trust certificates, or like evidences of indebtedness issued for a purpose authorized by this section shall be issued in accordance with Chapter 7 (commencing with Section 30900).

30703. The district may accept contributions or loans from the State of California or any public agency, for the purpose of planning, acquiring, constructing, developing, jointly developing, operating, or maintaining a rapid transit system, including, without limitation, the payment of principal and interest and providing security funds for bonds or notes of the district issued for any of those purposes, and may enter into contracts and cooperate with, and accept cooperation from, the state or any public agency therefor. The district is a public rapid transit district, rapid transit district, or any other type of public agency which is authorized by any other law to receive those contributions, loans, or cooperation, including, without limitation, Sections 11005.1 and 11104 of the Revenue and Taxation Code. The district may do any and all things necessary, within the limitations imposed by this part or by any indebtedness created pursuant to this part, in order to avail itself of those contributions, loans, or cooperation.

30703.1. The district may make an irrevocable pledge or contract in connection with the payment of the principal and the interest, sinking or reserve funds, or other obligation of any bonded indebtedness created under this part of any transit funds or other continuing or annual appropriations, contributions, grants, or loans by the United States or any department, instrumentality, or agency thereof, the State of California, a county, a city, or any other public agency, or any other individual or entity, public or private, pursuant to law or this article. The

irrevocability of any pledge or contract hereunder shall be binding on the district to the full extent authorized or permitted by the laws governing or applicable to the source of those transit funds, appropriations, contributions, grants, or loans, or by this article. This article shall include, but not be limited to, appropriations or other funds authorized or allocated under Chapter 138 of the Statutes of 1964, First Extraordinary Session, and Chapter 155 of the Statutes of 1966, First Extraordinary Session, or as they may hereafter be amended. No transit funds, appropriations, contributions, grants, or loans received by the district shall be pledged or by contract be obligated to the payment of any district bonded indebtedness or the principal, interest, sinking or reserve fund payments of that indebtedness unless the pledge or contract is authorized or permitted by the laws governing or applicable to those transit funds, appropriations, contributions, grants, or loans including any official action that may be required of any federal, state, local, or public agency, or any other individual or entity, public or private, and, in the case of incurring indebtedness by the issuance of bonds, the proposition has been approved by 60 percent of those qualified electors of the district voting on the proposition to create the indebtedness at an election called for that purpose pursuant to this part. A vote in favor of the issuance of the bonds shall authorize the use of those transit funds, appropriations, contributions, grants, or loans for those purposes and no other or further elections need be held to authorize the board to collect or provide for the collection of and to make that use of those funds or moneys. The authority to use those funds or moneys shall continue until the bonds and the interest thereon are paid or until a fund sufficient for the payment thereof or of the redemption thereof prior to maturity, with any premiums required therefor, has been created and set aside for that purpose. "Transit funds," as used in this part, means any funds or moneys payable to or received by the district from any California transit funds or any funds which the United States or any department, Instrumentality, or agency thereof, the State of California, a county, a city, or any other public agency, or any other individual or entity, public or private, has or is authorized by any law or by official action thereunder to appropriate, contribute, grant, or loan to the district to be used for the payment of any indebtedness, including, but not limited to, any bonded indebtedness of the district in accordance with this part or any other law.

30703.2. To the extent permitted by the law governing the source of any transit funds, appropriations, contributions, grants or loans received pursuant to this article or under any other law or otherwise, such funds or moneys may also be used to pay construction costs directly and reduce expenditures to be financed from bonds of the district, and in such event, the total amount of the bonds approved by the voters may be reduced to the extent that such transit funds, appropriations, contributions, grants or loans are so applied directly to construction costs.

30704. The district shall not incur an indebtedness which exceeds in the aggregate 15 percent of the assessed value of all real and personal property in the district. Within the meaning of this section, "indebtedness" includes, without limitation, any and all forms thereof which the district is authorized to issue by this part or by any other law.

30705. The district may also refund any indebtedness as provided in this part or in any other applicable law. The board may provide for the issuance, sale or exchange of refunding bonds to redeem or retire any bonds issued by the district upon the terms, at the times and in the manner which it determines. Refunding bonds may be issued in a principal amount sufficient to pay all or any part of the principal of any bonds outstanding, the interest thereon and the premiums, if any, due upon call and redemption thereof prior to maturity and all expenses of such refunding. The provisions of this part for issuance and sale of any bonds apply to the issuance and sale of

such refunding bonds; except that (i) the issuance of refunding bonds shall be approved by 60 percent of the votes cast by the qualified electors of the district voting at an election called and held for that purpose except that an election is not required if the refunding is by the same type of bonds and payable from the same sources, and (ii) when refunding bonds are to be exchanged for any bonds outstanding the methods of exchange shall be as determined by the board.

30706. Unless the context otherwise requires, the definitions of the following terms shall apply to indebtedness under this part:

(a) "Any bond" or "any bonded indebtedness" means bonds or indebtedness of any kind or nature issued or authorized, respectively, pursuant to Chapter 7 (commencing with Section 30900).

(b) "Bond" means the bond authorized pursuant to Article 1 (commencing with Section 30900) of Chapter 7.

(c) "Limited tax bond" means the bond issued pursuant to Article 1.5 (commencing with Section 30920) of Chapter 7.

(d) "Revenue bond" means the bond issued pursuant to Article 2 (commencing with Section 30930) of Chapter 7.

(e) "Improvement district bond" means the bond issued pursuant to Article 5 (commencing with Section 30960) of Chapter 7.

(f) "Revenues" means any funds of the district, including transit funds other than property taxes levied under Section 30802 and special taxes levied under Section 30820.

Investments

30730. The board may, by resolution, order that any of the moneys in the funds under its control which are not necessary for current operating expenses be invested in any obligations, bonds or securities in which a county could invest such funds; provided, however, that (1) any such investments shall be made in such a manner that the moneys in such funds will be available at the times and in the amounts necessary to accomplish the purpose for which said funds were established, and (2) no such investment shall be made in contravention of any provision or covenant in any proceedings for the authorization and issuance of bonds, notes, contracts or other evidences of indebtedness.

Elections

30740. All district elections shall be held in accordance with the provisions of the Elections Code of the State of California, as the same now exist or may hereafter be amended, for the holding of elections in general law cities insofar as the same are not in conflict with this part. Pursuant to the Elections Code, all district elections shall be consolidated with either a statewide general election or a statewide direct primary election.

30740.5. The board of directors or any officer or member or members thereof authorized by that body, or any individual voter or bona fide association, or any combination of voters and associations, may file a written argument for or against any district bond or tax measure. No

argument shall exceed 300 words in length. The county elections official of the County of Los Angeles shall cause an argument for and an argument against the measure to be printed, and shall enclose a copy of both arguments printed on the same sheet of paper in an envelope with each sample ballot. The printed arguments are official matter within the meaning of those words as used in Section 13303 of the Elections Code. Based on the time reasonably necessary to prepare and print the arguments and sample ballots for that election, the elections official shall fix and determine a reasonable date prior to the election after which no argument for or against the measure may be submitted to him or her for printing and distribution to the voters, as provided in this section. Arguments may be changed until and including the date fixed by the elections official. If more than one argument for or more than one argument against any measure is submitted to the elections official within the time prescribed, the elections official shall select one of the arguments in favor and one of the arguments against the measure for printing and distribution to the voters. The arguments so selected shall be those of bona fide supporters or opponents of the measure.

30741. The provisions of the Elections Code of the State of California, as the same now exist or may hereafter be amended, governing the initiative and referendum in districts shall apply insofar as such provisions of the Elections Code are not in conflict with this part. Insofar as the district is concerned, officers of the district shall not be subject to recall.

30742. No irregularities or informalities in conducting any election shall invalidate the same if the election shall have been otherwise fairly conducted.

Labor Provisions

30750. (a) Subject to subdivision (b), if a majority of the employees employed by a district in a unit appropriate for collective bargaining indicate a desire to be represented by a labor organization, then the board, after determining pursuant to Section

30751 that the labor organization represents the employees in the appropriate unit, shall bargain with the accredited representative of those employees. Both parties shall bargain in good faith and make all reasonable efforts to reach agreement on the terms of a written contract governing wages, hours, and working conditions. In the absence of the expression of the desire to be represented by a labor organization, employees are subject to any personnel system established pursuant to Section 30257.

(b) Upon the acquisition by the district of the property of the Los Angeles Metropolitan Transit Authority pursuant to Chapter 8 (commencing with Section 31000), the district shall assume and observe all existing labor contracts and shall recognize the labor organization certified to represent the employees in each existing bargaining unit as the sole representative of the employees in each of those bargaining units. Any certification of a labor organization previously made by the California State Mediation and Conciliation Service under the provisions of the Los Angeles Metropolitan Transit Authority Act of 1957 to represent or act for the employees in any collective bargaining unit shall remain in full force and effect and shall be binding upon the district. Those certifications and any certifications made under this subdivision shall not be subject to challenge on the grounds that a new substantial question of representation within the collective bargaining unit exists until the lapse of one year from the date of certification or the expiration of any collective bargaining agreement, whichever is later; provided, that no collective

bargaining agreement shall be construed to be a bar to representation proceedings for a period of more than two years.

(c) The obligation of the district to bargain in good faith with a duly designated or certified labor organization and to execute a written collective bargaining agreement with that labor organization covering the wages, hours, and working conditions of the employees represented by that labor organization in an appropriate unit, and to comply with the terms of that collective bargaining agreement, shall not be limited or restricted by any other provision of law. The obligation of the district to bargain collectively shall extend to all subjects of collective bargaining, including, but not limited to, retroactive pay increases. Notwithstanding any other provision of law, the district shall make deductions from the wages and salaries of its employees, upon receipt of authorization to make those deductions, for the payment of union dues, fees, or assessments, for the payment of contributions pursuant to any health and welfare plan or pension plan, or for any other purpose for which deductions may be authorized by employees where the deductions are pursuant to a collective bargaining agreement with a duly designated or certified labor organization.

(d) (1) If a dispute arises over wages, hours, or working conditions that is not resolved by negotiations conducted in good faith between the board and the representatives of the employees, then upon the agreement of both parties, the board and the representative of the employees may submit the dispute to an arbitration board. The decision of a majority of the arbitration board shall be final and binding.

(2) (A) The arbitration board shall be composed of two representatives of the district, two representatives of the labor organization, and a fifth member to be agreed upon by the representatives of the district and labor organization.

(B) If the representatives of the district and labor organization are unable to agree on the fifth member, then the names of five persons experienced in labor arbitration shall be obtained from the California State Mediation and Conciliation Service within the Department of Industrial Relations. The labor organization and the district shall, alternately, strike a name from the list supplied by the California State Mediation and Conciliation Service. The labor organization and the district shall determine by lot who shall first strike a name from the list. After the labor organization and the district have stricken four names, the name remaining shall be designated as the arbitrator. The decision of a majority of the arbitration board shall be final and binding upon the parties.

(C) The district and the labor organization shall each pay half of the cost of the impartial arbitrator.

(e) A contract or agreement shall not be made with any labor organization, association, group, or individual that denies membership on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code. However, the organization may preclude from membership any individual who advocates the overthrow of the government by force or violence.

(f) The district shall not discriminate with regard to employment against any person on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code.

30751. Any question which may arise with respect to whether a majority of the employees in an appropriate unit desire to be represented by a labor organization shall be submitted to the Director of the Department of Industrial Relations. In resolving such questions of representation including the determination of the appropriate unit or units, petitions, the conduct of hearings and elections, the director shall apply the relevant federal law and administrative practice developed under the Labor Management Relations Act, 1947, as amended, and for this purpose shall adopt appropriate rules and regulations. Said rules and regulations shall be administered by the State Conciliation Service and shall provide for a prompt public hearing and a secret ballot election to determine the question of representation.

30752. Whenever the district acquires existing facilities from a publicly or privately owned public utility, either in proceedings, by eminent domain or otherwise, to the extent necessary for operation of facilities, all of the employees of such public utility whose duties pertain to the facilities acquired who have been employed by said utility for at least seventy-five (75) days shall be appointed to a comparable position in the district without examination and shall be governed thereafter by the personnel system adopted by the board, and these employees shall be given sick leave, seniority and vacation credits in accordance with the records of the acquired public utility. The provisions of this section shall apply only to those officers or supervisory employees of the acquired utility as shall be designated by the board.

30753. (a) Whenever the district acquires existing facilities from a publicly or privately owned public utility, either in proceedings in eminent domain or otherwise, the district shall assume and observe all existing labor contracts, and to the extent necessary for operation of facilities acquired, all of the employees of such acquired public utility whose duties pertain to the facilities acquired, shall be appointed to comparable positions in the district without examination, subject to all the rights and benefits of this part, and these employees shall be given sick leave, seniority, pension and vacation credits in accordance with the records and labor agreements of the acquired public utility.

(b) Members and beneficiaries of any pension or retirement system or other benefits established by that public utility shall continue to have the rights, privileges, benefits, obligations and status with respect to such established system. No employee of any acquired public utility shall suffer any worsening of his wages, seniority, pension, vacation or other benefits by reason of the acquisition.

30754. The district shall not acquire any existing transit system or part thereof whether by purchase, lease, condemnation, or otherwise, or dispose of or lease any transit system or part thereof, or merge, consolidate or coordinate any transit system or part thereof, or substitute any type of equipment on any system or part thereof for the then existing equipment or terminate any lease arrangement or management contract, or reduce or limit the lines or service of any existing system or of its system unless it shall first have made adequate provision for the district's employees who are or may be displaced, or whose wages, hours, place or conditions of employment are or may be adversely affected. The terms and conditions of such provisions shall be a proper subject of collective bargaining with the labor organizations that represent such employees. In the event the parties are unable to agree upon such provisions the dispute shall be submitted to arbitration. The arbitrator shall be selected according to procedures established by subdivision (d) of Section 30750. The decision of the arbitrator shall be final and binding on the parties. In the event that at the time the district acquires a system or part thereof, and former or

furloughed employees of such system are at that time entitled to protection under a collective bargaining agreement or an order of the Public Utilities Commission or other public agency, the district shall provide for the continuation of such protection for the period of the agreement or order.

30755. Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

30756. (a) In the event the board and the representatives of the employees do not agree to submit a dispute over the terms and conditions of a collective bargaining agreement to arbitration as provided in subdivision (d) of Section 30750, the State Conciliation Service may be notified by either party that a dispute exists and that there is no agreement to arbitrate.

(b) Following such notification, the State Conciliation Service shall determine whether or not the dispute may be resolved by the parties and, if not, the issues concerning which the dispute exists.

(c) Upon a determination that the dispute cannot be resolved by the parties, the service shall certify its findings to the Governor of the State of California.

(d) The Governor shall, within 10 days of receipt of certification, appoint a fact finding commission consisting of three persons.

(e) The commission shall immediately convene and inquire into and investigate the issues in the dispute.

The commission shall have authority to issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, documents, and other records. Subpoenas shall be serviced and enforced in accordance with Chapter 2 (commencing with Section 1985) of Title 3, Part 4 of the Code of Civil Procedure.

The commission shall report to the Governor within 60 days of the date of its creation. However, the commission shall deliver a preliminary confidential report to the parties not later than the 51st day of the 60-day period, and the parties may submit comments on such report to the commission for its consideration not later than the 54th day of the 60-day period.

The commission shall, if either party so requests in its comments, include in its report an estimate of the cost of implementing any proposals or recommendations contained in the report.

(f) After notification to the State Conciliation Service by either party in accordance with subdivision (a), no change, except by mutual agreement, shall be made by the parties in the conditions out of which the dispute arose and service to the public shall continue to be provided (1) until the service determines that the dispute may be resolved by the parties, or (2) if the service determines that the dispute cannot be resolved by the parties, until 10 days after the commission has made its report to the Governor.

Taxation

30800 Property Taxation, Special Taxes, Special Taxes for Capital Financing and Guideway systems, Special Taxes for Transit Operators, Special Taxes for Proposition (Repealed)

Bonds and Other Evidence of Indebtedness

Authorization and Issuance of Bonds

30900. Whenever the board deems it necessary for the district to incur a bonded indebtedness for the acquisition, construction, development, joint development, maintenance, operation, or repair of any or all improvements, works, property, or facilities, authorized by this part or necessary for, incidental to, or convenient for the carrying out of the powers of the district, or for any other purpose authorized by this part, including, without limitation, the refunding referred to in Chapter 8 (commencing with Section 31000), it shall, by ordinance, adopted by a vote of two-thirds of all members of the board, so declare and call an election to be held in the district for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district. The ordinance shall state all of the following:

(a) The purposes for which the proposed debt is to be incurred, which may include all costs and estimated costs necessary or convenient for, incidental to, or connected with the accomplishment of those purposes, including, without limitation, engineering, inspection, legal, fiscal agents, financial consultant, and other fees, bond and other reserve funds, working capital, bond interest estimated to accrue during the construction period and for a period not to exceed three years thereafter, and expenses of all proceedings for the authorization, issuance, and sale of the bonds.

(b) The estimated cost of accomplishing those purposes.

(c) The amount of the principal of the indebtedness.

(d) The maximum term the bonds proposed to be issued shall run before maturity, which shall not exceed 50 years from the date thereof or the date of each series thereof.

(e) The maximum rate of interest to be paid, which shall not exceed the maximum rate allowed by law.

(f) The proposition to be submitted to the voters, which may include one or more purposes.

(g) The date of the election.

(h) The manner of holding the election and the procedure for voting for or against the measure.

(i) The ordinance may also contain any other matters authorized by this part or any other law.

30901. Notice of the holding of such election shall be given by publishing, pursuant to Section 6066 of the Government Code, the ordinance calling the election in at least one newspaper published in such district. No other notice of such election need be given. Except as otherwise provided in the ordinance, the election shall be conducted as other district elections.

30902. If any proposition is defeated by the electors, the board shall not call another election on a substantially similar proposition to be held within six months after the prior election. If a petition requesting submission of such a proposition, signed by 15 percent of the district electors,

as shown by the votes cast for all candidates for governor at the last gubernatorial election, is filed with the board, it may call an election before the expiration of six months.

30903. If 60 percent of the electors voting on the proposition vote for it, then the board may, by resolution, at such time or times as it deems proper, issue bonds of the district for the whole or any part of the amount of the indebtedness so authorized and may from time to time, by resolution, provide for the issuance of such amounts as the necessity thereof may appear, until the full amount of such bonds authorized shall have been issued. Said full amount of bonds may be divided into two or more series and different dates and different dates of payment fixed for the bonds of each series. A bond need not mature on an anniversary of its date. The maximum term the bonds of any series shall run before maturity shall not exceed 50 years from the date of each series respectively. In such resolution or resolutions the board shall prescribe the form of the bonds (including, without limitation, registered bonds and coupon bonds) and the form of any coupons to be attached thereto, the registration, conversion and exchange privileges, if any, pertaining thereto, and fix the time when the whole or any part of the principal shall become due and payable.

30904. The bonds shall bear interest at a rate or rates not exceeding the maximum rate allowed by law, payable semiannually, except that the first interest payable on the bonds or any series thereof may be for any period not exceeding one year as determined by the board. In the resolution or resolutions providing for the issuance of the bonds, the board may also provide for call and redemption of the bonds prior to maturity at the times and prices and upon any other terms as it may specify. However, no bond shall be subject to call or redemption prior to maturity unless it contains a recital to that effect or unless a statement to that effect is printed thereon. The denomination or denominations of the bonds shall be stated in the resolution providing for their issuance, but shall not be less than one thousand dollars (\$1,000). The principal of, and interest on, the bonds shall be payable in lawful money of the United States at the office of the treasurer of the district or at any other place or places as may be designated, or at either place or places at the option of the holders of the bonds. The bonds shall be dated, numbered consecutively, signed by the president and treasurer, and countersigned by the secretary, and the official seal of the district shall be attached. The interest coupons of the bonds shall be signed by the treasurer. All the signatures, countersignatures, and seal may be printed, lithographed, or mechanically reproduced, except that one of the signatures or countersignatures on the bonds shall be manually affixed. If any officer whose signature or countersignature appears on bonds or coupons ceases to be that officer before the delivery of the bonds, his or her signature is as effective as if the officer had remained in office.

30905. The bonds may be sold as the board determines by resolution but for not less than par. Before selling the bonds, or any part thereof, the board shall give notice inviting sealed bids in such manner as it may prescribe. If satisfactory bids are received the bonds offered for sale shall be awarded to the highest responsible bidder. If no bids are received or if the board determines that the bids received are not satisfactory as to price or responsibility of the bidders the board may reject all bids received, if any, and either readvertise or sell the bonds at private sale.

30906. Delivery of any bonds may be made at any place either inside or outside the State, and the purchase price may be received in cash or bank credits.

30907. All accrued interest and premiums received on the sale of bonds shall be placed in the fund to be used for the payment of principal and interest on the bonds and the remainder of the proceeds of the bonds shall be placed in the treasury to the credit of the proper improvement fund and applied exclusively to the purposes for which the debt was incurred; provided, however, that when said purposes have been accomplished any moneys remaining in such improvement fund (a) shall be transferred to the fund to be used for the payment of principal of and interest on the bonds, or (b) shall be placed in a fund to be used for the purchase of outstanding bonds of the district from time to time in the open market at such prices and in such manner, either at public or private sale or otherwise, as the board may determine. Bonds so purchased shall be canceled immediately.

30908. After the expiration of three years after a bond election the board may determine, by ordinance adopted by a vote of two-thirds of all the members of the board, that any or all of the bonds authorized at said election remaining unsold shall not be issued or sold. When the ordinance takes effect, the authorization to issue said bonds shall become void.

30909. Whenever the board deems that the expenditure of money for the purposes for which the bonds were authorized by the voters is impractical or unwise, it may, by ordinance adopted by a vote of two-thirds of all members of the board, so declare and call an election to be held in the district for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of such bonds for some other purposes or, in the case where bonds have been sold, the proposition to use the proceeds for some other purposes. The procedure, so far as applicable, shall be the same as when a bond proposition is originally submitted.

30912. The provisions of Article 4 (commencing with Section 53500), Chapter 3, Part 1, Division 2, Title 5 of the Government Code are applicable to the district.

30913. Any bonds which shall be issued under the provisions of this article shall be legal investment for all trust funds; for the funds of insurance companies, banks--both commercial and savings—and trust companies; and for state school funds; and whenever any money or funds may, by any law now or hereafter enacted, be invested in bonds of cities, cities and counties, counties, school districts, or other districts within the State of California, such money or funds may be invested in the bonds issued under this part, and whenever bonds of cities, cities and counties, counties, school districts, or other districts within this State may, by any law now or hereafter enacted, be used as security for the performance of any act or the deposit of any public moneys, the said bonds issued under this part may be so used. The provisions of this article shall be in addition to all other laws relating to legal investments and shall be controlling as the latest expression of the Legislature with respect thereto.

Revenue Bonds

30930. Whenever the board deems it necessary for the district to incur a revenue bonded indebtedness for the acquisition, construction, development, joint development, operation, maintenance, completion, or repair of any or all improvements, works, property, or facilities authorized by this part or necessary or convenient for the carrying out of the powers of the district, or for any other purpose authorized by this part, including, without limitation, the refunding referred to in Chapter 8 (commencing with Section 31000), the board shall provide for the issuance of the revenue bonds in accordance with 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), as it now exists or may hereafter be amended; except that, (a) if the board provides for the issuance of the revenue bonds by ordinance adopted by a vote of two-thirds of all the members of the board, which ordinance shall be subject to referendum, and (b) no election is required by Section 30932, no election need be called or held for the purpose of authorizing the issuance of the revenue bonds.

Revenue bonds may include one or more purposes; and the purposes for which revenue bonds may be issued may include, without limitation, all costs and estimated costs incidental to, or connected with, the accomplishment of that purpose, or purposes, including, without limitation, engineering, inspection, legal, fiscal agents, financial consultant, and other fees, bond and other reserve funds, working capital, bond interest estimated to accrue during the construction period and for a period not to exceed three years thereafter, and expenses of all proceedings for the authorization, issuance, and sale of the bonds.

30931. The district is hereby declared to be a local agency within the meaning of the Revenue Bond Law of 1941. The term "enterprise" as used in the Revenue Bond Law of 1941 shall for all purposes of this part include any or all improvements, works, property or facilities, authorized by this part or necessary or convenient for the carrying out of the powers of the district.

30932. Revenue bonds issued under the provisions of this Article 2 shall be subject to the priorities set forth in Section 30638. Revenue bonds shall have a priority as to the use of revenues superior to that of any bonds for improvement districts issued under Article 5 of this chapter. Revenue bonds having a priority as to the use of revenues superior to that of any bonds issued under Article 1 of this chapter may be issued if the proposition for the issuance of such revenue bonds with such priority shall have been submitted by the board by the same vote required under Article 1 and approved by the electors by the same vote required under Article 1.

Equipment Trust Certificates

30940. The district shall have power to purchase equipment such as cars, trolley buses and motorbuses, rolling equipment, and may execute agreements, leases and equipment trust certificates in the forms customarily used by private corporations engaged in the rapid transit business appropriate to effect such purchase and leasing of rolling equipment and may dispose of such equipment trust certificates upon such terms and conditions as the board may deem appropriate. All money required to be paid by the district under the provisions of such agreements, leases and equipment trust certificates shall be payable solely from the revenue or income to be derived from the transportation system and from grants or loans, or both, as provided in Sections 30701, 30702, and 30703 of this part. Payment for such equipment, or rentals therefor, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates payable solely from such revenue, income, grants, or loans, and title to such equipment shall not vest in the district until the equipment trust certificates are paid.

30941. The agreement to purchase or lease may direct the vendor or lessor to sell and assign or lease the rolling equipment to a bank or trust company duly authorized to transact business in the State of California as trustee, lessor or vendor for the benefit and security of the equipment trust certificates and may direct such trustee to deliver the rolling equipment to one or more

designated officers of the district and may authorize the district to simultaneously therewith execute and deliver an installment purchase agreement or a lease of the equipment to the district.

30942. The agreements and leases shall be duly acknowledged before some person authorized by law to take acknowledgments of deeds and in the form required for acknowledgment of deeds and such agreements, leases, and equipment trust certificates shall be authorized by resolution of the district and shall contain such covenants, conditions and provisions which may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from such revenue, income, grants or loans.

30943. The covenants, conditions and provisions of the agreements, leases, and equipment trust certificates shall not conflict with any of the provisions of any agreement securing the payment of bonds, notes or certificates of the district.

Temporary Borrowing

30950. Prior to the time moneys authorized by special taxes under Part 16 (commencing with Section 36000) of Division 2 of the Revenue and Taxation Code and already levied by the county are available or funds are allocated to the district under said part or other state or federal laws, the district may borrow money to provide funds for the purposes provided in Section 30636 of this code, and for the expenses of the calling, giving notice of, holding and conducting of any bond election under this part. The amount to be borrowed pursuant to this section shall be evidenced by notes bearing interest at a rate of not to exceed 6 percent per annum, payable annually or semiannually, maturing not more than two years from their date and subject to call and redemption at the option of the district at any time prior to their stated maturity dates on the terms and conditions specified by the board and stated in the notes. The amount to be borrowed pursuant to this section (including both the principal of and interest to maturity on the notes evidencing such borrowing) shall not exceed eighty-five percent (85%) of the special tax or said other moneys to be used to repay said notes and interest thereon and to be received by the district between the date of borrowing and the final maturity date of the notes, as estimated by the auditor at the time of the borrowing. The notes shall be payable only from special taxes authorized under Part 16 (commencing with Section 36000) of Division 2 of the Revenue and Taxation Code and already levied by the county, or from other moneys allocated under state laws other than this part, or federal laws. The form of the notes and the provisions of the resolution or resolutions of the board providing for their issuance and sale shall be governed by the applicable provisions of this article.

30951. The district 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 for the same purposes and may renew the same from time to time, but the maximum maturity of any such notes, including the renewals thereof, shall not exceed five years from the date of delivery of such original notes. Such notes shall be paid from any moneys of the district from which said bonds would be payable. If not so paid the notes shall be paid from the proceeds of the next sale of the bonds of the district in anticipation of which they were issued, and if said bonds are not issued, then taxes may be levied for their payment in the same manner as taxes are levied for said bonds. Such notes shall not be issued in an amount in excess of the aggregate amount of authorized bonds of the district remaining, less the amount

of bond anticipation notes outstanding. Such notes shall be in such form as the board of directors of the district may select and may include any applicable provisions of the bonds in anticipation of which they were issued. The notes may be sold as the board of directors of the district determines by resolution but not for less than par. Before selling the notes or any part thereof the board of directors shall give notice inviting sealed bids in such manner as it may prescribe. If satisfactory bids are received the notes offered for sale shall be awarded to the highest responsible bidder. If no bids are received or if the board of directors determines that the bids received are not satisfactory as to price or responsibility of the bidders, the board of directors may reject all bids received, if any, and re-advertise for sealed bids.

30952. (a) Notwithstanding any provision of Article 7.7 (commencing with Section 53859) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, the district may borrow money for the purchase of buses and rolling stock, or transportation facilities, or for capital improvement, by the issuance of grant anticipation notes issued pursuant to that article that are payable on the basis of any of the following: (1) From appropriated state funds. (2) From other funds committed, but not appropriated, and evidenced by an appropriate document of intent. (3) On specific dates or events and evidenced by an appropriate document of intent. (b) In addition to the grant money that may be pledged for the payment of the notes pursuant to Section 53859.06 of the Government Code, the district may pledge as security, on terms that it deems appropriate, the buses, rolling stock, or other transportation facilities acquired with the proceeds of the notes.

Improvement Districts

30960. Whenever the board deems it necessary for the district to incur a bonded indebtedness for the acquisition, construction, development, joint development, completion, operation, maintenance, or repair of any or all improvements, works, property, or facilities authorized by this part or necessary for, incidental to, or convenient for carrying out the powers of the district, or for any other purpose authorized by this part and to provide for the bonded indebtedness to be payable from taxes levied upon less than all of the district, it shall, by resolution adopted by a vote of two-thirds of all members of the board, so declare and state all of the following: (a) The purposes for which the proposed debt is to be incurred, which may include all costs and estimated costs incidental to, or connected with, the accomplishment of those purposes, including, without limitation, engineering, inspection, legal, fiscal agents, financial consultant, and other fees, bond and other reserve funds, working capital, bond interest estimated to accrue during the construction period and for a period not to exceed three years thereafter, and expenses of all proceedings for the authorization, issuance, and sale of the bonds. (b) The estimated cost of accomplishing those purposes and the amount of the principal of the indebtedness to be incurred. (c) That the board intends to form an improvement district or districts of a portion or portions of the district which, in the opinion of the board, will be benefited, the exterior boundaries of which portion or portions are set forth on a map on file with the secretary of the district, which map shall govern for all details as to the extent of the proposed improvement district or districts, and to call an election in the proposed improvement district or districts on a date to be fixed for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district for the improvement district or districts. (d) That taxes for the payment of the bonds and the interest thereon shall be levied exclusively upon the taxable

property in the appropriate improvement district. (e) The extent to which, if at all, all or a portion of the revenues of the district are to be used as provided in Section 30803 to pay the principal of, interest on, and sinking fund payments for the bonds, including the establishment and maintenance of any reserve fund therefor. (f) That a general description of the proposed improvement, together with a map showing the exterior boundaries of the proposed improvement district or districts with relation to the territory immediately contiguous thereto and to the proposed improvement, is on file with the secretary of the district and is available for inspection by any person or persons interested. (g) The time and place for a hearing by the board on the questions of the formation of the proposed improvement district or districts, the extent thereof, the proposed improvement, the estimated cost, and the amount of debt to be incurred. (h) That, at the time and place specified in the resolution, any person interested, including all persons owning property in the district or in the proposed improvement district or districts, will be heard.

30961. Notice of said hearing shall be given by publishing a copy of the resolution declaring the necessity pursuant to Section 6066 of the Government Code prior to the time fixed for the hearing in at least one newspaper published in the district.

30962. At the time and place so fixed, or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing, any person interested, including any person owning property within the district or within the proposed improvement district or districts, may appear and present any matters material to the questions set forth in the resolution declaring the necessity.

30963. The board may change the purposes for which the proposed debt is to be incurred, or the estimated cost, or the amount of bonded debt to be incurred, or the boundaries of the proposed improvement district or districts, or one or all of those matters. However, the board shall not change the boundaries so as to include any territory which will not, in its judgment, be benefited by the improvement.

30964. The purposes, estimated cost, amount of bonded debt, or boundaries shall not be changed by the board except after notice of its intention to do so, given by publication pursuant to Section 6061 of the Government Code in at least one newspaper published in the district. The notice shall state the changed purposes and the estimated cost and debt proposed and that the exterior boundaries as proposed to be changed are set forth on a map on file with the secretary of the district, which map shall govern for all details as to the extent of the proposed improvement district or districts, and specify the time and place for hearing on the change or changes, which time shall be at least 10 days after the publication of the notice.

30965. At the time and place so fixed, or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing, any person interested, including any person owning property within the district or the proposed improvement district or districts, may appear and present any matters material to the changes stated in the notice.

30966. At the conclusion of the hearing, the board shall, by resolution, determine whether it is deemed necessary to incur the bonded indebtedness, and, if so, the resolution shall also state the purposes for which the proposed debt is to be incurred, the estimated cost of accomplishing those purposes, the amount of the proposed debt, that the exterior boundaries of the portion or portions of the district which will be benefited are set forth on a map on file with the secretary of the district, which map shall govern for all details as to the extent of the improvement district or districts, and that each portion or portions of the district set forth on the map shall thereupon

constitute and be known as "Improvement District No. ____ of the Southern California Rapid Transit District," and the determinations made in the resolution shall be final and conclusive.

30967. After the formation of the improvement district or districts within the district pursuant to this article, all proceedings for the authorization and issuance of bonds of the district for the improvement district or districts shall be limited and shall apply only to the improvement district or districts; and taxes for the payment of those bonds and the interest thereon shall be levied exclusively upon the taxable property in the improvement district or districts; and the revenues of the district shall be used only to the extent set forth in the resolution declaring the necessity.

30968. After the board has made its determination of the matters required to be determined by resolution pursuant to Section 30966, and if the board deems it necessary to incur the bonded indebtedness, the board shall, by a further resolution, call a special election in the improvement district or districts for the purpose of submitting to the qualified voters thereof the proposition of incurring indebtedness by the issuance of bonds of the district for the improvement district or districts. The resolution shall state all of the following: (a) That the board deems it necessary to incur the bonded indebtedness. (b) The purposes for which the bonded indebtedness will be incurred. (c) The estimated cost of accomplishing those purposes. (d) The amount of the principal of the indebtedness to be incurred. (e) The improvement district or districts to be benefited by those indebtedness, as set forth in the resolution making determinations, and that a map showing the exterior boundaries of the improvement district or districts is on file with the secretary of the district, which map shall govern for all details as to the extent of the improvement district or districts. (f) That taxes for the payment of those bonds and the interest thereon shall be levied exclusively upon the taxable property in the improvement district or districts; and that revenues of the district shall be used only to the extent set forth in the resolution declaring the necessity. (g) The maximum term the bonds proposed to be issued shall run before maturity, which shall not exceed 50 years from the date thereof or the date of each series thereof. (h) The maximum rate of interest to be paid, which shall not exceed the maximum rate allowed by law. (i) The proposition to be submitted to the voters which may include one or more purposes. (j) The date of the election. (k) The manner of holding the election and the procedure for voting for and against the measure.

30969. Thereafter the provisions relating to the authorization and issuance of bonds, Sections 30901 to 30914, inclusive, shall apply.

30970. Any action or proceeding, wherein the validity of the formation of the improvement district or districts or of any bonds or of the proceedings in relation thereto is contested, questioned, or denied, shall be commenced within three months from the date of the election; otherwise, the bonds and all proceedings in relation thereto, including the formation of the improvement district or districts, is valid and in every respect legal and incontestable.

Miscellaneous

30980. The district 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.

30981. Notwithstanding any other provisions of this part or any other law, the provisions of all ordinances, resolutions and other proceedings in the issuance by the district of any bonds, bonds

with a pledge of revenues, bonds for improvement districts, revenue bonds, equipment trust certificates, notes, or any and all evidences of indebtedness or liability shall constitute a contract between the district and the holders of such bonds, equipment trust certificates, notes or evidences of indebtedness or liability and the provisions thereof shall be enforceable against the district, any or all of its successors or assigns, the state, any department of the state, or any officer thereof, by mandamus or any other appropriate suit, action or proceeding in law or in equity in any court of competent jurisdiction. Nothing contained in this part or in any other law shall be held to relieve the district or the territory included within it from any bonded or other debt or liability contracted by the district. Upon dissolution of the district or upon withdrawal of territory therefrom, the property formerly included within the district or withdrawn therefrom shall continue to be liable for the payment of all bonded and other indebtedness or liabilities outstanding at the time of such dissolution or withdrawal the same as if the district had not been so dissolved or the territory withdrawn therefrom, and it shall be the duty of the state or other successors or assigns to provide for the payment of such bonded and other indebtedness and liabilities. 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 district shall be pledged, charged, assigned and have a lien thereon for the payment of such bonds as long as the same are outstanding, regardless of any change in ownership, operation or control of such revenue-producing improvements, works, facilities or property and it shall, in such later event or events, be the duty of the state or other successors or assigns to continue to maintain and operate such revenue-producing improvements, works, facilities or property as long as bonds are outstanding.

30982. All bonds and other evidences of indebtedness issued by the district under the provisions of this part, and the interest thereon, are free and exempt from all taxation within the State of California, except for transfer, franchise, inheritance and estate taxes.

Provisions Relating to the Los Angeles Metropolitan Transit Authority

31000. On the date (which is hereinafter referred to as "merger date") of the second regular meeting of the board held pursuant to Section 30251 that follows the meeting referred to in Section 30227 the Los Angeles Metropolitan Transit Authority (herein sometimes referred to as "authority") shall be merged into the district. Such merger shall be effective upon the recording with the Recorder of the County of Los Angeles of the certificate provided for in Section 31001.

Upon such merger the separate existence of the authority ceases, and the district shall succeed, ipso facto and by operation of law and without other transfer, to all the rights and property of the authority, and shall be subject to all the legally enforceable debts and liabilities of the authority, in the same manner as if the district had itself incurred them.

All rights of creditors and all liens upon the property of the authority shall be preserved unimpaired, limited in lien to the property affected by such liens immediately prior to the time of the merger.

Any action or proceeding pending by or against the authority may be prosecuted to judgment, which shall bind the district, or the district may be proceeded against or substituted in its place.

For the protection of the holders of the outstanding, unmatured bonds and other evidences of indebtedness of the authority the district shall have power to take all actions and do all things necessary or required for the protection of such holders and for compliance with the terms of such bonds and other evidences of indebtedness; and the district shall have power to continue all services which the authority is furnishing on the merger date whether such buslines and services are partly or wholly within or without the district, or within or without the County of Los Angeles.

31001. Upon the merger date, the secretary of the district shall record in the office of the Recorder of the County of Los Angeles a certificate setting forth the date upon which the Southern California Rapid Transit Law became effective and stating that the district was created by such law and that by virtue of Section 31000 thereof the district succeeded on the merger date, without other transfer, to all the rights and property of the authority subject to all the legally enforceable debts and liabilities of the authority.

31002. A copy of the certificate provided for in Section 31001 certified by the Recorder of the County of Los Angeles is, except as against the State, conclusive evidence of the transfer to the district of all the rights and property of the authority subject to all the legally enforceable debts and liabilities of the authority, all as provided in Section 31000 of this part.

31003. On said merger date, all employees of the authority shall become employees of the district with all the same rights, privileges and compensation they had as employees of the authority.

31004. It is the intent of this part that the board of directors of the district shall have a free choice as to officers of the district mentioned in Section 30300 who are not members of the board of directors. At the merger date such officers shall be appointed on a permanent or pro tem basis, in the discretion of the board. Prior to that time, however, the following shall serve as ex officio officers of the district:

Secretary --the Clerk of the Board of Supervisors of the County of Los Angeles.

General Manager --the Chief Administrative Officer of the County of Los Angeles.

General Counsel --the County Counsel of the County of Los Angeles.

Treasurer --the Treasurer of the County of Los Angeles.

Auditor --the Auditor of the County of Los Angeles.

The Board of Supervisors of the County of Los Angeles is authorized and directed to make available to the district its hearing room and other space, personnel and facilities so that the district can be organized and the transfer of operations be completed in an orderly businesslike manner.

31005. Whenever the board deems it necessary, it may issue bonds to refund all outstanding, unmatured bonds of the authority which are subject to call and redemption prior to maturity. The amount of such bonds shall include the principal and, if necessary, the interest of the bonds to be refunded, the premiums payable upon call and redemption thereof and all expenses of the trustee for the refunding, the calling of said bonds for redemption and any other incidental expenses.

The refunding bonds shall be authorized and issued in the manner provided for herein as a separate issue or as a part of another issue for any purpose authorized in this part.

Annexation and Exclusion

31400. The governing body of any city, which is not within the district, may apply to the board of directors of the district for consent to annex the corporate area of such city to the district. The board of supervisors of the County of Los Angeles and any other county may apply to the board of directors of the district for consent to annex any unincorporated county territory to the district.

31401. The board of directors may grant or deny such application and in granting the same may fix the terms and conditions upon which the corporate area of city or unincorporated county territory may be annexed to and become a part of the district. Such terms and conditions may provide, among other things, without limitation, (a) for the levy by the district of special taxes upon taxable property within such city or such unincorporated county territory in addition to the taxes elsewhere in this part authorized to be levied by the district, and in case such terms and conditions shall provide for the levy of such special taxes, the board of directors in fixing such terms and conditions shall specify the aggregate amount to be so raised and the number of years prescribed for raising such aggregate sum, and that substantially equal annual levies will be made for the purpose of raising such sum over the period so prescribed, and (b) representation of the city or unincorporated county territory, as the case may be, on the board or in an advisory capacity to the board; provided, however, that the membership of the board and the appointment thereof shall not be changed unless the terms and conditions are approved by a unanimous vote of all members of the board.

31402. The action of the board of directors evidenced by resolution shall be promptly transmitted to the governing body of such applying city or board of supervisors, and if such action shall grant consent to such annexation, such governing body or board of supervisors may thereupon submit to the qualified electors of such city or the unincorporated county territory, at any general or special election held therein, the proposition of such annexation subject to the terms and conditions fixed as herein provided. Notice of such election shall be given by posting at least 10 days and in three public places in the unincorporated county territory and by publication once at least 10 days before the date fixed for the election in a newspaper of general circulation published in the county or in the city.

31403. The notice shall contain the substance of the terms and conditions fixed by the board of directors, as provided in Section 31401. Such election shall be conducted and the returns thereof canvassed in the manner provided by law for elections in such city or county as the case may be. If the proposition shall receive the affirmative vote of a majority of electors voting thereon at such election, the governing body of such city or the board of supervisors of the county shall certify the result of such election on the proposition to the board of directors of the district, together with a legal description of the boundaries of the corporate area of such city as of the date of the election, or the boundaries of such unincorporated county territory, accompanied by a map or plan indicating such boundaries.

31404. A certificate of proceedings shall be made by the secretary of the district and filed with the Secretary of State. Upon the filing thereof in the office of the Secretary of State, the corporate area of such city as of the date of the election or such unincorporated county territory

shall become, and be, an integral part of the district, and the taxable property therein shall be subject to taxation thereafter for all purposes of the district, including, without limitation, the payment of bonds and other obligations of the district at the time authorized or outstanding, and the board of directors of the district shall be empowered to do all things necessary to enforce and make effective the terms and conditions of annexation fixed as hereinabove authorized.

31405. Upon the filing in his or her office of the certificate of proceedings, the Secretary of State shall, within 10 days, issue a certificate, reciting the filing of those papers in his or her office and the annexation of the corporate area of the city as of the date of the election or the unincorporated county territory to the district. The Secretary of State shall transmit the original of the certificate to the secretary of the district and shall forward a certified copy thereof to the county elections official of each county in which the district or any portion thereof is situated.

31407. If territory is annexed to a city or consolidated with a city, the corporate area of which has been included in the district, or, if a new city is incorporated, a portion of which is within the district, such annexed, consolidated, or incorporated territory as is not already within the district shall simultaneously with its annexation to the city or consolidation with a city or its incorporation as a city be annexed to the district, and shall become and be, an integral part of the district and the taxable property therein shall be subject to taxation thereafter for all purposes of the district, including, without limitation, the payment of bonds and other obligations of the district at the time authorized and outstanding, and the board of directors of the district shall be empowered to do all things necessary to enforce and make effective this section.

31408. If the applicable provisions of law governing such annexation to, or consolidation with, such municipality or such incorporation shall require any notice of any election called for the purpose of determining whether such proposed annexation, consolidation or incorporation shall occur, or shall require any notice of hearing or other notice to be given to the residents or electors of, or owners of property in, such territory, such notice shall contain a statement that the territory shall be annexed to the district, and shall become and be an integral part of the district and the taxable property therein shall be subject to taxation thereafter for all purposes of the district, including, without limitation, the payment of bonds and other obligations of the district at the time authorized and outstanding. The governing body of such city or other officer thereof having the duty of certifying the proceedings resulting in such annexation to, or consolidation with, such city, or such incorporation of, pursuant to the provisions of law applicable thereto, shall include in such certification a record of the proceedings by which such territory has been annexed to the district in accordance with the provisions of this article, and shall file a duplicate of such certificate with the board of directors of the district.

31409. The validity of any proceedings resulting in the annexation of territory to the district shall not be contested in any action unless such action shall have been brought within three months after the completion of such annexation.

31410. If any portion of the corporate area of any city whose corporate area is a part of the district, shall be excluded from such city in accordance with the provisions of law applicable to such exclusions, and, if such area is not within the boundaries of the district as defined in Chapter 2 (commencing with Section 30100) of this part, or, if in another county is not surrounded by territory which is a part of the district, then such excluded area shall thereby be excluded from and shall no longer be a part of the district, but the taxable property within such excluded area shall continue taxable pursuant to Section 30981.

31411. Any city whose corporate area is a part of the district and any county with regard to any unincorporated territory which is a part of the district, may apply to the board of directors of the district for consent to exclude the area from the district. The board of directors may grant or deny the application and in granting the same may fix the terms and conditions upon which a corporate area of the city or the unincorporated county territory may be excluded from the district. The terms and conditions shall include, without limitation, exclusion of the city or unincorporated county territory, as the case may be, from representation on the board or in an advisory capacity to the board. The action of the board of directors evidenced by resolution shall be promptly transmitted to the governing body of the applying city or board of supervisors and if the action shall grant consent to the exclusion the governing body of the city or the board or supervisors of the county, as the case may be, may submit to the electors of the city or the unincorporated county territory at any general or special election the proposition of excluding from the district the corporate area of the city or the unincorporated county territory. Notice of the election shall be given in the manner provided in Section 31402. The election shall be conducted and the returns thereof canvassed in the manner provided by law for the conduct of elections in the city or county. In the event that the majority of the electors voting thereon vote in the favor of the withdrawal, the result thereof shall be certified by the governing body of the city or the board of supervisors of the county to the board of directors of the district. A certificate of the proceedings hereunder shall be made by the secretary of the district and filed with the Secretary of State, and upon the filing of the certificate the corporate area of the city or the unincorporated county territory shall be excluded from the district, and shall no longer be a part thereof; provided, however, that the property within the city as the city shall exist at the time of the exclusion, or within the unincorporated county territory shall continue taxable pursuant to Section 30981. Upon the filing in his or her office of the certificate of proceedings the Secretary of State shall, within 10 days, issue a certificate, reciting the filing of the papers in his or her office and the exclusion of the corporate area of the city or the unincorporated county territory from the district. The Secretary of State shall transmit the original of his or her certificate to the secretary of the district and shall forward a certified copy thereof to the county elections official of each county in which the district or any portion thereof is situated.

31412. Whenever any change is made in the boundaries of this district by the annexation or exclusion of any city or any unincorporated county territory pursuant to this chapter, the district shall comply with the provisions of Sections 54900, 54901, and 54902 of the Government Code.

31413. No consent to annexation or exclusion shall be made by the board of directors of the district pursuant to this chapter, and no annexation or exclusion shall be made pursuant to this part or pursuant to any other law, which is in violation of all or any part of any ordinance, resolution or other proceeding taken by the district in the issuance of bonds, certificates, notes or any and all other evidences of indebtedness or liability of the district.

Severability

31520. If any section, subsection, sentence, clause, or phrase of this part, or the application thereof to any person or circumstance, is for any reason held invalid, the validity of the remainder of this part, or the application of such provision to other persons or circumstances, shall not be affected thereby. The Legislature hereby declares that it would have passed this part, and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that

one or more sections, subsections, sentences, clauses or phrases, or the application thereof to any person or circumstance, be held invalid.

Preferential Facilities for High Occupancy Vehicles

32000. In cooperation with the Department of Transportation and the cities, counties, and local and regional transportation entities in the district's service area, the district, after public hearings, shall prepare, and submit to the Legislature by March 31, 1974, a comprehensive plan for the development and operation of preferential facilities for high-occupancy vehicles in its service area.

As used in this section, "preferential facilities" shall include, but not be limited to, freeway lanes, freeway ramps, street lanes, transit terminals, and parking facilities.

Benefit Assessment Districts

33000. The Legislature finds and declares that:

(a) It is necessary and in the best interest of the citizens of the state to authorize the Southern California Rapid Transit District to levy special benefit assessments for needed public rail rapid transit facilities and services on the property which benefits from those facilities and services.

(b) The rail rapid transit facilities and services provide special benefits to parcels of land, and improvements thereon, in the vicinity of rail rapid transit stations, and provide general benefits to the community at large. The Board of Directors of the Southern California Rapid Transit District shall be the conclusive judge of the proportion of special and general benefits produced by the facilities and of the distribution of the special benefits among parcels of property within the benefit assessment district.

33001. (a) Whenever the board finds that property adjacent to, or in the vicinity of, one or more rail transit stations, or proposed rail transit stations, of the district receives or will receive special benefit by reason of the location or operation of one or more of those rail transit stations, the board may, by resolution adopted by a two-thirds vote of its members, provide for notice and hearing on its intention to establish one or more special benefit districts and to levy a special benefit assessment on real property therein for the purpose of financing, in whole or in part, the acquisition, construction, development, joint development, operation, maintenance, or repair of one or more rail transit stations and rail transit related facilities located within the benefit district.

(b) For purposes of this chapter, "benefit district" means a special benefit assessment district established pursuant to this chapter, the area of which shall not lie more than one mile from the center point of any rail transit station or proposed rail transit station within the central business district of the City of Los Angeles and shall not lie more than one-half mile from the center point of any rail transit station or proposed rail transit station at any other location. "Central business district of the City of Los Angeles" means that area within the City of Los Angeles lying east of the Harbor Freeway (State Highway Route 11).

(c) The resolution may provide that the proposed benefit district will contain separate zones, which may consist of either contiguous or noncontiguous areas of land within the district. The proposed benefit district and each proposed zone, if any, therein shall be an area adjacent to, or

in the vicinity of, one or more rail transit stations or proposed rail transit stations. The boundaries of the benefit district and of each zone, if any, therein shall be drawn so as to reflect, as accurately as possible, the areas in which special benefits are conferred by reason of the proximity and operation of one or more rail transit stations.

(d) The notice stating the time and place of the hearing, and setting forth the boundaries and purpose of the proposed benefit district, shall be published prior to the time fixed for the hearing pursuant to Section 6066 of the Government Code.

(e) Notice shall also be mailed at least 30 days prior to the hearing to all owners of real property within the boundaries of the proposed benefit district whose names and addresses appear on the last equalized assessment roll or are otherwise known to the Board of Supervisors of the County of Los Angeles or to the district.

(f) For purposes of this chapter, "transit related facilities" means land, buildings and equipment or any interest therein, whether or not the operation thereof produces revenue, which has, as its primary purpose, the operation of the rail transit system or the providing of services to the passengers of the rail transit system, but does not mean any land, buildings, or equipment, or interest therein, which is used primarily for the production of revenue not arising from the operation of the rail transit system.

33001.5. (a) At the time and place fixed for the hearing on the establishment of the benefit district, or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing, interested persons may appear and present matters material to the proposed board action. At the conclusion of the hearing, the board shall, by a resolution adopted by a two-thirds vote of its members, determine whether to proceed with the proposed action.

The resolution shall state, as appropriate, the maximum and minimum rate of assessment, the amount of the special benefit assessment and the purposes for which it is to be levied, the estimated cost of accomplishing the purposes, and the dates or approximate intervals at which the assessment shall be levied. The resolution shall also state that the exterior boundaries of the benefit district are set forth on a map on file with the secretary of the district, which map shall govern for all purposes as to the extent of the benefit district and zones, if any, therein and that the area set forth on the map shall thereupon constitute and be known as "Benefit District No. ___ of the Southern California Rapid Transit District," or as "Benefit Zone ___ of the Benefit District No. ___ of the Southern California Rapid Transit District," as designated by the board.

(b) The resolution shall be submitted to the governing body. The governing body shall, after a public hearing conducted by the governing body and prior to the creation of the benefit district, approve, or amend and approve, as amended, or disapprove the geographic boundaries of the benefit district and the method of assessment. The resolution of approval or disapproval from the governing body shall be returned to the board.

(c) The board shall, by a two-thirds vote of its members, determine whether to create the benefit district as approved by the governing body. If the board decides to proceed with creating the benefit district as approved by the governing body, the board may, in addition to any amendments made by the governing body, reduce the size of the benefit district, but in so doing shall not include any territory not included in the benefit district approved by the governing body nor change the approved method of assessment. The determination by the board is final and conclusive.

(d) For purposes of this section, "governing body" means the city council of a city in which the proposed benefit district is located or, if the benefit district is located in unincorporated territory, the board of supervisors of the county in which the proposed benefit district is located.

(e) The board may provide in the resolution, or in a later resolution adopted by a two-thirds vote of the members of the board, for changes in the assessment to particular real property within the benefit district or any zone therein arising out of changes in the parcel area or floor area of that real property.

33002. (a) In determining the amount of a special benefit assessment, the board may measure the benefit to real property in the benefit district or zones therein by the parcel area of unimproved real property and by the parcel area and the floor area of real property and improvements thereto of improved real property, as deemed appropriate by a resolution adopted by a two-thirds vote of the members of the board.

(b) The special benefit assessment constitutes a charge imposed on particular real property for a district project of direct benefit to that property, and does not constitute ad valorem taxes or any other form of general tax levy applying a given rate to the assessed valuation of all taxable property within the district.

(c) The district shall possess all powers necessary for, incidental to, or convenient for the collection, enforcement, administration, or distribution of the special benefit assessment in accordance with California law.

(d) The revenue from a special benefit assessment, which is imposed pursuant to this chapter, or from bonds secured by such a special benefit assessment, for the purpose of financing a rail transit station or rail transit related facility located within the benefit district, shall be used only for financing of the facility for which it was levied, and that revenue shall not be used for any other purpose or the payment of any other expense of the district, including, but not limited to, transit, transportation, or operating expense.

Benefit Assessment Districts – Right to Hold Elections

33002.1. The board may order benefit assessment without an election, except as otherwise provided in Section 33002.2.

33002.2. An election shall be held if the board finds that a petition requesting that the proposal be submitted to confirmation by the voters has been signed by the owners of at least 25 percent of the assessed value of real property within the benefit district.

33002.3. (a) For purposes of this chapter, "voter" means an owner of real property which is assessed or proposed to be assessed under this chapter and which is within the boundaries of the benefit district.

(b) In any election conducted under this chapter, each voter in the benefit district may cast one vote for each one thousand dollars (\$1,000), or fraction thereof, worth of land or improvements owned by the voter in the benefit district as is shown on the most recent equalized assessment roll.

33002.4. (a) Where land in the benefit district is owned in joint tenancy, tenancy in common, or any other multiple ownership, the owners of that land shall designate in writing which one of the owners shall be deemed the owner of that land for purposes of qualifying as a voter.

(b) The legal representative of a corporation or an estate owning real property in the benefit district may act on behalf of the corporation or the estate.

(c) (1) For purposes of this chapter, "legal representative" means an official of a corporation owning real property in the benefit district.

(2) For purposes of this chapter, "legal representative" also means a guardian, conservator, executor, or administrator of the estate of the holder of title to real property in the benefit district who is all of the following:

(A) The person is appointed under the laws of this state.

(B) The person is entitled to the possession of the estate's real property.

(C) The person is authorized by the appointing court to exercise the particular right, privilege, or immunity which he or she seeks to exercise.

(d) Before a legal representative acts as a voter at a district election, the legal representative shall present to the precinct board a certified copy of his or her authority which shall be kept and filed with the returns of the election.

33002.5. The petition for confirmation by the voters shall be filed with the board within 30 days after the conclusion of the public hearing required by Sections 33001 and 33001.5. If a petition meeting the requirements of Section 33002.2 is filed, the board shall adopt a resolution approving the proposal to form a benefit district subject to confirmation by the voters of the benefit district.

33002.6. After the board has adopted a resolution approving the proposal to form a benefit district under Section 33002.5, but before the board may levy any assessment, the board shall call an election in the benefit district for the purpose of submitting to the voters the proposition of levying the assessment by the benefit district. The resolution calling the election shall state each of the items required to be contained in the resolution adopted pursuant to Section 33001.5.

33002.7. The board shall submit the proposition of levying an assessment to the voters of the benefit district in a special election to be held within 90 days following the adoption of the resolution calling an election. The provisions of the Elections Code relating to the manner of voting, the duties of election officers, the canvassing of returns, and all other particulars in respect to the management of elections, insofar as they may be applicable, shall govern all elections conducted pursuant to this chapter.

Ballots for the special election may be distributed to voters by mail with return postage prepaid, and shall be received by the district either by mail or hand delivery at the address shown on the postage prepaid envelope no later than 5:00 p.m. on the special election day.

The district shall pay to the county the reasonable expenses that the county incurs in conducting an election under this chapter, and the district may expend funds collected from the benefit assessment approved pursuant to the election for this purpose.

33002.8. If a majority of the votes cast at the election conducted under this chapter approve the proposition, the board may levy the assessment pursuant to the resolution adopted pursuant to Section 33002.

33002.9. (a) Any owner or owners of real property, which is, in whole or in part, within the benefit district, or their legal representatives, may jointly or severally file with the board a petition requesting that the real property owned by them or for which they are the legal representative be excluded from the benefit district on the ground that the real property sought to be excluded is not benefited or that the assessment be reduced on the ground that the assessment exceeds the benefit to that real property.

(b) The real property sought to be excluded or upon which the assessment is sought to be reduced shall be described by its legal description and shall be accompanied by a map depicting its location in relation to the benefit district.

(c) The petition shall contain a statement of facts in support of the petition and shall be acknowledged by the owner or the legal representative filing the petition.

33002.10. Notice of each hearing upon the petition for exclusion or reduction shall be given in accordance with subdivisions (d) and (e) of Section 33001.

33002.11. At the time and place provided in the notice or at any time and place to which the hearing is adjourned, the board or its appointed hearing officer shall hear all the following:

(a) The petition for exclusion or reduction.

(b) All evidence or proofs that may be introduced by or on behalf of the petitioners.

(c) All objections to the petition that may be presented in writing by any person, including the district.

(d) All evidence or proofs that may be introduced in support of objections to the petition.

33002.12. The expenses of giving the notice provided for herein and of the hearing on the exclusion or reduction petition shall be paid by the persons filing the petition.

33002.13. Upon the hearing on an exclusion or reduction petition by the board, or upon the record of hearing by a hearing officer, the board shall order the petition be denied when the petitioner has not shown by a preponderance of the evidence that in an exclusion petition his or her real property is not benefited or in a reduction petition that the assessment exceeds the benefit to the property.

33002.14. The board, after the hearing on an exclusion or reduction petition, shall order one of the following by resolution:

(a) In the case of an exclusion petition, order the exclusion of all or any part of the real property described in the petition upon its finding that the property will not be benefited by the operations of the district in the vicinity of the benefit district.

(b) In the case of a reduction petition, order a change in the benefit assessment to all or any portion of the real property described in the petition to provide that it not exceed the amount of benefit derived by the operations of the district in the vicinity of the benefit district.

(c) Confirm the assessment on the real property subject to the petition as correctly reflecting the amount of benefit to the real property.

33003. (a) Following formation of the benefit district or concurrently therewith, if the board deems it necessary to incur a bonded indebtedness for the acquisition, construction, development, joint development, completion, operation, maintenance, or repair of one or more rail transit stations and related rail transit facilities located within the benefit district, the board may provide, by resolution, that the bonded indebtedness shall be payable from special benefit assessments levied within the benefit district. The resolution shall be adopted by a two-thirds vote of the members of the board, and shall declare and state all of the following:

(1) That the board intends to incur an indebtedness, by the issuance of bonds of the district, for the benefit district which the board has formed, or intends to form, within a portion of the district.

(2) The purposes for which the proposed debt is to be incurred, which may include all costs and estimated costs necessary or convenient for, incidental to, or connected with the accomplishment of the purposes, including, without limitation, engineering, inspection, legal, fiscal agent, financial consultant, bond and other reserve funds, working capital, bond interest estimated to accrue during the construction period, if any, and for a period not exceeding three years thereafter, and the expenses of all proceedings for the authorization, issuance, and sale of the bonds.

(3) The estimated cost of accomplishing the purposes and the amount of the principal of the indebtedness to be incurred. (4) That a general description of the benefit district and of each zone, if any, therein and maps showing the exterior boundaries thereof are on file with the secretary of the district and available for inspection by any interested person.

(5) That special benefit assessments for the payment of the bonds, and the interest thereon, have been or shall be levied in the benefit district or zones therein by the parcel area of unimproved real property and by the parcel area and the floor area of real property and improvements thereto of improved real property, as deemed appropriate by a resolution adopted by a two-thirds vote of the members of the board, at rates which are sufficient in the aggregate, together with revenues already collected and available therefor, to pay the principal of, and interest on, all bonds of the district issued for the benefit district.

(6) The extent to which, if at all, all or a portion of the revenues of the district are to be used to pay the principal of, interest on, and sinking fund payments for, the bonds, including the establishment and maintenance of any reserve fund therefor.

(7) The time and place set for hearing on the proposed issuance of the bonds.

(8) That at the same time as the Board of Supervisors of the County of Los Angeles is required by law to fix the general tax levy and in the manner provided for the general tax levy, the district board shall levy and collect special benefit assessments in the benefit district or zones therein by the parcel area of unimproved real property and by the parcel area and the floor area of real property and improvements thereto of improved real property, as deemed appropriate by the district board, at rates which are sufficient in the aggregate, together with revenues already collected and available therefor, to pay the interest on the bonds as it becomes due, and the part of the principal of the bonds, including sinking fund installments required by any of the district's agreements with bondholders, as will become due before proceeds of a special benefit assessment, levied at the time of the next general tax levy, will be available for those purposes;

and to provide or to restore the bond reserve fund to the amount required by any of the district's agreements with bondholders.

(9) The maximum term the proposed bonds shall run before maturity, which shall not exceed 40 years from the date of the bonds or any series thereof.

(10) The maximum rate or rates of interest to be paid, which shall not exceed 12 percent per annum.

(11) That the pledge of special benefit assessment revenues to the bonds authorized by this section has priority over the use of any of those revenues for pay-as-you-go financing, except to the extent that this priority is expressly restricted by any of the district's agreements with bondholders.

(b) The notice stating the time and place of the hearing on the proposed issuance of bonds shall be published prior to the time fixed for the hearing pursuant to Section 6066 of the Government Code.

(c) Notice shall also be mailed at least 30 days prior to the hearing to all owners of real property within the boundaries of the benefit district whose names and addresses appear on the last equalized assessment roll or are otherwise known to the Board of Supervisors of the County of Los Angeles or to the district.

33004. At the time and place fixed for the hearing on the issuance of bonds payable from special benefit assessments levied under this chapter, or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. Interested persons may appear at the hearing and present matters material to the questions set forth in the resolution. At the conclusion of the hearing on the proposed issuance of bonds, the board shall, by resolution adopted by a two-thirds vote of the members, determine whether to incur the bonded indebtedness.

The resolution shall state the amount of the proposed debt, the purposes for which it is to be incurred, and the estimated cost of accomplishing the purposes. The determinations made in the resolution are final and conclusive.

33005. Special benefit assessments for the payment of the principal of, and interest on, bonds issued for a benefit district shall be levied in the benefit district at rates which are sufficient in the aggregate, together with revenues already collected and available therefor, to pay the principal of, and interest on, all bonds of the district issued for the benefit district. Other revenues of the district shall be used for the payment of the principal of, and interest on, the bonds only to the extent set forth in any agreement of the district for the benefit of bondholders.

Special benefit assessments in the benefit district and zones, if any, therein shall be calculated to reflect, as accurately as possible, the benefit received by the property assessed in the benefit district or zones, if any, therein as a result of the project to be financed thereby.

33006. The bonds issued pursuant to this chapter shall bear interest at a rate or rates not exceeding 12 percent per annum, payable semiannually, except that the first interest payable on the bonds or any series thereof may be for any period not to exceed one year as determined by the board.

In the resolution or resolutions providing for the issuance of bonds, the board may also provide for call and redemption of the bonds prior to maturity at times and prices and upon any other terms that it may specify. However, no bond is subject to call or redemption prior to maturity unless the bond contains a recital to that effect. The denomination or denominations of bonds shall be stated in the resolution providing for their issuance, but shall not be less than five thousand dollars (\$5,000). The principal of, and interest on, the bonds shall be payable in lawful money of the United States at the office of the treasurer of the district or at any other place or places that may be designated by the board, or at either place or places at the option of the holders of the bonds. The bonds shall be dated, numbered consecutively, signed by the president and treasurer, and countersigned by the secretary and shall have the official seal of the district attached. The interest coupons of the bonds shall be signed by the treasurer. The seal and all signatures and countersignatures may be printed, lithographed, or mechanically reproduced, except that one signature or countersignature shall be manually affixed.

If an officer, whose signature or countersignature appears on the bonds or coupons, leaves office for any reason prior to the delivery of the bonds, the officer's signature is as effective as if the officer had remained in office.

33007. The bonds issued pursuant to this chapter may be sold as the board determines by resolution. The board may sell the bonds at a price below par.

If the board determines by resolution that the bonds shall be sold by competitive bid, the board, before selling the bonds, or any part thereof, shall give notice inviting sealed bids in the manner that it prescribes. If satisfactory bids are received, the bonds offered shall be awarded to the highest responsible bidder. If no bids are received, or if the board determines that the bids received are not satisfactory as to price or responsibility of the bidders, the board may reject all bids received, if any, and either readvertise or sell the bonds at private sale or by negotiation, or by other lawful means.

If the board determines by resolution that the bonds shall not be sold by competitive bid, the board may sell the bonds at public or private sale, by negotiation, or by other lawful means.

33008. Delivery of any bonds issued under this chapter may be made at any place either inside or outside the state, and the purchase price may be received in cash or bank credits.

33009. All accrued interest and premiums received on the sale of bonds issued by the district pursuant to this chapter shall be placed in the fund to be used for the payment of principal of, and interest on, those bonds. The remainder of the proceeds received on the sale of the bonds shall be placed in the treasury to secure those bonds or for the purposes for which the debt was incurred.

When the purposes for which the debt was incurred have been accomplished, any money remaining shall be either (a) transferred to the fund to be used for the payment of principal of, and interest on, the bonds or (b) placed in a fund to be used for the purchase of those outstanding bonds of the district, from time to time, in the open market at the prices and in the manner, either at public or private sale or otherwise, that the board determines. Bonds so purchased shall be canceled immediately.

33010. The board may provide for the issuance, sale, or exchange of refunding bonds to redeem or retire any bonds issued by the district under this chapter upon the terms, at the times, and in the manner that it determines. Refunding bonds may be issued in a principal amount sufficient

to pay all, or any part, of the principal of the outstanding bonds issued under this chapter, the interest thereon, and the premiums, if any, due upon call and redemption thereof prior to maturity and all expenses of the refunding.

The provisions of this chapter, for the issuance and sale of bonds apply to the issuance and sale of refunding bonds, except that, when refunding bonds are to be exchanged for outstanding bonds, the method of exchange shall be as determined by the board.

33011. Any bonds issued under this chapter are legal investment for all trust funds; for the funds of insurance companies, commercial and savings banks, and trust companies; for state school funds; and, whenever any money or funds may, by any law now or hereafter enacted, be invested in bonds of cities, counties, school districts, or other districts within this state, the money or funds may be invested in the bonds issued under this chapter.

Whenever bonds of cities, counties, school districts, or other districts within this state may, by any law now or hereafter enacted, be used as security for the performance of any act or the deposit of any public money, bonds issued under this chapter may be so used.

The provisions of this chapter are in addition to all other laws relating to legal investments and are controlling as the latest expression of the Legislature with respect thereto.

33012. The board may change the purposes for which any proposed debt is to be incurred, the estimated cost, the amount of bonded debt to be incurred, or the boundaries of the benefit district or zones, if any, therein or one or all of those matters, except that the board shall not change the boundaries to include any territory which will not, in its judgment, be benefited by the district action. For all purposes of this chapter, it is conclusively presumed that any right-of-way of a common carrier will not be benefited by the district action.

33013. (a) The board shall not change the purposes, the estimated cost, the boundaries of the benefit district or zones, if any, therein, or the amount of bonded debt to be incurred until after it gives notice of its intention to do so, stating each proposed change in the purpose and stating, if applicable, that the exterior boundaries proposed to be changed are set forth on a map on file with the secretary of the district. The notice shall also specify the time and place set for hearing.

(b) The notice shall be published prior to the time set for the hearing pursuant to Section 6066 of the Government Code.

(c) The notice shall also be mailed at least 30 days prior to the hearing to all owners of real property affected by the proposed change whose names and addresses appear on the last equalized assessment roll or are otherwise known to the Board of Supervisors of the County of Los Angeles or to the district.

33014. At the time and place fixed for a hearing on changes, or at any time and place to which the hearing is adjourned, the board shall proceed with the hearing. At the hearing, interested persons may appear and present matters material to the changes set forth in the notice.

At the conclusion of the hearing, the board shall, by resolution, determine whether to make any or all of the changes set forth in the notice. The determinations made in the resolution are conclusive and final.

33015. All decisions and determinations of the board, upon notice and hearing, are final and conclusive upon all persons entitled to appeal to the board as to all errors, informalities, and

irregularities which the board might have avoided or remedied during the progress of the proceedings or which it can, at that time, remedy.

Any objection, appeal, or protest not made at the time of any hearing is deemed to be waived voluntarily by any person who might have made the appeal, protest, or objection, and the person is deemed to have consented to the action taken following the hearing and any other matter on which objection, protest, or appeal could have been made.

33016. Any action or proceeding, other than a petition for election pursuant to Section 33002.2, which contests, questions, or denies the validity or legality of the formation of any benefit district or zone, the issuance of any bonds therefor pursuant to this chapter, or any proceedings relating thereto, shall be commenced within six months from the date of the formation; otherwise, the formation of the benefit district or zone, the issuance of the bonds, and all proceedings relating thereto shall be held to be in every respect valid, legal, and incontestable.

33017. When the board has imposed a special benefit assessment, the secretary shall so certify to the assessor of the county in which the territory of any benefit district is located and deliver to the assessor copies of all maps and diagrams of the benefit district and zones, if any, therein, indicating the amount of the special benefit assessment to be levied within the benefit district and zones, if any, therein.

Special benefit assessments authorized by this chapter shall be levied and collected by the county at the same time and in the same manner as taxes are levied and collected. The county may deduct its reasonable expenses of collection and shall transmit the balance of the assessments to the district.

33019. In the event of conflict with any other law, the provisions of this chapter shall prevail with respect to benefit districts within the district.

33020. Notwithstanding any other provision of this chapter, the district shall not pledge any portion of its general fund revenues to pay any part of any bonded indebtedness incurred under this chapter unless required by provisions of the California Constitution.

33021. Notwithstanding Section 5097 of the Revenue and Taxation Code, any petition or claim for refund seeking an exclusion of real property or the reduction of an assessment on any grounds for the 2004-05 fiscal year or in any subsequent fiscal year pursuant to this chapter shall be filed within two years after the making of the payment sought to be refunded.

County Transportation Commissions (LACTC) Law

State of California Public Utilities Code Section 130000 et al

County Transportation Commissions

General Provisions, Findings and Definitions

130000. This division shall be known and may be cited as the County Transportation Commissions Act.

130001. The Legislature hereby finds and declares that: (a) Public demand for an efficient public transportation system in the southern California region resulting from population sprawl, the concentration of many transit dependent citizens in the large urban areas, and increasing mobility requirements indicates a need for improved, as well as more innovative, policy and decision making institutions to resolve these problems. (b) A basic purpose of transportation policy within the region should be to avoid undesirable duplication of transportation services, achieve the operation of a coordinated and integrated transportation system which will reduce automobile usage and dependency, reduce the consumption of scarce and expensive energy fuels, and reduce the levels of automobile-related air pollution. (c) Recognizing the scarcity of resources available for all transportation development, the commissions shall give priority to low-cost highway and transit improvements, and shall work toward maximizing the effectiveness of existing resources available to the commissions. (d) Recognizing the importance of the state highway system in the Los Angeles metropolitan area to bus, automobile, and freight transportation, it is necessary to maintain this highway system at least at its present operating standards and to increase the person-moving capability of this system by such methods as carpooling, improved traffic operations, exclusive busways, and fringe parking facilities. (e) The transportation system should offer adequate public transportation to all citizens, including those immobilized by poverty, age, physical handicaps, or other reasons. (f) The cities and local communities acting singly or jointly should be given more responsibilities for designing and providing local transit services to improve the responsiveness of public transit to public needs. (g) The transportation decision making process should be responsive to public values, and provide for the continuing involvement of the public in the preparation, revision, and discussion of transportation plans and services. (h) Transportation planning should recognize that transportation systems have significant effect on the physical and socioeconomic characteristics of the areas served, and emphasis should be given to the protection and enhancement of the environment and the restoration of blighted neighborhoods near community centers. Los Angeles County, in particular, is a multi-centered area with diverse socioeconomic levels and travel patterns, and a majority of the trips in the county are four miles or less.

130002. As used in this division, "commission" means a county transportation commission created pursuant to Chapter 2 (commencing with Section 130050).

130003. As used in this division, "local transportation zones" means cities or unincorporated areas which contain at least one economic center or major trip generator in which there is a large percentage of short- and medium-length transit trips. Local transportation zones shall be

coordinated with regional transit operations as appropriate relative to consumer need and efficient operations.

130004. As used in this division, "multicounty designated transportation planning agency" means the Southern California Association of Governments.

130005. The multicounty designated transportation planning agency shall conduct its meetings in the manner prescribed by the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950), Part 1, Division 2, Title 5 of the Government Code). A majority of the members of the executive committee of the agency shall constitute a quorum for the transaction of business. All official acts of the executive committee shall require the affirmative vote of a majority of the members of the executive committee present, with not less than a quorum present.

130010. Except as otherwise provided in subdivision (c) of Section 130109, all provisions of the Orange County Transit District Act of 1965 (Part 4 (commencing with Section 40000) of Division 10), regarding employer-employee relations, employee benefits, and conditions of employment for the Orange County Transit District are equally applicable to the Orange County Transportation Authority as if set forth in this division, and govern employer-employee relations, employee benefits, and conditions of employment for the Orange County Transportation Authority.

Creation of Commissions

130050. There is hereby created a commission in Los Angeles County, in Orange County, in Riverside County, and in San Bernardino County.

130050.1. There is hereby created the Ventura County Transportation Commission. The commission shall be the successor agency to the Ventura County Association of Governments and shall assume all assets and liabilities of that association.

Notwithstanding Section 180050, the Board of Supervisors of Ventura County may designate the commission as the authority to carry out the provisions of Division 19 (commencing with Section 180000).

Los Angeles County Metropolitan Transportation Authority (LACMTA) Law

Creation of the LACMTA as Successor to the SCRTD and LACTC

130050.2. There is hereby created the Los Angeles County Metropolitan Transportation Authority. The authority shall be the single successor agency to the Southern California Rapid Transit District and the Los Angeles County Transportation Commission as provided by the act that enacted this section.

130051. The Los Angeles County Metropolitan Transportation Authority consists of 14 members, as follows:

- (a) Five members of the Los Angeles County Board of Supervisors.

If the number of members of the Los Angeles County Board of Supervisors is increased, the authority shall, within 60 days of the increase, submit a plan to the Legislature for revising the composition of the authority.

(b) The Mayor of the City of Los Angeles.

(c) Two public members and one member of the City Council of the City of Los Angeles appointed by the Mayor of the City of Los Angeles.

(d) Four members, each of whom shall be a mayor or a member of a city council, appointed by the Los Angeles County City Selection Committee. For purposes of the selection of these four members, the County of Los Angeles, excluding the City of Los Angeles, shall be divided into the following four sectors:

(1) The North County/San Fernando Valley sector.

(2) The Southwest Corridor sector.

(3) The San Gabriel Valley sector.

(4) The Southeast Long Beach sector.

The League of California Cities, Los Angeles County Division, shall define the sectors. Every city within a sector shall be entitled to vote to nominate one or more candidates from that sector for consideration for appointment by the Los Angeles County City Selection Committee. A city's vote shall be weighted in the same proportion that its population bears to the total population of all cities within the sector.

The members appointed pursuant to this subdivision shall be appointed by the Los Angeles County City Selection Committee upon an affirmative vote of its members which represent a majority of the population of all cities within the county, excluding the City of Los Angeles.

The members selected by the city selection committee shall serve four-year terms with no limitation on the number of terms that may be served by any individual. The city selection committee may shorten the initial four-year term for one or more of the members for the purpose of ensuring that the members will serve staggered terms.

(e) If the population of the City of Los Angeles, at any time, becomes less than 35 percent of the combined population of all cities in the county, the position of one of the two public members appointed pursuant to subdivision (c), as determined by the Mayor of the City of Los Angeles by lot, shall be vacated, and the vacant position shall be filled by appointment by the city selection committee pursuant to subdivision (d) from a city not represented by any other member appointed pursuant to subdivision (d).

(f) One nonvoting member appointed by the Governor.

130051.1. Notwithstanding subdivision (c) of Section 130051, if a member appointed by the Mayor of the City of Los Angeles is not a member of the city council of that city, the person appointed may serve for 60 days without consent of the city council.

130051.5. Every member of the Los Angeles County Metropolitan Transportation Authority is subject to Section 87100 of the Government Code.

130051.6. (a) Except as provided in subdivision (b), each member of the Los Angeles County Metropolitan Transportation Authority shall serve a term of four years or until his or her successor is appointed and qualified. A member may be removed at the pleasure of the appointing authority. A member may be reappointed for additional terms without limitation on the number of reappointments. Other than the member initially appointed by the Governor, and

members appointed to staggered terms pursuant to subdivision (e) of Section 130051, the members initially appointed shall serve until January 1, 1997.

(b) The membership of any member serving on the authority as a result of holding another public office shall terminate when the member ceases holding the other public office.

130051.7. (a) The Los Angeles County Transportation Commission and the Southern California Rapid Transit District shall conduct joint regular meetings at least once during each quarter of the calendar year.

(b) Notwithstanding subdivisions (a) and (b) of Section 130051, the members of the Los Angeles County Board of Supervisors and the Mayor of the City of Los Angeles, rather than their alternates, shall personally serve at the joint meetings.

(c) Notwithstanding Section 30201, the members of the Los Angeles County Board of Supervisors, rather than their appointees, shall personally serve at the joint meetings.

(d) Notwithstanding Section 30201, the Mayor of the City of Los Angeles, rather than the mayor's appointee, shall personally serve at the joint meetings as one of the two directors representing the City of Los Angeles.

(e) It is the intent of the Legislature that reasonable efforts be made to discuss major fiscal and policy items related to the Los Angeles County Transportation Commission and the Southern California Rapid Transit District at the meetings required by subdivision (a). This statement of legislative intent shall not be construed as requiring any action which would interfere with, delay, or otherwise impede the orderly and proper functioning of the Los Angeles County Transportation Commission or the Southern California Rapid Transit District.

Officers of the Board

130051.9. (a) The Los Angeles County Metropolitan Transportation Authority shall appoint a full-time chief executive officer who shall act for the authority under its direction and perform those duties delegated by the authority.

(b) The chief executive officer shall be appointed to a term of four years and shall be removed from office only upon the occurrence of one or both of the following:

(1) A two-thirds majority of the members of the authority votes for removal.

(2) The chief executive officer violates a federal or state law, regulation, local ordinance, or policy or practice of the authority, relative to ethical practices, including, but not limited to, the acceptance of gifts or contributions.

(c) The chief executive officer shall approve and award all contracts for construction, and that approval shall be based upon the lowest responsible and responsive bid submitted.

(d) The Los Angeles County Metropolitan Transportation Authority shall appoint a general counsel and board secretary.

Powers, Duties and Responsibilities of the Transportation Authority

130051.10. (a) The members of the Los Angeles County Metropolitan Transportation Authority shall be appointed no later than February 1, 1993. The authority shall have no powers, duties, or responsibilities until February 1, 1993.

(b) From February 1, 1993, until April 1, 1993, the Los Angeles Metropolitan Transportation Authority, exclusively, may exercise any of the powers of the board of directors of the Southern

California Rapid Transit District and the governing body of the Los Angeles County Transportation Commission, except those powers that the authority has expressly delegated to the district or to the commission.

130051.11. (a) The Los Angeles County Metropolitan Transportation Authority may determine its organizational structure, which may include, but is not limited to, the establishment of departments, divisions, subsidiary units, or similar entities. Any department, division, subsidiary unit, or similar entity established by the authority shall be referred to in this chapter as an "organizational unit." The authority shall, at a minimum, establish the following organizational units:

(1) A transit construction organizational unit to assume the construction responsibilities for all exclusive public mass transit guideway construction projects in Los Angeles County.

(2) An operating organizational unit with the following responsibilities:

(A) The operating responsibilities of the Southern California Rapid Transit District on all exclusive public mass transit guideway projects in the County of Los Angeles.

(B) The operation of bus routes operated by the Southern California Rapid Transit District, and all the duties, obligations, and liabilities of the district relating to those bus routes.

(3) A transportation planning and programming organizational unit with all planning responsibilities previously performed by the Southern California Rapid Transit District and the Los Angeles County Transportation Commission.

(b) Nothing in this section shall be construed to require specific bus routes to be operated. The authority or the operating organizational unit may make any adjustment with respect to bus routes, bus services, or both, which is within the power of the Los Angeles County Transportation Commission, or the Southern California Rapid Transit District.

(c) Any obligations of the Southern California Rapid Transit District arising out of a collective bargaining agreement entered into by the district shall be the exclusive obligations of the Los Angeles County Metropolitan Transportation Authority. It is the intent of the Legislature that the rights or obligations under any collective bargaining agreement in existence on January 1, 1993, not be enlarged or diminished by this section or any other provision of the act which added this section.

(d) No collective bargaining agreement entered into by the Southern California Rapid Transit District on or after January 1, 1993, shall be effective unless approved by the Los Angeles County Metropolitan Transportation Authority. The authority's approval of an agreement shall cause the agreement to be binding upon the authority.

(e) On and after April 1, 1993, any reference to the Southern California Rapid Transit District in Article 10 (commencing with Section 30750) of Chapter 5 of Part 3 of Division 10 is deemed to refer to the Los Angeles County Metropolitan Transportation Authority.

(f) The Los Angeles County Metropolitan Transportation Authority may administratively delegate to an organizational unit or to its chief executive officer any powers and duties it deems appropriate. Powers and duties which may be delegated to an organizational unit include, but are not limited to, the following:

(1) The power of eminent domain.

(2) Approval of contracts, except the final approval of labor contracts.

(3) Hearing and resolving bid protests.

(g) The Los Angeles County Metropolitan Transportation Authority shall establish a citizens' advisory council pursuant to subdivision (d) of Section 130105.

130051.12. (a) The Los Angeles County Metropolitan Transportation Authority shall, at a minimum, reserve to itself exclusively, all of the following powers and responsibilities:

(1) Establishment of overall goals and objectives to achieve optimal transport service for the movement of goods and people on a countywide basis.

(2) Adoption of the aggregate budget for all organizational units of the authority.

(3) Designation of additional included municipal operators pursuant to subdivision (f) of Section 99285.

(4) Approval of final rail corridor selections.

(5) Final approval of labor contracts covering employees of the authority and organizational units of the authority.

(6) Establishment of the authority's organizational structure.

(7) Conducting hearings and the setting of fares for the operating organizational unit established pursuant to paragraph (2) of subdivision (a) of Section 130051.11.

(8) (A) Approval of transportation zones.

(B) In determining the cost-effectiveness of any proposed transportation zone, the authority may not approve or disapprove a transportation zone based upon consideration of rates of wages and other forms of compensation or hours and working conditions of employees of the proposed transportation zone.

(C) Any determination of efficiencies that may be derived from the approval of a transportation zone shall include consideration of maintaining the prevailing rate of wages, hours, and other terms and conditions of employment contained in current collective bargaining agreements applicable to the authority as required under subdivision (d) of Section 130051.11.

(D) A proposed transportation zone is not required to demonstrate lower operating costs than those of the existing operator or operators of the service to be transferred to the zone, but shall demonstrate that the net cost will not be greater than the current service.

(9) Approval of the issuance of any debt instrument with a maturity date that exceeds the end of the fiscal year in which it is issued.

(10) Approval of benefit assessment districts and assessment rates.

(11) Approval of contracts for transit equipment acquisition that exceed five million dollars (\$5,000,000), and making the findings required by subdivision (c) of Section 130238.

(b) The Los Angeles County Metropolitan Transportation Authority shall in conjunction with the other municipal operators in the County of Los Angeles perform a security assessment once every five years to determine the safety and security measures required to protect the operation of their systems and their passengers.

Succession of Powers, Duties, Rights and Obligations

130051.13. On April 1, 1993, the Southern California Rapid Transit District and the Los Angeles County Transportation Commission are abolished. Upon the abolishment of the district and the commission, the Los Angeles County Metropolitan Transportation Authority shall succeed to any or all of the powers, duties, rights, obligations, liabilities, indebtedness, bonded and otherwise, immunities, and exemptions of the district and its board of directors and the commission and its governing body.

130051.14. On and after April 1, 1993, any reference in this part, or in any other provision of law or regulation, to the Southern California Rapid Transit District or to the Los Angeles County Transportation Commission or to the county transportation commission in general shall be deemed to refer to the Los Angeles County Metropolitan Transportation Authority.

130051.15. (a) Upon the abolishment of the Southern California Rapid Transit District and the Los Angeles County Transportation Commission, the Los Angeles County Metropolitan Transportation Authority shall assume the rights and obligations of the district and the commission under any contract to which the district or the commission is a party and which is to be performed, in whole or in part, on or after January 1, 1993. All real and personal property owned by the district or the commission shall be transferred to the authority by operation of law.

(b) The Los Angeles County Metropolitan Transportation Authority shall assume, without any condition whatsoever, all responsibilities and obligations previously assumed by the Southern California Rapid Transit District or the Los Angeles County Transportation Commission with regard to the full funding agreement, including all agreements pursuant to Section 13(c) of the Urban Mass Transportation Act of 1964 which relate to the full funding agreement, with the Federal Transit Administration for the funding of the Los Angeles County Metro Rail Project. It is the intent of the Legislature that nothing in this act shall enlarge or diminish the projects covered or any rights or obligations under any existing agreements pursuant to Section 13(c).

(c) The Los Angeles County Metropolitan Transportation Authority shall not, until April 1, 1993, renew or extend any personal services contract entered into between either the Los Angeles County Transportation Commission or the Southern California Rapid Transit District and an employee or former employee of either agency prior to January 1, 1993.

130051.16. Notwithstanding any other provision of law, the Los Angeles County Metropolitan Transportation Authority shall assume the duties, obligations, and liabilities of the Southern California Rapid Transit District, including those duties, obligations, and liabilities arising from or relating to collective bargaining agreements or labor obligations imposed by state or federal law, only to the extent that the authority is acting pursuant to specific duties, obligations, liabilities, rights, or powers to which it succeeded as a result of the abolishment of the district pursuant to Section 130051.13.

Requirement to Adopt an Ordinance Regulating the Acceptance of Gifts

130051.17. (a) Prior to the approval of any contract by the Los Angeles County Metropolitan Transportation Authority, or by any organizational unit of the authority, the authority shall adopt an ordinance comparable to Chapter 9.5 (commencing with Section 89500) of Title 9 of the Government Code, which regulates the acceptance of gifts by members of the authority, members of the board of an organizational unit, and designated employees, as defined by Section 82019 of the Government Code, of the authority. The ordinance shall prohibit any designated employee of the authority from accepting gifts with a total value of more than two hundred fifty dollars (\$250) in a calendar year from any single source.

(b) The ordinance shall require the limitations on receiving gifts by members of the authority, and members of the board of an organizational unit who are not elected local officials to be substantially comparable to those specified by Chapter 9.5 (commencing with Section 89500) of Title 9 of the Government Code.

(c) For the purposes of this section, "gift" has the same meaning as defined in Section 82028 of the Government Code.

(d) (1) Payments, advances, or reimbursements, for travel, including actual transportation and related lodging and subsistence which is reasonably related to a governmental purpose, or to an issue of local, state, national or international public policy, is not prohibited or limited by this section if either of the following apply:

(A) The travel is in connection with a speech given by a member, member of the board of an organizational unit, or designated employee, the lodging and subsistence expenses are limited to the day immediately preceding, the day of, and the day immediately following the speech, and the travel is within the United States.

(B) The travel is provided by a government, a governmental agency, a foreign government, a governmental authority, a bona fide public or private educational institution, as defined in Section 203 of the Revenue and Taxation Code, or a nonprofit charitable or religious organization which is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, or by a person domiciled outside the United States which substantially satisfies the requirements for tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

(2) Gifts of travel not described in paragraph (1) are subject to the limits in this section.

(3) Paragraph (1) applies only to travel which is reported on the recipient's statement of economic interest.

(4) For purposes of this section, a gift does not include travel which is provided by the Los Angeles County Metropolitan Transportation Authority.

(5) (A) The policy shall specify appropriate penalties for violations by employees including, but not limited to, personnel action.

(B) The policy shall specify appropriate penalties for violations by members of the authority, and the members of the board of an organizational unit who are not subject to Chapter 9.5 (commencing with Section 89500) of Title 9 of the Government Code, which shall include, but not be limited to, removal from office by the appointing authority.

Requirement to Adopt an Ordinance Regulating Lobbying

130051.18. Prior to the approval of any contract by the Los Angeles County Metropolitan Transportation Authority, or by any organizational unit of the authority, the authority shall adopt and implement an ordinance for the regulation of lobbying that shall include, at a minimum, the provisions of this section.

(a) For purposes of this section, the following terms are defined as follows:

(1) "Activity expense" means any expense incurred, or payment made, by a lobbyist, lobbying firm, or lobbyist employer, or arranged by a lobbyist, lobbying firm, or lobbyist employer, that benefits in whole or in part any authority official or a member of the immediate family of an authority official.

(2) "Administrative testimony" means influencing or attempting to influence authority action undertaken by any person or entity who does not seek to enter into a contract or other arrangement with the authority by acting as counsel in, appearing as a witness in, or providing written submissions, including answers to inquiries, which become a part of the record of, any proceeding of the authority that is conducted as an open public hearing for which public notice is given.

(3) "Authority" means the Los Angeles County Metropolitan Transportation Authority and all of its organizational units as defined by Section 130051.11.

(4) "Authority action" means the drafting, introduction, consideration, modification, enactment, or defeat of an ordinance, resolution, contract, or report by the governing board of an organizational unit of the authority, or by an authority official, including any action taken, or required to be taken, by a vote of the members of the authority or by the members of the governing board of an organizational unit of the authority, except those actions relating to Article 10 (commencing with Section 30750) of Chapter 5 of Part 3 of Division 10.

(5) "Authority official" means any member of the authority, member of an organizational unit of the authority, or employee of the authority.

(6) "Contribution" means a payment, a forgiveness of a loan, a payment of a loan by a third party, or an enforceable promise to make a payment, except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes.

An expenditure made at the behest of a candidate, committee, or elected officer is a contribution to the candidate, committee, or elected officer unless full and adequate consideration is received for making the expenditure.

"Contribution" also includes the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events; the candidate's own money or property used on behalf of his or her candidacy; the granting of discounts or rebates not extended to the public generally or the granting of discounts or rebates by television and radio stations and newspapers not extended on an equal basis to all candidates for the same office; the payment of compensation by any person for the personal services or expenses of any other person if those services are rendered or expenses are incurred on behalf of a candidate or committee without payment of full and adequate consideration.

"Contribution" also includes any transfer of anything of value received by a committee from another committee, unless full and adequate consideration is received.

"Contribution" does not include amounts received pursuant to an enforceable promise to the extent that those amounts have been previously reported as a contribution. However, the fact that those amounts have been received shall be indicated in the appropriate campaign statement.

"Contribution" does not include a payment made by an occupant of a home or office for costs related to any meeting or fundraising event held in the occupant's home or office if the costs for the meeting or fundraising event are five hundred dollars (\$500) or less.

"Contribution" does not include volunteer personal services or payments made by any individual for his or her own travel expenses if those payments are made voluntarily without any understanding or agreement that they shall be, directly or indirectly, repaid to him or her.

(7) "Employee of the authority" means anyone who receives compensation from the authority for full-time or part-time employment, and any contractor, subcontractor, consultant, expert, or adviser acting on behalf of, or providing advice to, the authority.

(8) "Filing officer" means the individual designated by the authority with whom statements and reports required by this section shall be filed.

(9) "Lobbying" means influencing or attempting to influence authority action through direct or indirect communication, other than administrative testimony, with an authority official.

(10) "Lobbying firm" means any business entity, including an individual lobbyist, that meets either of the following criteria:

(A) The business entity receives or becomes entitled to receive any compensation, other than reimbursement for reasonable travel expenses, for the purpose of influencing authority action on behalf of any other person, if any partner, owner, officer, or employee of the business entity is a lobbyist.

(B) The business entity receives or becomes entitled to receive any compensation, other than reimbursement for reasonable travel expenses, to communicate directly with any agency official for the purpose of influencing authority action on behalf of any other person, if a substantial or regular portion of the activities for which the business entity receives compensation is for the purpose of influencing authority action.

(11) "Lobbyist" means any individual who receives any economic consideration, other than reimbursement for reasonable travel expenses, for lobbying, including consultants and officers or employees of any business entity seeking to enter into a contract with the authority.

(12) "Lobbyist employer" means any person, other than a lobbying firm, who does either of the following:

(A) Employs one or more lobbyists for the purpose of influencing authority action.

(B) Contracts for the services of a lobbying firm for economic consideration for the purpose of influencing authority action.

(b) (1) Lobbyists, lobbying firms, and lobbyist employers shall register with the filing officer within 10 days after qualifying as a lobbyist, lobbying firm, or lobbyist employer. Registration shall be completed prior to the commencement of lobbying by the lobbyist.

Registration shall include the filing of a registration statement, and the payment of any fees authorized by this section. Registration shall be renewed annually by the filing of a new registration statement and the payment of a fee.

(2) Each lobbyist, lobbying firm, and lobbyist employer required to register under this section may be charged a fee by the authority in an amount necessary to pay the direct costs of implementing this section.

(3) The lobbyist registration statement shall include all of the following:

(A) The name, address, and telephone number of the lobbyist.

(B) For each person from whom the lobbyist receives compensation to provide lobbying services, all of the following:

(i) The full name, business address, and telephone number of the person.

(ii) A written authorization signed by the person.

(iii) The time period of the contract or employment agreement.

(iv) The lobbying interests of the person.

(C) A statement signed by the lobbyist certifying that he or she has read and understands the prohibitions contained in subdivisions

(f) and (g).

(4) The registration statement of a lobbying firm shall include all of the following:

(A) The full name, business address, and telephone number of the lobbying firm.

(B) A list of the lobbyists who are partners, owners, officers, or employees of the lobbying firm.

(C) For each person with whom the lobbying firm contracts to provide lobbying services, all of the following:

(i) The full name, business address, and telephone number of the person.

(ii) A written authorization signed by the person.

- (iii) The time period of the contract.
- (iv) Information sufficient to identify the lobbying interests of the person.
- (D) A statement signed by the designated responsible person that he or she has read and understands the prohibitions contained in subdivisions (f) and (g).
- (5) The registration statement of a lobbyist employer shall include all of the following:
 - (A) The full name, business address, and telephone number of the lobbyist employer.
 - (B) A list of the lobbyists who are employed by the lobbyist employer.
 - (C) The lobbying interests of the lobbyist employer, including identification of specific contracts or authority actions.
 - (D) A statement signed by the designated responsible person that he or she has read and understands the prohibitions contained in subdivisions (f) and (g).
- (6) (A) The registration statement may be amended within 10 days of a change in the information included in the statement. However, if the change includes the name of a person by whom a lobbyist is retained, the registration statement shall be amended to show that change prior to the commencement of lobbying by the lobbying firm or the lobbyist.
 - (B) Lobbying firms and lobbyist employers upon ceasing all lobbying activity that required registration shall file a notice of termination within 30 days after the cessation.
 - (C) Lobbyists and lobbyist firms are subject to subdivisions (f) and (g) for 12 months after filing a notice of termination.
 - (c) Lobbyists, lobbying firms, and lobbyist employers that receive payments, make payments, or incur expenses, or expect to receive payments, make payments, or incur expenses, in connection with activities that are reportable pursuant to this section shall keep detailed accounts, records, bills, and receipts for four years, and shall make them reasonably available for inspection for the purposes of auditing for compliance with, or enforcement of, this section.
 - (d) When a person is required to report activity expenses pursuant to this section, all of the following information shall be provided:
 - (1) The date and amount of each activity expense.
 - (2) The full name and official position, if any, of the beneficiary of each expense, a description of the benefit, and the amount of the benefit.
 - (3) The full name of the payee of each expense if other than the beneficiary.
 - (e) (1) A lobbying firm shall file a periodic report containing all of the following:
 - (A) The full name, address, and telephone number of the lobbying firm.
 - (B) The full name, business address, and telephone number of each person who contracted with the lobbying firm for lobbying services, a description of the specific lobbying interests of the person, and the total payments, including fees and the reimbursement of expenses, received from the person for lobbying services during the reporting period.
 - (C) A copy of the periodic report completed and verified by each lobbyist in the lobbying firm pursuant to paragraph (2).
 - (D) Each activity expense incurred by the lobbying firm, including those reimbursed by a person who contracts with the lobbying firm for lobbying services.
 - (E) The date, amount, and the name of the recipient of any contribution of one hundred dollars (\$100) or more made by the filer to an authority official.

(2) A lobbyist shall complete and verify a periodic report, and file his or her report with the filing officer, and a copy of the report with his or her lobbying firm or lobbyist employer. The periodic report shall contain all of the following:

(A) A report of all activity expenses by the lobbyist during the reporting period.

(B) A report of all contributions of one hundred dollars (\$100) or more made or delivered by the lobbyist to any authority official during the reporting period.

(3) A lobbyist employer shall file a periodic report containing all of the following:

(A) The name, business address, and telephone number of the lobbyist employer.

(B) The total amount of payments to each lobbying firm.

(C) The total amount of all payments to lobbyists employed by the filer.

(D) A description of the specific lobbying interests of the filer.

(E) A periodic report, completed and verified by each lobbyist employed by a lobbyist employer pursuant to paragraph (1) of subdivision (e).

(F) Each activity expense of the filer and a total of all activity expenses of the filer.

(G) The date, amount, and the name of the recipient of any contribution of one hundred dollars (\$100) or more made by the filer to an authority official.

(H) The total of all other payments to influence authority action.

(4) (A) The periodic reports shall be filed within 30 days after the end of each calendar quarter. The period covered shall be from the beginning of the calendar year through the last day of the calendar quarter prior to the 30-day period during which the report is filed, except that the period covered by the first report a person is required to file shall begin with the first day of the calendar quarter in which the filer first registered or qualified.

(B) The original and one copy of each report shall be filed with the filing officer, retained by the authority for a minimum of four years, and available for inspection by the public during regular working hours.

(f) (1) It is unlawful for a lobbyist, a lobbying firm, or a lobbyist employer to make gifts to an authority official aggregating more than ten dollars (\$10) in a calendar month, to act as an agent or intermediary in the making of any gift, or to arrange for the making of any gift by any other person.

(2) It is unlawful for any authority official knowingly to receive any gift that is made unlawful by this section. For the purposes of this subdivision, "gift" has the same meaning as defined in Section 130051.17.

(g) No lobbyist or lobbying firm shall do any of the following:

(1) Do anything with the purpose of placing an authority official under personal obligation to the lobbyist, the lobbying firm, or the employer of the lobbyist or lobbying firm.

(2) Deceive or attempt to deceive any authority official with regard to any material fact pertinent to any authority action.

(3) Cause or influence any authority action for the purpose of thereafter being employed to secure its passage or defeat.

(4) Attempt to create a fictitious appearance of public favor or disfavor of any authority action, or cause any communications to be sent to any authority official in the name of any fictitious person or in the name of any real person, except with the consent of that real person.

(5) Represent falsely, either directly or indirectly, that the lobbyist or the lobbying firm can control any authority official.

(6) Accept or agree to accept any payment that is contingent upon the outcome of any authority action.

(h) Any person who knowingly or willfully violates any provision of this section is guilty of a misdemeanor.

(i) The District Attorney of the County of Los Angeles is responsible for the prosecution of violations of this section.

(j) Any person who violates any provision of this section is liable in a civil action brought by the civil prosecutor or by a person residing within the jurisdiction of the authority for an amount up to five hundred dollars (\$500), or three times the amount of an unlawful gift or expenditure, whichever amount is greater.

(k) The authority shall reject any bid or other proposal to enter into a contract with the authority by any person or entity that has not complied with the registration and reporting requirements of this section.

(l) The provisions of this section are not applicable to any of the following:

(1) An elected public official who is acting in his or her official capacity to influence authority action.

(2) Any newspaper or other periodical of general circulation, book publisher, radio or television station that, in the ordinary course of business, publishes or broadcasts news items, editorials, or other documents, or paid advertisement, that directly or indirectly urges authority action, if the newspaper, periodical, book publisher, radio or television station engages in no further or other activities in connection with urging authority action other than to appear before the authority in support of, or in opposition to, the authority action.

(m) No former authority official shall become a lobbyist for a period of one year after leaving the authority.

Affirmative Action/Transportation Business Advisory Council

130051.19. (a) The Los Angeles County Metropolitan Transportation Authority shall adopt an affirmative action plan for its management positions which reflects the ethnic demographics of the county, taking into consideration the availability of the work force in the various ethnic groups.

(b) The authority shall, prior to the approval of any contract by the authority or by its organization units, adopt and implement a disadvantaged business enterprise program which establishes participation goals of not less than 15 percent of the dollar value of all contracts by minority business enterprises and not less than 5 percent by women business enterprises.

(c) The authority shall establish a Transportation Business Advisory Council to advise it on matters regarding the disadvantaged business enterprise program to enable the authority to meet or exceed women and minority business enterprise participation goals. Members of the council shall be selected by the authority, and shall include representatives of professional organizations and other groups which advocate on behalf of greater participation of women and minority business enterprises in public contracts. The chairperson of the authority or his or her designee shall meet with the council, and the authority shall provide adequate staff support for the council, and shall consider all recommendations made by the council.

Ordinance Regulating the Acceptance of Gifts

130051.20. (a) (1) No construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the Los Angeles County Metropolitan Transportation Authority shall give to a member, alternate member, or employee of the authority, or to any member of their immediate families, a contribution of over ten dollars (\$10) in value or amount. A "contribution" includes contributions to candidates or their committees in any federal, state, or local election.

(2) Neither the owner, an employee, or any member of their immediate families, of any construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the authority shall make a contribution of over ten dollars (\$10) in value or amount to a member, alternate member, or employee of the authority, or to any member of their immediate families.

(3) No member, alternate member, or employee of the authority, or member of their immediate families, shall accept, solicit, or direct a contribution of over ten dollars (\$10) in value or amount from any construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity seeking a contract with the authority.

(4) No member, alternate member, or employee of the authority shall make or participate in, or use his or her official position to influence, a contract decision if the member, alternate member, or employee has knowingly accepted a contribution of over ten dollars (\$10) in value in the past four years from a participant, or its agent, involved in the contract decision.

(5) No member, alternate member, or employee of the authority, or member of their immediate families shall accept, solicit, or direct a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years.

(b) A member, alternate member, or employee of the authority who has participated as a decisionmaker in the preparation, evaluation, award, or implementation of a contract and who leaves the authority shall not, within three years of leaving the authority, accept employment with any company, vendor, or business entity that was awarded a contract as a result of his or her participation, evaluation, award, or implementation of that contract.

Independent Audit Required Pre-Merger

130051.21. The Los Angeles County Transportation Commission and the Southern California Rapid Transit District shall each cause a supplemental independent fiscal audit to be conducted for the period beginning July 1, 1992, and ending March 30, 1993, for the purpose of determining the financial condition of each agency prior to the abolishment of those agencies pursuant to Section 130051.13. Thereafter, the Los Angeles County Metropolitan Transportation Authority shall cause an independent fiscal audit of the authority to be conducted annually and shall consider the results of the audit at a duly noticed public hearing.

Contractor Pre-Qualification

130051.21. (a) The Los Angeles County Metropolitan Transportation Authority shall require its inspector general to prepare a prequalification questionnaire to be completed by each

construction company, engineering firm, consultant, legal firm, product vendor, and any other business entity seeking to contract with the authority for the furnishing of goods or services. The questionnaire shall, at a minimum, solicit information on all of the following subjects regarding the firm:

- (1) Experience.
 - (2) Quality and timeliness of past performance.
 - (3) Reliability and responsibility.
 - (4) Compliance with equal employment requirements.
 - (5) Compliance with wage, hours, and other fair labor standards.
 - (6) Subcontractors used by the firm.
 - (7) Integrity of the firm and its key personnel.
 - (8) Gifts given, or contributions made, to members or alternate members or employees of the authority.
- (b) Neither the authority nor any of its organizational units shall contract or do business with any responding firm that knowingly provides false information in the questionnaire.

Records Management

130051.23. Whenever the Los Angeles County Metropolitan Transportation Authority by resolution determines that any record, map, book, or paper in the possession of the authority or any officer or employee thereof is of no further value to the authority, the board may authorize its sale, destruction, or other disposition. Documents significant to the activities of the authority, including, but not limited to, board and committee agendas, incoming and outgoing correspondence, and contractual documents, shall be microfilmed or otherwise preserved prior to the sale, destruction, or other disposition of the original.

Formation of Transportation Zones and Collective Bargaining

130051.24. (a) For the purposes of this section, the following terms have the following meanings, unless the context requires otherwise:

- (1) The "authority" is the Los Angeles County Metropolitan Transportation Authority.
- (2) A "transportation zone" is a public agency or a public benefit corporation of which public agencies are the sole members established on or after January 1, 1999, that assumes any of the operating responsibilities described in paragraph (2) of subdivision (a) of Section 130051.11 on or after that date, regardless of whether the transportation zone is an included municipal operator, as defined in Section 99207, or an included transit district, as defined in Section 99208.

(b) (1) Except as authorized under paragraph (2), a transportation zone shall assume and be bound by the terms and conditions of employment set forth in any collective bargaining agreements between the authority and any labor organizations affected by the creation of the transportation zone as well as the duties, obligations, and liabilities arising from, or relating to, labor obligations imposed by state or federal law upon the authority.

(2) Notwithstanding paragraph (1), if the authority is engaged in collective bargaining with labor organizations representing employees who are subject to transfer to the transportation zone between the date of approval of the transportation zone and the date of the transfer of service to the transportation zone, the authority may consult with the transportation zone regarding matters within the scope of labor representation.

(c) (1) For a period of four years, commencing with the date of transfer of service by the authority to the transportation zone, or at the expiration date of any collective bargaining agreement that is in effect during that four-year period, whichever is later, employees of the transportation zone, together with like employees of the authority, shall constitute appropriate collective bargaining units. However, the transportation zone may be a separate employer for other purposes.

(2) Upon expiration of the period described in paragraph (1), employees of the transportation zone, at the option of the transportation zone, may constitute appropriate collective bargaining units that are independent of the collective bargaining units of the authority.

(3) If independent bargaining units are established as authorized under paragraph (2), the transportation zone may enter into agreements with labor organizations as a separate employer, regarding wages, benefits, and other terms and conditions of employment.

(4) The transportation zone shall maintain single employer collective bargaining units for transportation operations and maintenance employees. Those bargaining units shall contain classifications for employees that are identical to those that existed for the joint collective bargaining units of the authority and the transportation zone under paragraph (1), unless modified by mutual agreement between the transportation zone and the affected labor organizations.

(d) (1) The authority shall retain, for the period described in paragraph (1) of subdivision (c), the power of final approval of labor contracts negotiated by it and a transportation zone with those labor organizations representing collective bargaining units consisting of both employees of the authority and the employees of the transportation zone. However, the authority may not grant any final approval of a labor agreement unless it has first consulted with the transportation zone.

(2) Upon expiration of the period described in paragraph (1) of subdivision (c), the authority shall have no final approval power over any labor contract negotiated between a transportation zone and a labor organization representing the employees of the transportation zone.

(e) (1) A transportation zone shall maintain, as a cosponsor with the authority, any retirement system established and maintained under subdivision (b) of Section 130110, until participation in the retirement system or retirement benefits are modified under the collective bargaining process.

(2) The transportation zone may appoint at least one member to the retirement board of the retirement system. If the size of the board is increased pursuant to this section, an equivalent number of representatives of the labor organization representing the employees shall be appointed to the board to ensure that the board maintains an equal number of employer and labor organization members.

(3) Prior to the transfer of any service to a transportation zone, the plan administrator for the retirement system shall permit the transportation zone to perform an actuarial financial examination of the assets and liabilities of the retirement system and the benefits accrued under it.

(4) The liability of the transportation zone for obligations under the retirement system shall be limited to benefits accruing to employees of the transportation zone.

(f) (1) The transportation zone shall maintain the health care provisions contained in any assumed collective bargaining agreement, until those provisions are modified through the collective bargaining process.

(2) The transportation zone may not be held liable for financial obligations to any health care provider that arose prior to the direct transfer of employees from the authority to the transportation zone.

(g) Labor relations in a transportation zone shall be governed under Article 10 (commencing with Section 30750) of Chapter 4 of Part 3 of Division 10, except that whenever a duty or power is imposed upon or granted to the authority under those provisions, the duty or power, for the purposes of this section, shall be deemed to be imposed upon or granted to the transportation zone as well as the authority.

(h) Nothing in this section prohibits a transportation zone from contracting for managerial services that are not provided by any classification of any bargaining unit.

(i) A transportation zone is not an organizational unit of the authority.

Recordable Injuries

130051.25. (a) For the purpose of this section, "recordable injury" means any injury requiring treatment beyond simple first aid.

(b) A construction firm that contracts with the Los Angeles County Metropolitan Transportation Authority shall report total recordable injuries to the authority on a monthly basis.

(c) The authority shall annually determine if the number of recordable injuries reported to the authority during the preceding calendar year exceeded the national average of similar injuries as reported by the Bureau of Labor Statistics for the most recent published year. If the authority determines that the number of recordable injuries reported to the authority during the preceding calendar year exceeded the national average, the authority shall not base any safety bonus program for contractors on injuries that result in lost time, and shall base such a program on the overall rate of recordable injuries.

Office of the Inspector General

130051.28. (a) The Los Angeles County Metropolitan Transportation Authority shall appoint an inspector general to a term of office of four years. The inspector general shall be removed from office only if either or both of the following occur:

(1) A two-thirds majority of the members of the authority votes for removal.

(2) The inspector general violates a federal or state law or regulation, a local ordinance, or a policy or practice of the authority, relative to ethical practices, including, but not limited to, the acceptance of gifts or contributions.

(b) The inspector general shall, at a noticed public hearing of the authority, report quarterly on the expenditures of the authority for travel, meals and refreshments, private club dues, membership fees and other charges, and any other expenditures which are specified by the authority.

(c) Any investigatory file compiled by the inspector general is an investigatory file compiled by a local law enforcement agency subject to disclosure pursuant to subdivision (f) of Section 6254 of the Government Code.

County Transportation Commissions (LACTC) Law continued

130054.8. The Governor shall appoint a nonvoting member to each of the commissions to represent the interest of state.

The appointees shall serve terms of four years and until their successors are appointed and qualified.

No individual shall serve as a nonvoting member more than two terms on a commission.

130055. The commissions shall merge with, or otherwise join, any statutorily created multifunctional regional government organization, if it has transportation planning and programming responsibilities as specified in Article 5 (commencing with Section 130300) of Chapter 4, within one year of creation of such an organization.

130056. The commissions shall rely to the maximum extent possible on existing state, regional, and local transportation planning and programming data and expertise, rather than on a large duplicative commission staff and set of plans.

The Legislature envisions the development of a small, but very capable, core staff able to provide the commissions with an objective analysis of the various options relative to plans and proposed projects of the regional and local transportation agencies and operators, and then translate those options into a short-range transportation improvement program to be developed and approved pursuant to subdivision (b) of Section 130303 in accordance with decisions made by the commissions.

130057. It is the intent of the Legislature that, after the development and approval of the short-range transportation improvement program pursuant to subdivision (b) of Section 130303, the transportation agencies responsible for the implementation of the program shall be granted discretion on how to best implement the program. Any changes made in the program by such an agency in its implementation shall be consistent with the purposes of the program, and the commission shall be immediately notified of such changes.

130058. It is the intent of the Legislature that, working through the multicounty designated transportation planning agency, the four commissions be encouraged to develop joint powers agreements or other contractual arrangements between themselves in the development of transportation facilities or for the provision of transportation services where the commissions feel such arrangements are in the public interest.

130059. The multicounty designated transportation planning agency shall convene at least two meetings annually of representatives from each of the four commissions, the agency, and the Department of Transportation for the following purposes:

(a) To review and discuss the near-term transportation improvement programs prior to adoption by the commissions.

(b) To review and discuss the regional transportation plan prior to adoption by the agency pursuant to Chapter 2.5 (commencing with Section 65080) of Title 7 of the Government Code.

(c) To consider progress in the development of a regionwide and unified public transit system.

(d) To review and discuss any other matter of mutual concern.

Administration

130100. Except as otherwise provided in Section 130052, each commission at its first meeting, and thereafter annually at the first meeting in January or at such other date as the commission may determine, shall elect a chairperson from its members who shall preside at all meetings, and a vice chairperson who shall preside in his or her absence. In the event of their absence or inability to act, the members present, by an order entered in the minutes, shall select one of their members to act as chairperson pro tempore, who, while so acting, shall have all of the authority of the chairperson.

130101. The commission shall establish rules for its proceedings consistent with the law of the State of California.

130102. A majority of the members of the commission shall constitute a quorum for the transaction of business, and all official acts of the commission, except as otherwise provided in Section 130102.5, shall require the affirmative vote of a majority of the members of the commission.

130102.5. In the case of the San Bernardino County Transportation Commission, its official acts shall require the affirmative vote of a majority of the members representing the cities and a majority of the members of the board of supervisors if this is requested by either a majority of the members representing the cities or a majority of the members of the board of supervisors.

130103. The acts of the commission shall be expressed by motion, resolution, or ordinance.

130104. (a) All meetings of the commission shall be conducted in the manner prescribed by the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950), Part 1, Division 2, Title 5 of the Government Code).

(b) All meetings of the citizens' advisory committee and technical advisory committee shall be held pursuant to Section 54952.3 of the Government Code, and no other provision of the Ralph M. Brown Act shall apply to meetings of these committees.

130105. The commission shall:

(a) Adopt an annual budget and fix the compensation of its officers and employees.

(b) Adopt an administrative code, by ordinance, which shall prescribe the powers and duties of commission officers, the method of appointment of commission employees, and methods, procedures, and systems of operation and management of the commission.

(c) Cause a post audit of the financial transactions and records of the commission to be made at least annually by a certified public accountant.

(d) Appoint, not later than July 1, 1977, a citizens' advisory committee, which membership shall reflect a broad spectrum of interests and all geographic areas of the county. Members of the staff of the commission, as determined by the commission, shall be available to aid the citizens' advisory committee in its work.

(e) Appoint a technical advisory committee of representatives from all of the transit operators, all of the cities and the county, and the Department of Transportation, and such other advisory committees it deems necessary.

(f) Do any and all things necessary to carry out the purposes of this division.

130106. Notice of time and place of the public hearing for the adoption of the annual budget shall be published pursuant to Section 6061 of the Government Code, and shall be published not later than the 15th day prior to the date of the hearing. The proposed annual budget shall be available for public inspection at least 15 days prior to the hearing.

130107. The commission shall appoint a full-time executive director who shall act for the commission under its direction. The commission may appoint such officers as it deems necessary to carry out its duties and functions.

130108. (a) Each member of a commission may be compensated at a rate not exceeding one hundred dollars (\$100) for any day attending to the business of the commission, but not to exceed four hundred dollars (\$400) in any month, and the necessary traveling and personal expenses incurred in the performance of his duties as authorized by the commission. Members of the Los Angeles County Metropolitan Transportation Authority shall be compensated pursuant to subdivision (b).

(b) Each member of the Los Angeles County Metropolitan Transportation Authority shall be compensated at a rate not exceeding one hundred and fifty dollars (\$150) for any day attending to the business of the authority, but not to exceed six hundred dollars (\$600) per month, and other expenses which are directly related to the performance of duties as authorized by the authority.

130108.5. Notwithstanding Section 130108, the Board of Directors of the Orange County Transportation Authority may allow members of the board necessary traveling and personal expenses incurred in performance of duties authorized by the board and may allow members per diem compensation at the maximum rate of one hundred dollars (\$100) per day, not to exceed five hundred dollars (\$500) in any calendar month, for attending board meetings and for performance of any other services for the authority as authorized by the board.

130109. (a) Except as otherwise provided in subdivision (b), the commission shall enter into a contract with the Board of Administration of the Public Employees' Retirement System, and the board shall enter into that contract, to include all of the employees of the commission into that retirement system, and the employees shall be entitled to substantially similar health benefits as are state employees pursuant to Part 5 (commencing with Section 22750) of Division 5 of Title 2 of the Government Code.

(b) For purposes of providing retirement benefits, the commission may contract with the retirement system that the employees of the county in which the commission is located are members of in lieu of contracting with the board.

(c) Each person employed by the Orange County Transportation Commission on January 1, 1992, may, no later than February 1, 1992, elect to either remain a member of the Public Employees' Retirement System or become a member of the Orange County Employees Retirement System. All persons who become employed by the commission after February 1, 1991, shall be members of the Orange County Employees Retirement System.

130109.1. Upon creation of the Ventura County Transportation Commission, and on the effective date of a contract with the Board of Administration of the Public Employees'

Retirement System, existing balances in the Ventura County Association of Governments Account in the Public Employees' Retirement Fund shall be transferred to the commission's account in that fund.

130110. (a) For employees of the Los Angeles County Metropolitan Transportation Authority not in a bargaining unit represented by a labor organization, the authority shall establish retirement benefits pursuant to Article 1 (commencing with Section 30400) and Article 2 (commencing with Section 30430) of Chapter 4 of Part 3 of Division 10.

(b) Retirement benefits for employees of the authority and any organizational unit of the authority in a bargaining unit represented by a labor organization shall be established pursuant to Article 3 (commencing with Section 30450) of Chapter 4 of Part 3 of Division 10.

(c) Retirement benefits for employees of the authority and any organizational unit of the authority in a bargaining unit represented by a labor organization that was created on or after January 1, 1999, for the purpose of representing managerial employees or supervisory employees, shall be established pursuant to a collective bargaining agreement between the authority or any organizational unit of the authority and that labor organization.

Powers and Functions

Corporate Powers

130200. The commission has perpetual succession and may adopt a seal and alter it at its pleasure.

130201. The commission may sue and be sued, except as otherwise provided by law, in all actions and proceedings, in all courts and tribunals of competent jurisdiction.

130202. All claims for money or damages against the commission are governed by Division 3.6 (commencing with Section 810) of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable thereto.

130203. Whenever a commission, by resolution, determines that any record, map, book, paper, or other document of the commission in the possession of the commission or any officer or employee for 10 years or more is of no further use or value to the commission, the commission may authorize its sale, destruction, or other disposition.

Contracts

130220. The commission 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 save harmless, to employ labor, and to do all acts necessary and convenient for the full exercise of the powers granted in this division.

130220.5. (a) The commission has the power of eminent domain to take any property necessary, incidental, or convenient to the exercise of its powers pursuant to this division.

(b) The commission may exercise the power of eminent domain to acquire property outside its territorial limits for environmental mitigation purposes only if otherwise authorized by law and only to the extent so authorized, and only with the consent of the board of supervisors of the county in which the mitigation will occur.

(c) No action to acquire property by eminent domain within any incorporated city or within the unincorporated area of any county shall be commenced unless written notice is given to the legislative body of the affected city or county, as the case may be, in accordance with Section 1245.235 of the Code of Civil Procedure, and the affected city or county, as the case may be, shall have the same rights to a hearing before the commission as a person to whom notice is otherwise required to be given under that section.

130221. The commission may contract with any department or agency of the United States of America, with any public agency (including, but not limited to, the Department of Transportation, the multicounty designated transportation planning agency, or any transit district, county, or city), or with any person upon such terms and conditions as the commission finds is in its best interest.

130231. (a) The Los Angeles County Transportation Commission is authorized to impose a transactions and use tax within the County of Los Angeles pursuant to the approval by the voters of the commission's Ordinance No. 16 in 1980 and its Ordinance No. 49 in 1990, and has the authority and power vested in the Southern California Rapid Transit District to plan, design, and construct an exclusive public mass transit guideway system in the County of Los Angeles, including, but not limited to, Article 5 (commencing with Section 30630 of Chapter 5 of Part 3 of Division 11).

(b) The commission shall conform to this article in letting contracts for the construction of that system.

130232. (a) Except as provided in subdivision (f), purchase of all supplies, equipment, and materials, and the construction of all facilities and works, when the expenditure required exceeds twenty-five thousand dollars (\$25,000), shall be by contract let to the lowest responsible bidder. Notice requesting bids shall be published at least once in a newspaper of general circulation. The publication shall be made at least 10 days before the date for the receipt of the bids. The commission, at its discretion, may reject any and all bids and readvertise.

(b) Except as provided for in subdivision (f), whenever the expected expenditure required exceeds one thousand dollars (\$1,000), but not twenty-five thousand dollars (\$25,000), the commission shall obtain a minimum of three quotations, either written or oral, which permit prices and terms to be compared.

(c) Where the expenditure required by the bid price is less than fifty thousand dollars (\$50,000), the executive director may act for the commission.

(d) All bids for construction work submitted pursuant to this section shall be presented under sealed cover and shall be accompanied by one of the following forms of bidder's security:

- (1) Cash.
- (2) A cashier's check made payable to the commission.
- (3) A certified check made payable to the commission.

(4) A bidder's bond executed by an admitted surety insurer, made payable to the commission.

(e) Upon an award to the lowest bidder, the security of an unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the commission beyond 60 days from the date that the award was made.

(f) The following provisions apply only to the Los Angeles County Metropolitan Transportation Authority:

(1) The contract shall be let to the lowest responsible bidder or, in the commission's discretion, to the responsible bidder who submitted a proposal that provides the best value to the commission on the basis of the factors identified in the solicitation when the purchase price of all supplies, equipment, and materials exceeds one hundred thousand dollars (\$100,000), adjusted annually consistent with Chapter 1 of Title 48 of the Code of Federal Regulations. "Best value" means the overall combination of quality, price, and other elements of a proposal that, when considered together, provide the greatest overall benefit in response to requirements described in the solicitation documents. The contract shall be let to the lowest responsible bidder when the purchase price of the construction of all facilities exceeds twenty-five thousand dollars (\$25,000).

(2) The commission shall obtain a minimum of three quotations, whether written or oral that permit prices and terms to be compared whenever the expected expenditure required exceeds two thousand five hundred dollars (\$2,500), adjusted annually consistent with Chapter 1 of Title 48 of the Code of Federal Regulations, but not one hundred thousand dollars (\$100,000), adjusted annually consistent with Chapter 1 of Title 48 of the Code of Federal Regulations.

130233. If, after rejecting bids received under Section 130232 the commission determines and declares, by a two-thirds vote of all of its members, that the supplies, equipment, or materials may be purchased at a lower price in the open market, the commission may proceed to purchase those supplies, equipment, or materials in the open market without further observance of the provisions in this article regarding contracts, bids, advertisement, or notice.

130234. In case of any great public calamity, such as an extraordinary fire, flood, storm, epidemic, or other disaster, or interruption of contracts essential to the provision of daily transit service or catastrophic failure of revenue-producing equipment or facilities, the commission may, by resolution passed by a two-thirds vote of all its members, declare and determine that public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property, and thereupon proceed to expend or enter into a contract involving the expenditure of any sum needed in the emergency without observance of the provisions in this article regarding contracts, bids, advertisement, or notice.

130235. (a) Upon determining that immediate remedial measures to avert or alleviate damage to property, or to replace, repair, or restore damaged or destroyed property, of the commission are necessary in order to ensure that the facilities of the commission are available to serve the transportation needs of the general public, and upon determining that available remedial measures, including procurement or construction in compliance with Sections 130232, 130233, and 130234 are inadequate, the executive director may authorize the expenditure of money previously appropriated specifically by the commission for the direct purchases of goods and services, without following those sections.

(b) The executive director shall, after any such expenditure, submit to the commission a full report explaining the necessity for the action.

130236. Notwithstanding Section 130232, and upon a finding by two-thirds vote of all members of the commission that the proposed purchase in compliance with Sections 130232 and 130233 does not constitute a method of procurement adequate for the operation of commission facilities or equipment, the commission may direct the procurement of prototype equipment or modifications in an amount sufficient to conduct and evaluate operational testing without further observance of any provisions in this article regarding contracts, bids, advertisements, or notice.

130237. Notwithstanding Section 130232, the commission may direct the purchase of any supply, equipment, or material without observance of any provision in this article regarding contracts, bids, advertisement, or notice upon a finding by two-thirds of all members of the commission that there is only a single source of procurement therefor and that the purchase is for the sole purpose of duplicating or replacing supply, equipment, or material already in use.

130238. (a) The Legislature finds and declares that (1) because of the highly specialized and unique nature of all rail transit equipment, (2) because of products and materials which are undergoing rapid technological changes, and (3) for the introduction of new technological changes into the operations of the commission, it may be in the public interest to consider, in addition to price, factors such as vendor financing, performance reliability, standardization, life-cycle costs, delivery timetables, support logistics, and the broadest possible range of competing products and materials available, fitness of purchase, manufacturer's warranty, and similar factors in the award of contracts for these vehicles and equipment.

(b) This section applies only to the purchase by the commission of (1) specialized rail transit equipment, including rail cars, and (2) computers, telecommunications equipment, fare collections equipment, microwave equipment, and other related electronic equipment and apparatus. This section does not apply to contracts for construction or for the procurement of any product available in substantial quantities to the general public.

(c) The commission may, after finding by a two-thirds vote of all of its members that a particular procurement qualifies under subdivision (b), direct that the procurement be conducted through competitive negotiation under this section. For purposes of this section, competitive negotiation includes, but is not limited to, all of the following requirements:

(1) The request for proposals shall be prepared and submitted to an adequate number of qualified sources, as determined by the commission, to permit reasonable competition consistent with the nature and requirement of the procurement.

(2) Notice of the request for proposals shall be published at least twice in a newspaper of general circulation, at least 10 days before the date for receipt of the proposals.

(3) The commission shall make every effort to generate the maximum feasible number of proposals from qualified sources and shall make a finding to that effect before proceeding to negotiate if only a single response to the request for proposals is received.

(4) The request for proposals shall identify all significant evaluation factors, including price, and their relative importance.

(5) The commission shall provide reasonable procedures for technical evaluation of the proposals received, identification of qualified sources, and selection for contract award.

(6) Award shall be made to the qualified proposer whose proposal will be most advantageous to the commission with price and all other factors considered.

(7) If award is not made to the bidder whose proposal contains the lowest price, the commission shall make a finding setting forth the basis for the award.

(d) The commission, at its discretion, may reject any and all proposals and request new proposals.

(e) A person who submits, or who plans to submit, a proposal may protest any acquisition conducted in accordance with this section as follows:

(1) Protests based on the content of the request for proposals shall be filed with the commission within 10 calendar days after the request for proposals is first advertised in accordance with subdivision (c). The commission shall issue a written decision on the protest prior to opening of proposals. A protest may be renewed by refiling the protest with the commission within 15 calendar days after the mailing of the notice of the recommended award.

(2) Any bidder may protest the recommended award on any ground not based upon the content of the request for proposals by filing a protest with the commission within 15 calendar days after the mailing of the notice of the recommended award.

(3) Any protest shall contain a full and complete written statement specifying in detail the grounds of the protest and the facts supporting the protest. Protestors shall have an opportunity to appear and be heard before the commission prior to the opening of proposals in the case of protests based on the content of the request for proposals, or prior to final award in the case of protests based on other grounds or the renewal of protests based on the content of the request for proposals.

(f) Provisions in any contract concerning women and minority business enterprises, which provisions are in accordance with the request for proposals, shall not be subject to negotiation with the successful bidder.

130239. In order to facilitate the participation of minority-owned and women-owned businesses and disadvantaged individuals in activities and contracts of the commission, to the extent that the provisions of Executive Order 11246 of September 24, 1965, as amended, and Chapter 60 (commencing with Section 60.1) of Title 41 and Part 23 (commencing with Section 23.1) of Title 49 of the Code of Federal Regulations are not applicable, the commission has the authority to develop a program to implement similar provisions applicable to its activities and contracts.

130243. The Los Angeles County Metropolitan Transportation Authority shall adopt a change order procedure for contracts awarded by the authority that includes each of the following requirements:

(a) When a change order is proposed, the contract administrator of the authority shall be notified and shall determine whether a change order is required. After consulting with the general counsel of the authority and appropriate technical advisers, the contract administrator shall either approve or disapprove the proposed contract change order.

(b) The general counsel of the authority shall be consulted on the proposed change order at the earliest possible time to consider and render advice on the legal implications of the proposed change. The contract administrator shall not approve a proposed change order unless the general counsel recommends changing the terms of the contract.

(c) The contract administrator shall require the contractor to submit certified cost and pricing data for the proposed change, and shall require an internal fiscal audit of any proposed change

order when cost and pricing data would be required under federal acquisition regulations contained in Subpart 15.4 of Part 15 of Subchapter C of Chapter 1 of Title 48 of the Code of Federal Regulations.

(d) The opinions of informed individuals working on the contract who oppose the adoption of a proposed change order shall be documented and be taken into consideration by the authority's change control board when determining whether a contract change is warranted.

Transportation Systems

130250. The commission shall coordinate the operation of all public transportation services within the county so as to achieve efficient operation thereof and shall resolve all jurisdictional disputes between public transit operators.

130251. It is the intent of the Legislature that, if, at the time the commission commences operation, an application to the federal government has been submitted, or substantial progress has been made in preparation of such an application, for funds to start the necessary work toward the construction of a transit guideway project, the commission shall give top priority to supporting such an effort so that the flow of federal funds shall not be impeded.

130252. (a) All plans proposed for the design, construction, and implementation of public mass transit systems or projects, including exclusive public mass transit guideway systems or projects, and federal-aid and state highway projects, shall be submitted to the commission for approval. No such plan shall be approved unless it conforms to the appropriate adopted regional transportation plan pursuant to Chapter 2.5 (commencing with Section 65080) of Title 7 of the Government Code.

(b) The commission shall have no approval authority over the projects, plans, and programs determined by the Department of Transportation to be necessary for the safety and maintenance of the state highway system. Such projects, plans, and programs shall be developed by the department and, to the extent feasible, be coordinated with the planning of the commission. Plans and programs involving significant rebuilding or rehabilitation of the state highway system, as determined by the department and the commission, shall be developed jointly by the department and the commission.

(c) As used in this section, "plan" means a project description and not the detailed project plans, specifications, and estimates.

130253. Any plan for a transit system proposed to serve more than one county shall also be submitted for approval by the multicounty designated transportation planning agency. Action regarding such approval shall be taken within 60 working days after such a plan is submitted by the commission to the multicounty designated transportation planning agency.

130254. The commission shall designate the operator of any approved transit guideway system.

Except as specified in Section 130254.5, the Los Angeles County Transportation Commission shall designate the Southern California Rapid Transit District as the transit guideway operator in Los Angeles County.

The Orange County Transportation Commission shall designate the Orange County Transit District as the transit guideway operator in Orange County.

130254.5. The City of Los Angeles may design, construct, and operate a point-to-point transportation system on or between property under the jurisdiction and control of its Department of Airports.

Once constructed and in operation, any such transportation system shall be coordinated with motor vehicle traffic operation and transit services by the county transportation commission having jurisdiction in the county in which the transportation system is located.

With the prior approval of the county transportation commission having such jurisdiction, the City of Los Angeles may submit applications for federal highway or transit funds or state highway or transit funds to construct or operate a point-to-point transportation system on or between property under the jurisdiction and control of its Department of Airports. This requirement shall not apply to any grant of such funds awarded prior to January 1, 1978.

130255. (a) If a commuter or urban rail transit system is proposed to serve two or more counties, the commissions in those counties shall form a joint powers entity to conduct plan refinement studies, design, select the technology, determine the cost, locate the routes and access points, and supervise the construction, operation, and management of the system.

(b) The joint powers entity shall designate the operator of the system.

(c) If state funds are to be used for the operation of the system, at least four months prior to implementing service on the system, the joint powers entity shall submit its plan for the operation to the Legislature.

130256. The commission shall require all planning for guideway and rapid transit systems be coordinated with the Department of Transportation and the multicounty designated transportation planning agency.

130257. The commission may enter into an agreement with the Department of Transportation for the department to provide those services which are within the capabilities of the department to effectively perform in connection with the development and construction of any approved exclusive public mass transit guideway system or rapid transit system.

The commission shall retain final authority to decide those matters for which it is responsible by law pertaining to the planning, design, construction, and operation of any exclusive public mass transit guideway system or rapid transit system.

The department shall perform such services agreed upon in accordance with the law and regulations that are applicable to the commission and the department.

130258. If the Los Angeles County Transportation Commission is authorized to construct a transit guideway system, the commission shall closely coordinate the planning, design, and construction of the system with the Southern California Rapid Transit District, which shall serve as the designated operator of the system pursuant to Section 130254.

130259. (a) Not later than February 1, 1978, the commissions in Riverside County and San Bernardino County shall, and the commissions in Los Angeles County and Orange County may, in cooperation with the Department of Transportation, the multicounty designated transportation

planning agency, public transit operators, the county, and the cities involved, establish local transportation zones and adopt guidelines for their establishment and operation.

(b) It is particularly important that the county, cities, and other local public entities be involved in establishing local transportation zones.

(c) In adopting the guidelines, the commission shall take into account, among other things, the geographical shape of proposed local transportation zones, economies of scale of transit systems, and established and projected subregional patterns of travel.

(d) The guidelines shall provide for a method of governing each local transportation zone; shall provide for the establishment of multicounty local transportation zones; and shall authorize each board, under specified conditions, to provide transit services itself, through joint powers agreement or any other cooperative arrangement, or by contract with a public transit operator or a private common carrier.

130260. The Orange County Transportation Commission may establish local transportation zones only in those areas where the commission determines that the Orange County Transit District cannot otherwise provide adequate and responsible local transportation services in a cost-effective manner.

130261. The Los Angeles County Transportation Commission may establish local transportation zones only in those areas where the commission determines by eight affirmative votes of the voting members, or designated alternates, that the Southern California Rapid Transit District or the included municipal operator cannot otherwise provide adequate and responsive local transportation services in a cost-effective manner.

130262. The commission shall require full cooperation and coordination between the regional operator, the municipal operators, and the local transportation zones in such matters as schedules, routes, and exchange of transfers.

The commission shall ensure that regional operators, the municipal operators, and local transportation zones do not compete or unnecessarily duplicate services, but assist each other to provide the maximum level of transit service to the general public at the lowest possible cost.

130263. The Los Angeles County Transportation Commission shall not reduce, by order or by reducing funding, the size of the service areas under the jurisdiction of presently existing included municipal operators (as defined in Section 99207), the level of services they provide, or the scope of their operations, without first consulting with the municipal operators and securing the approval of the municipalities within which they operate.

130265. In 1990, the Los Angeles County Transportation Commission adopted an approved San Fernando Valley rail rapid transit route and plan as described in the Findings and Mitigation Monitoring Program adopted by the Los Angeles County Transportation Commission on February 28, 1990, as an extension of metro rail or advanced technology transit, other than light rail, that is a deep bore subway through residential areas, unless modified through a subsequent state or federal environmental review process. Therefore, the following apply within the right-of-way of the Burbank Branch line of the Southern Pacific Railroad:

(a) In the area between the western curb of Hazeltine Avenue and a line parallel to and 50 feet west of the western edge of the Hollywood freeway, there may not be constructed any exclusive

public mass transit rail guideway, rail rapid transit or light rail system, or other track, other than as a subway system that is covered and below grade.

(b) In the area described in subdivision (c), no station may be constructed, other than a station where the main entrance is located on property that is currently part of the Los Angeles Valley College campus or on that portion of the existing railroad right-of-way located north of Burbank Boulevard and east of Fulton Avenue.

(c) In the area below Tujunga Wash and at least one mile to the east and west of Tujunga Wash, there may not be constructed any exclusive public mass transit rail guideway, rail rapid transit or light rail system, or other track, other than as a subway using boring technology as a deep bore subway located at least 25 feet below ground, measured from the existing ground level to the top of the tunnel.

(d) This section is not intended to mandate the selection by the Los Angeles County Transportation Commission of any transit route or the construction of any route configuration or alignment, or to prevent consideration by that commission of any monorail or other advanced technology option on any alternative route, but this section is intended solely to define statutorily the route configuration and alignment limitations adopted locally by the Los Angeles County Transportation Commission on February 28, 1990.

Transportation Planning and Programming

130300. The Legislature finds and declares: (a) That the near-term programming and budgeting requirements of state and federal law is a cooperative intergovernmental planning process intended to determine the foreseeable capital and operational needs of a multimodal transportation system. (b) That there is an absence of an adequate forum in which local officials may exercise leadership in multimodal transportation planning and programming. (c) Therefore, it is in the public interest to define the roles of various public entities with respect to long-range system planning and short-range capital and service planning and programming processes.

130301. The multicounty designated transportation planning agency which includes the area of the commission shall be responsible for long-range transportation system planning, including preparation of the regional transportation plan as defined in Chapter 2.5 (commencing with Section 65080) of Title 7 of the Government Code in such area. Such planning shall be directed to, among other things:

- (a) Identification of corridors of travel.
- (b) Definition of the transportation problems of each corridor.
- (c) Definition of the transportation goals for each corridor.
- (d) Definition of land use goals, with the concurrence of affected local jurisdictions, that should be supported by transportation investment decisions in each corridor.
- (e) Recommendation of priority corridors for major resource allocations.
- (f) Recommendation of the mix of alternative transportation modes appropriate for deployment in light of the transportation needs and goals for each corridor.
- (g) Recommendation of environmental, economic, energy, and social policies that should guide transportation investment decision within corridors.

(h) Coordination of the plans and short-range transportation improvement programs developed by the commissions, including resolution of conflicts between such plans and programs.

(i) Determination of regional priorities and an annual regional program for the use of federal-aid urban system funds, and funds to be expended pursuant to Section 1604 of Title 49 of the United States **Code**, based on the priorities of projects appearing in the short-range transportation improvement program adopted by each commission.

(j) Review and comment concerning all near-term transportation improvement programs after the development of, but prior to, adoption of such programs by the commission. The review shall be conducted pursuant to Section 130059 and in such a manner so that it does not unnecessarily slow or impede the transportation planning and programming process.

(k) Development of an annual unified work program for all transportation planning activities within the jurisdiction of the multicounty designated transportation planning agency in cooperation and coordination with the Department of Transportation and the commission and in conformance with federal laws and rules and regulations. Such cooperation and coordination shall specifically apply to the determination of appropriate planning methods for projecting and planning transportation use, and its effect on land use, within the jurisdiction of the agency.

130302. The role of the multicounty designated transportation planning agency, in coordinating, reviewing, and resolving intercommission conflicts, approving multicounty transportation plans, in developing plans and programs, shall be a cooperative effort with the commissions and shall be executed so as not to unnecessarily impede or slow the transportation planning and programming process.

130303. With respect to the area under its jurisdiction, the commission shall be responsible for short-range capital and service planning directed to:

(a) Determination, on an annual basis, of the total amount of funds that could be available to the commission for transportation planning and development.

(b) Development and approval of a short-range three- to five-year transportation improvement program with an annual updated element reflecting all transportation capital and service priorities within the jurisdiction of the commission to be developed with all appropriate coordination and cooperation between the commission and state and local transportation agencies and operators. All projects utilizing federal and state highway and transit funds, and all exclusive public mass transit guideway projects no matter how funded, shall be included in a transportation improvement program adopted by the commission. The program shall also be developed in coordination with the multicounty designated transportation planning agency and the Department of Transportation, shall be consistent with the adopted regional transportation plan, and shall be reviewed and commented on pursuant to subdivision (j) of Section 130301.

(c) Coordination and approval of all public mass transit service within the jurisdiction of the commission and between the jurisdiction of other commissions or transit operators.

(d) Determination or approval of the location and capacity of all capital development projects, including, but not limited to, exclusive public mass transit guideway systems, state highway projects, and federal-aid highway projects.

(e) Selection and specific approval of appropriate mass transit hardware and technology to be funded by the transportation improvement program.

(f) Determination and approval of the staging and scheduling of construction and other development relative to all transportation improvement projects to be funded by the transportation improvement program.

(g) Administration of the countywide program for the expenditure of funds allocated pursuant to Chapter 4 (commencing with Section 99200) of Part 11 of Division 10.

130303.1. In addition to its short-range transportation planning responsibilities, the commission shall also be responsible, pursuant to Section 180206, for developing long-range expenditure plans for transportation programs included in voter-approved transaction and use tax measures that are consistent with the regional transportation plan and the regional transportation improvement program developed pursuant to Chapter 2.5 (commencing with Section 65080) of Division 1 of Title 7 of the Government Code and this article and Article 3 (commencing with Section 130250) and Article 10 (commencing with Section 130450).

130304. (a) The county transportation commission shall submit the short-range transportation improvement program prepared pursuant to subdivision (b) of Section 130303 to the multicounty designated transportation planning agency. The program shall be the county transportation commission's recommendation to the agency regarding that portion of the regional transportation improvement program with respect to short-range objectives applicable to the county under the jurisdiction of the county transportation commission. The recommended program shall be submitted to the agency in a timely fashion, and the agency shall review and adopt this portion of the regional transportation improvement program in a timely fashion, giving full explanation for any necessary revision of the county transportation commission's recommended program.

(b) The multicounty designated transportation planning agency may revise the submitted transportation improvement program in order to resolve conflicts between the recommended programs or with the adopted regional transportation plan. In case of a disagreement as to the resolution of such a conflict between the agency and the involved county transportation commissions, the California Transportation Commission shall resolve the conflict.

130305. The commission shall take all action necessary to obtain the maximum amount of funding available pursuant to Section 1602 of Title 49 of the United States Code. Public transit operators or other public agencies may only apply for such funds under such terms as prescribed by the commission. The commission may authorize the operator or the agency, as the case may be, to be responsible for the administration of its grant on the condition that the commission receives adequate and timely notice of all formal or other significant communications between the operator or agency and the federal government regarding the grant.

130306. The commission shall determine the projects on the federal-aid urban system to be funded. The commission shall determine the projects to be funded pursuant to Sections 1602 and 1604 of Title 49 of the United States Code. The commission shall also determine the program to be funded by funds allocated pursuant to Chapter 4 (commencing with Section 99200) of Part 11 of Division 10.

Transactions and Use Taxes

130350. A retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of the County of Los Angeles may be adopted by the Los Angeles

County Transportation Commission in accordance with Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, provided that a majority of the electors voting on the measure vote to authorize its enactment at a special election called for that purpose by the commission.

130350.5. (a) In addition to any other tax that it is authorized by law to impose, the Los Angeles County Metropolitan Transportation Authority (MTA) may impose, in compliance with subdivision (b), a transactions and use tax at a rate of 0.5 percent that is applicable in the incorporated and unincorporated areas of the county.

(b) For purposes of the taxing authority set forth in subdivision (a), all of the following apply: (1) The tax shall be proposed in a transactions and use tax ordinance, that conforms with Chapter 2 (commencing with Section 7261) to Chapter 4 (commencing with Section 7275), inclusive, of the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code), and that is approved by a majority of the entire membership of the authority. (2) The tax may be imposed only if the proposing ordinance is approved by the voters in the manner as otherwise required by law and, if so approved, shall become operative as provided in Section 130352. (3) The proposing ordinance shall specify, in addition to the rate of tax and other matters as required by the Transactions and Use Tax Law, that the tax is to be imposed for a period of six and one-half years or less and that the revenues derived from the tax, net of refunds and costs of administration, are to be administered by the MTA exclusively for the purposes of the "Capital Projects," as described and in the amounts set forth in subparagraph (A), and for the purposes of the "Capital Programs," as described and in the amounts set forth in subparagraph (B). (A) Capital Projects. (i) Exposition Boulevard Light Rail Transit Project from downtown Los Angeles to Santa Monica. The sum of nine hundred twenty-five million dollars (\$925,000,000). This project shall be completed by 2011, and shall be the first priority for federal funding received for the capital projects in this subparagraph. (ii) Crenshaw Metro Rapidway from Wilshire Boulevard to Los Angeles International Airport along Crenshaw Boulevard. The sum of two hundred thirty-five million five hundred thousand dollars (\$235,500,000). This project shall be completed by 2008. (iii) San Fernando Valley North-South Rapidways. The sum of one hundred million five hundred thousand dollars (\$100,500,000). This project shall be completed by 2009. (iv) Metro Gold Line (Pasadena to Irwindale) Light Rail Transit Extension. The sum of three hundred twenty-eight million dollars (\$328,000,000). This project shall be completed by 2012, and shall be the second priority for federal funding received for the capital projects in this subparagraph. (v) Metro Center Connector. The sum of one hundred sixty million dollars (\$160,000,000). This project shall be completed by 2012. (vi) Metro Red Line Extension to Fairfax Avenue. The sum of nine hundred million dollars (\$900,000,000). This project shall be completed by 2012. (vii) State Highway Route 5 Carmenita Road Interchange Improvement. The sum of one hundred thirty-eight million dollars (\$138,000,000). (viii) State Highway Route 5 Capacity Enhancement (State Highway Route 134 to State Highway Route 170, including access improvement for Empire Avenue). The sum of two hundred seventy-one million five hundred thousand dollars (\$271,500,000). (ix) State Highway Route 5 Capacity Enhancement (State Highway Route 605 to the Orange County line, including improvements to the Valley View Interchange). The sum of two hundred sixty-four million eight hundred thousand dollars (\$264,800,000). (x) State Highway Route 5/State Highway Route 14 Capacity Enhancement. The sum of ninety million eight hundred thousand dollars (\$90,800,000). (xi) Capital Project Contingency Fund. The sum of one hundred seventy-

three million dollars (\$173,000,000). (B) Capital Programs. (i) Alameda Corridor East Grade Separations. The sum of two hundred million dollars (\$200,000,000). (ii) MTA and Municipal Regional Clean Fuel Bus Capital (Facilities and Rolling Stock). The sum of one hundred fifty million dollars (\$150,000,000). The first priority for the expenditure of these funds shall be satisfaction by the MTA of the requirements of the Consent Decree between the MTA and the Labor Community and Strategy Center, et al., including the purchase of the entire number of buses required to comply with the decree. (iii) Countywide Soundwall Construction (MTA Regional List and Monterey Park/State Highway Route 60). The sum of two hundred fifty million dollars (\$250,000,000). (iv) Local return for major street resurfacing, rehabilitation, and reconstruction. The sum of two hundred fifty million dollars (\$250,000,000). (v) Metrolink Capital Improvements. The sum of seventy million dollars (\$70,000,000). (vi) Eastside Light Rail Access. The sum of thirty million dollars (\$30,000,000). (vii) Capital Program administration. The sum of ten million dollars (10,000,000). The MTA shall use these funds for the administration of the Capital Program.

(c) The MTA may not incur bonded indebtedness payable from the proceeds of the tax provided by this section for the funding of the projects and programs specified in this section, or loan money from the proceeds to other projects or programs in advance of completing the projects and programs in subparagraphs (A) and (B) of paragraph (3) of subdivision (b). The MTA shall complete all projects and programs in subparagraphs (A) and (B) of paragraph (3) of subdivision (b) as a condition of the use and expenditure of the proceeds of the tax. The MTA shall maintain the current amount of any funding for the projects and programs specified in this section received from its sources other than the proceeds of the tax, and may not reallocate money that is already allocated for those projects and programs to other projects or uses.

(d) Notwithstanding Section 7251.1 of the Revenue and Taxation Code, the tax rate authorized by this section may not be considered for purposes of the combined rate limit established by that section.

(e) A jurisdiction or recipient is eligible to receive funds from the local return program, described in clause (iv) of subparagraph (B) of paragraph (3) of subdivision (b), only if it continues to contribute to that program an amount that is equal to its existing commitment of local funds or other available funds. The MTA may develop guidelines which, at a minimum, specify maintenance of effort requirements for the local return program, matching funds, and administrative requirements for the recipients of revenue derived from the tax.

(f) Prior to submitting the ordinance to the voters, the MTA shall adopt an expenditure plan for the revenues derived from the tax. The expenditure plan shall describe the specified projects and programs listed in paragraph (3) of subdivision (b), the estimated total cost for each project and program, funds other than the tax revenues that the MTA anticipates will be expended on the projects and programs, and the schedule during which the MTA anticipates funds will be available for each project and program. To be eligible for proceeds from the tax, an agency sponsoring a capital project or capital program shall submit to the MTA an expenditure plan for its project or program containing the same elements as the expenditure plan that MTA is required by this subdivision to prepare.

(g) The MTA shall establish and administer the Capital Project Development Fund. The revenue derived from the tax shall be deposited into this fund. The moneys in the fund shall be available to the MTA only to meet expenditure and cash flow needs of the capital projects and capital

programs described in subparagraphs (A) and (B) of paragraph (3) of subdivision (b), including the replacement of federal or state funds if the amount of federal or state funds received by the MTA is less than anticipated in the expenditure plan. If the sales tax revenue from this section is less than that needed to meet these expenditure and cash flow needs, the MTA shall supplement the sales tax revenue with money from other sources available to the MTA. Any funds remaining in the fund shall be allocated in equal amounts of 25 percent each to the MTA and to the Municipal Clean Fuel Bus Capital, local return, and Countywide Soundwall programs as described in subparagraph (B) of paragraph (3) of subdivision (b).

(h) If the total amount of revenue received from the tax exceeds the amount in the MTA's expenditures plan or if other funds, including, but not limited to, funds under the Traffic Congestion Relief Act of 2000 (Chapter 4.5 (commencing with Section 14556) of Part 5.3 of Division 3 of Title 2 of the Government Code), become available and are allocated to complete capital projects or capital programs, as described in subparagraphs (A) and (B) of paragraph (3) of subdivision (b), the MTA may expend the surplus tax revenue on its next highest priority projects.

130351. The County of Los Angeles shall conduct the special election called by the commission pursuant to Section 130350, and the commission shall reimburse the county for its cost in conducting the special election. The special election shall be called and conducted in the same manner as provided by law for the conduct of special elections by a county.

130352. Any transactions and use tax ordinance adopted shall be operative on the first day of the first calendar quarter commencing not less than 180 days after adoption of the ordinance.

130353. Repeal of the transactions and use tax ordinance shall not be operative earlier than the first day of the first calendar quarter following the adoption of the ordinance of repeal.

130354. The revenues received by the Los Angeles County Transportation Commission from the imposition of the transactions and use taxes shall be used for public transit purposes.

130355. Any action or proceeding in which the validity of the adoption of the retail transactions and use tax ordinance provided for in this article or any of the proceedings in relation thereto is contested, questioned, or denied, shall be commenced within 90 days after the date this section becomes effective; otherwise, those proceedings, including the adoption and approval of the ordinance, are valid, and in every respect legal and incontestable.

Transit Service Dispute Resolution

130370. (a) Not later than February 1, 1980, the Los Angeles County Transportation Commission, in cooperation with all the transit operators in the County of Los Angeles, shall prepare and submit, for public review and comments, proposed rules and regulations for the resolution of transit service disputes in the county pursuant to Section 130371. (b) The commission shall adopt such rules and regulations not later than April 1, 1980, by eight affirmative votes of the voting members, or designated alternates, only after a public hearing held at least 30 days prior to their adoption. 130371. The rules and regulations shall include, but not be limited to, the following: (a) Criteria to determine the definition and validity of a transit service dispute.

(b) Procedures for the submission of a transit service dispute to the Los Angeles County Transportation Commission.

(c) Information, such as the matter in dispute, to be included in the notice to be sent to the parties in the transit service dispute.

(d) Procedure for mediation prior to a hearing before a transit coordination and service committee.

(e) Appointment, if mediation fails, of a transit coordination and service committee consisting of commission members and alternates to hold a public hearing on the transit service dispute in the locality of the dispute and to make recommendations regarding the dispute to the commission.

(f) Actions the commission may take to resolve the transit service dispute.

130372. (a) The Los Angeles County Transportation Commission shall have sole authority to resolve any transit service dispute between transit operators in the County of Los Angeles, and its decision with respect to such a dispute shall be final and binding pursuant to the rules and regulations adopted by the commission pursuant to Section 130370.

(b) In resolving a transit service dispute pursuant to rules and regulations adopted pursuant to Section 130370, the commission, on a case by case basis, may, by eight affirmative votes of the voting members, or designated alternates, take such action notwithstanding Sections 99280, 99281, and 130263.

130373. Prior to January 1, 1981, only a transit service dispute submitted by a transit operator in the County of Los Angeles may be resolved by the Los Angeles County Transportation Commission.

Transit Coordination and Service Program

130380. Prior to October 1, 1980, the Los Angeles County Transportation Commission, in cooperation with all transit operators in the County of Los Angeles, shall prepare and submit to the Legislature, the county and the cities therein, and the Department of Transportation, for review and comment a proposed transit coordination and service program, including but not limited to, the following: (a) The definition of institutional relationships between all transit operators in the county and the relationship between the commission and the transit operators. (b) Full analyses and recommended changes regarding the current distribution of all transit services throughout the county, including levels and types of transit service. (c) Transit-service productivity guidelines and specific steps to be taken to bring existing transit service into conformity with the guidelines. (d) Financial standards to be met by all transit operators in the county, as well as guidelines for the utilization of all funds available for transit purposes. (e) Other transit coordination and service issues and actions deemed appropriate by the commission to promote the efficient and effective use of all available transportation resources in the county so as to maximize the quality and quantity of transit service available to the residents of the county.

130381. The Los Angeles County Transportation Commission shall adopt by eight affirmative votes of the voting members, or designated alternates, a transit coordination and service program not later than January 10, 1981, after a public hearing held at least 30 days prior to its adoption.

130382. (a) After April 1, 1981, the Los Angeles County Transportation Commission shall implement the recommendations of the transit coordination and service program, except as

otherwise provided in Section 130385. (b) To the extent necessary to implement those recommendations, Sections 99280, 99281, and 130263 shall not be applicable.

130383. The Los Angeles County Transportation Commission shall adopt an updated transit coordination and service program not later than January 10, 1983, and biennially thereafter, and may amend the program at such time as it deems appropriate, in order to meet changing conditions in providing and funding transit services in the County of Los Angeles.

130384. (a) The updated transit coordination and service program, and any amendment to the program, shall be adopted by the Los Angeles County Transportation Commission by eight affirmative votes of the voting members or designated alternates. (b) The proposed updated program or the proposed amendment, as the case may be, shall be available to the public and to all transit operators in the County of Los Angeles for not less than 60 days prior to its adoption.

130385. (a) Any transit operator in the County of Los Angeles which disagrees with any portion of the transit coordination and service program, or any amendment thereto, that impacts its transit services may request the Los Angeles County Transportation Commission to, and the commission shall, resolve the dispute pursuant to Article 7 (commencing with Section 130370).

(b) In such a case, the portion of the program, or amendment thereto, shall not be implemented until the dispute has been resolved and, if necessary, the program or amendment has been revised according to the resolution of the dispute.

130450. For purposes of this article: (a) "Commissions" means the county transportation commissions of Los Angeles, Orange, Riverside, and San Bernardino Counties. (b) "Region" means the multicounty region within the collective jurisdiction of the four commissions. (c) "Regional transit service" means each existing and planned public transit service, including those which are privately owned and which either receive public funds or are operated under an agreement pursuant to Section 143 of the Streets and Highways Code, whether provided by rail or bus, which operates or is planned for operation between two or more counties within the region.

130451. (a) The commissions shall jointly develop an implementation program for regional transit services. In developing the program, the commissions shall consult with the Southern California Association of Governments, the California Transportation Commission, the Los Angeles-San Diego Rail Corridor Agency, and the South Coast Air Quality Management District. (b) The program shall include, at a minimum, all of the following: (1) A system plan and map of all regional transit services. (2) An implementation plan and schedule to establish each regional transit service not already in existence, including, if appropriate, a schedule of necessary construction and procurement. (3) A policy and implementation plan for the coordination of technologies, fares, and schedules to maximize the ability and convenience of passengers to transfer among regional transit services and to and from other publicly owned or privately owned mass transit services in each county connecting to the regional transit services. (4) A program for the operation of regional transit services to provide as efficient and convenient a service as is appropriate. (c) The program shall consider the specialized transportation needs of elderly and handicapped persons. (d) The program shall be consistent with and implement the adopted regional transportation plan for the region.

130452. The commissions shall hold a joint public hearing in each county in their jurisdiction on the draft program no earlier than 30 days after the draft has been completed. Following the public hearings, each commission shall adopt the regional transit services program.

130453. The initial regional transit services draft program shall be completed by December 1, 1990. The initial program need not reflect intercounty bus services. The commissions shall, in accordance with this article, prepare, adopt, and implement a revised regional transit services program every two years. Revisions to the program shall include both intercounty rail and bus services.

130454. The adopted program shall serve as the basis for a coordinated application submitted by the commissions for funds allocated by the California Transportation Commission. Nothing in this article precludes a commission from applying for funding prior to the adoption of the initial program.

130455. This article shall become operative only if the Los Angeles County Transportation Commission, the Orange County Transportation Commission, the Riverside County Transportation Commission, and the San Bernardino County Transportation Commission, each adopt a resolution making this article applicable to it, in which case the operative date of this article shall be the date upon which the latest of those resolutions is adopted.

Los Angeles County Transportation Commission Revenue Bond Act

130500. This chapter shall be known and may be cited as the Los Angeles County Transportation Commission Revenue Bond Act.

130501. The Legislature finds that alternative methods of financing provided in this chapter are needed to finance the cost of acquiring, constructing, and developing facilities for transit systems in the County of Los Angeles and that these methods will increase economic opportunities, contribute to economic development, be in the public interest and serve a public purpose, and promote the health, safety, and welfare of citizens within the County of Los Angeles.

130502. It is the purpose of this chapter to carry out and make effective the findings of the Legislature and, to that end, to provide an alternative method of financing in acquiring, constructing, or rehabilitating facilities to be used as part of transit systems, all to the mutual benefit of the people of the County of Los Angeles and to protect their health and welfare.

130510. Unless the context otherwise requires, the definitions in this article govern the construction of this chapter.

130511. "Bonds" means indebtedness and securities of any kind or class, including bonds, notes, bond anticipation notes, commercial paper, and other obligations.

130512. "Commission" means the Los Angeles County Transportation Commission created pursuant to Section 130050 and any board, commission, department, or officer succeeding to the functions thereof or to whom the powers conferred upon the commission by this division is granted by law.

130513. "Cost," as applied to a project or portion thereof financed under this chapter, means all or any part of the cost of construction and acquisition of all real or personal property, rights, rights-of-way, franchises, easements, and interests acquired or used for a project, the cost of

demolishing or removing any structures on land so acquired, including the cost of acquiring any land to which the structures may be removed, the cost of all machinery and equipment, vehicles, rolling stock, financing charges, interest prior to, during, and for a period after completion of construction as determined by the commission, provisions for working capital, reserves for principal and interest, and for extensions, enlargements, additions, replacements, renovations, and improvements, the cost of architectural, engineering, financial, and legal services, plans, specifications, estimates, and administrative expenses, and other expenses necessary or incidental to the determination of the feasibility of constructing any project or incidental to the construction, acquisition, or financing of any project.

130514. "Notes" means notes and agreements relating thereto, bond anticipation notes, and commercial paper.

130515. "Transit project" or "project" means real and personal property, including, but not limited to, land, structures and all improvements thereto, works, vehicles, rolling stock, rights-of-way, easements, rail lines, rail beds, stations, platforms, switches, yards, terminals, parking facilities, other facilities adjacent to or nearby rail transit stations which are designed to be used in conjunction with the station, and any and all other facilities or equipment necessary or convenient for the provision of transit service, whether under, on, or above the ground, including public streets, highways, bridges, or other public ways or waterways, together with all physical structures necessary or convenient for the access of persons and vehicles thereto.

130516. "Public agency" means any state agency, department, board, or commission, any county, city, regional agency, district, or other political subdivision.

130517. "Public transit purposes," as used in this chapter and in Section 130354, includes a pledge of transactions and use tax revenues to secure any bonds issued pursuant to this chapter, the payment or provision for payment of the principal of the bonds and any premium, interest on the bonds, and the costs of issuance of the bonds.

130518. "Revenues" means all rents, receipts, purchase payments, and all other income or receipts derived by the commission, whether from fares, the sale, lease, or other disposition of transit facilities or projects or otherwise, and any income or revenue derived from the investment of any money in any fund or account of the commission.

130519. (a) The "Los Angeles Metro Rail project" means an 18.6 mile rail line and necessary support facilities and equipment as described in the June 1983 Environmental Impact Statement and Environmental Report, Los Angeles Rail Rapid Transit Project, Metro Rail.

(b) The "initial segment of the Los Angeles Metro Rail project" means that portion of the project which the United States Department of Transportation has approved and committed federal funds for initial construction.

130520. The commission may incur indebtedness and obligations as provided by this chapter.

130521. The commission may acquire by deed, purchase, lease, contract, gift, devise, or otherwise, any real or personal property, structures, rights, rights-of-way, franchises, easements, air, land, and development rights, and other interests in lands located within this state necessary or convenient for the construction or operation of a project, upon terms and conditions it deems advisable, and to lease, develop, jointly develop, maintain, operate, or dispose of any property, right, or interest in the manner that is necessary or desirable to carry out the objects and purposes of this chapter. Nothing in this chapter provides eminent domain power.

130522. The commission may do all of the following: (a) Fix, collect, and revise from time to time, rates, rents, fees, fares, and charges for the use of, and for any facilities furnished or to be furnished by, a project or any part thereof, except that no rent, fee, fare, or charge may be imposed on an operator for the use of the facilities used in the operation of its transit guideway system. (b) Contract with any individual, partnership, association, corporation, or public agency with respect to a project. (c) Provide and maintain, by contract with any public agency or otherwise, a security force to enforce its regulations, preserve and protect the projects financed pursuant to this chapter, and preserve and protect the public peace, health, and safety with respect to these projects.

130530. The commission may issue bonds for purposes authorized by this chapter, and to fund or refund them, pursuant to this chapter.

130531. Notwithstanding any other provision of law: (a) The commission and its revenues are exempt from all taxes on, or measured by, income. (b) Bonds issued by the commission are exempt from all property taxation, and the interest on the bonds are exempt from all taxes on income. (c) All property owned by the commission is exempt from property taxes, assessments, and other public charges secured by liens.

130532. The commission may from time to time issue or renew notes in anticipation of the sale of bonds or otherwise. The commission may also issue notes partly to renew notes or to discharge any other outstanding obligation and partly for any other purpose. Notes may be authorized, sold, and delivered in the same manner as bonds. Any resolution of the commission authorizing notes may contain any provision which the commission may include in any resolution authorizing bonds, and the commission may include in the notes any terms, covenants, or conditions which it may include in bonds. Notes shall be paid from any revenues of the commission or other money available therefor and not otherwise pledged, or from the proceeds of the sale of the bonds in anticipation of which the notes were issued, subject to any contractual rights of the holders of any outstanding notes or other obligations.

130533. (a) Except as provided in this subdivision and as may be otherwise expressly provided by the commission, all issues of its bonds are special obligations of the commission payable from any revenues or money of the commission available therefor and not otherwise pledged, subject only to any agreement with the holders of particular bonds pledging any particular revenues or money. However, the commission may not pledge revenues or money from the following sources: federal funds provided under Sections 1602 and 1607a of Title 49 of the United States Code, funds allocated pursuant to subdivisions (a) and (b) of Section 99312 from a state transit assistance fund created pursuant to Section 99313.6, funds allocated from the Transportation Planning and Development Account in the State Transportation Fund, funds subject to Article XIX of the California Constitution, and funds provided pursuant to the Mills-Alquist-Deddeh Act (Chapter 4 (commencing with Section 99200) of Part 11 of Division 10). (b) The commission may not pledge any of its revenue derived from the retail transactions and use tax which have been allocated to a city pursuant to the ordinance adopted pursuant to Section 130350, unless the city has authorized the pledging of its allocation. (c) Notwithstanding that the bonds may be payable from a special fund, they are for all purposes negotiable instruments, subject only to the provisions of the bonds for registration.

130534. (a) The bonds may be issued as serial bonds or as term bonds, or the commission, in its discretion, may issue bonds of both types. (b) The bonds shall be authorized by resolution of the

commission and shall bear the date or dates, mature at the time or times, not exceeding 50 years from their respective dates, bear interest at the rate or rates, be payable at the time or times, be in the denominations, be in registered form, carry the registration privileges, be executed in the manner, be payable in lawful money of the United States of America at the place or places, and be subject to the terms of redemption, as the resolution or resolutions may provide. (c) The bonds may be sold at public or private sale, and for the price or prices and on the terms and conditions as determined by the commission. (d) Pending preparation of the bonds, the commission may issue interim receipts, certificates, or temporary bonds which shall be exchanged for the bonds. The commission may sell any bonds at a price below the par value thereof without any limitation on price. 130535. (a) At times that the commission desires to issue bonds, it shall adopt a resolution specifying the total amount of bonds proposed to be issued. (b) Any resolution authorizing any bonds, or any issue of bonds, shall, to the extent applicable, contain provisions, which are a part of the contract with the holders of the bonds to be authorized, as to the following: (1) Pledging all or any part of the revenues of any project or any revenue-producing contract or contracts made by the commission with any individual, partnership, corporation, or association or other body, public or private, or other money of the commission, to secure the payment of the bonds or of any particular issue of bonds, subject to any agreement with bondholders that may then exist. (2) The rentals, fees, fares, purchase payments, and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues. (3) The setting aside of reserves or sinking funds, and the regulation and disposition thereof. (4) Limitations on the purpose to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied, and pledging the proceeds to secure the payment of the bonds or any issue of the bonds. (5) Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured and the refunding of outstanding bonds. (6) The procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds that the holders of which are required to consent thereto, and the manner in which the consent may be given. (7) Limitations on expenditures for operating, administrative, or other expenses of the commission. (8) Defining the acts or omissions to act which constitute a default in the duties of the commission to bondholders of the commission's obligations, and providing the rights and remedies of the bondholders in the event of a default. (9) The mortgaging of any project, or any part thereof, for the purpose of securing the bondholders. (10) The terms and conditions of the sale, whether public or private, including, but not limited to, the price, interest rates, terms to maturity, security arrangements, and any other terms and conditions which the commission deems necessary under the circumstances.

130536. Neither the members of the commission, nor any person executing the bonds, are liable personally on the bonds, or are subject to any personal liability or accountability by reason of the issuance thereof.

130537. The commission may, from any funds available therefor, purchase its bonds. The commission may hold, pledge, cancel, or resell the bonds, subject to, and in accordance with, agreements with the bondholders. 130538. (a) At the discretion of the commission, any bonds issued under this chapter may be secured by a trust agreement by and between the commission and a trustee, which may be any trust company or bank having the powers of a trust company within or without the state. (b) The trust agreement, or the resolution providing for the issuance of the bonds, may pledge or assign the revenues to be received or the proceeds of any contract

pledged and may convey or mortgage the project, or any portion thereof, to be financed out of the proceeds of the bonds. The trust agreement, or resolution providing for the issuance of the bonds, may contain provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including particularly provisions specifically authorized to be included in any resolution of the commission authorizing bonds. (c) Any bank or trust company which does business under the laws of the United States or of this state, which has its principal place of business in this state, and which may act as depository of the proceeds of bonds or of revenues or other moneys may furnish indemnifying bonds or pledge securities as may be required by the commission. (d) Any trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition, any trust agreement or resolution may contain other provisions that the commission may deem reasonable and proper for the security of the bondholders.

130538.5. The commission shall take no action which will materially impair the security pledged for any bonds which it has previously issued.

130539. All expenses incurred in carrying out the provisions of the trust agreement or resolution may be treated as a part of the cost of the operation of a project.

130540. (a) Bonds issued under this chapter do not constitute a debt or liability of the state or of any other public agency, other than the commission, or a pledge of the faith and credit of the state or of any other public agency, other than the commission, but shall be payable solely from the funds provided therefor. All the bonds shall contain on the face thereof a statement to the following effect: "Neither the faith and credit nor the taxing power of the State of California or any public agency, other than the Los Angeles County Transportation Commission, is pledged to the payment of the principal of, or interest on, this bond." (b) The issuance of bonds under this chapter does not in any manner obligate the state or any other public agency thereof to levy, or to pledge any form of, taxation therefor or to make any appropriation for their payment.

130541. The commission may provide for the issuance of bonds of the commission for the purpose of refunding any bond then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase, or maturity of the bonds and, if deemed advisable by the commission, for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions, or enlargements of a project or any portion thereof. The commission may issue refunding bonds to refinance its indebtedness only if the commission finds that the refunding is in the public interest due to the terms or conditions of the refunding, including, without limitation, lower net interest cost, maturity or maturities, call provisions, or similar terms and conditions.

130542. (a) The proceeds of any bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the commission, be applied to the purchase or retirement at maturity or redemption of outstanding bonds either on their earliest or any subsequent redemption date or upon the purchase or retirement at the maturity thereof and may, pending such application, be placed in escrow to be applied to the purchase or retirement at maturity or redemption on the date as may be determined by the commission. (b) Pending that use, the escrowed proceeds may be invested and reinvested by the commission or its trustee in obligations of, or guaranteed by, the United States of America, or in certificates of deposit or time deposits secured by obligations

of, or guaranteed by, the United States of America, maturing at a time or times appropriate to ensure the prompt payment of principal, interest, and redemption premium, if any, of the outstanding bonds to be so refunded. The interest, income, and profits, if any, earned or realized on the investment may also be applied to the payment of the outstanding bonds to be so refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of the proceeds and interest, income, and profits, if any, earned or realized on the investments thereof may be returned to the commission for use by it in any lawful manner.

130543. The proceeds of any bonds issued for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions, or enlargements of a project may be invested and reinvested by the commission or its trustee in obligations of, or guaranteed by, the United States of America, or in certificates of deposit or time deposits secured by obligations of, or guaranteed by, the United States of America, maturing not later than the time or times when the proceeds will be needed for the purpose of paying all or any part of the cost. The interest, income, and profits, if any, earned or realized on the investment may be applied to the payment of all or any part of the cost or may be used by the commission in any lawful manner.

130544. Bonds issued pursuant to Section 130542 are subject to this chapter in the same manner and to the same extent as other bonds issued pursuant to this chapter.

130545. The bonds issued pursuant to this chapter are legal investments for all trust funds, the funds of all insurance companies, commercial or savings banks, trust companies, savings and loan associations, and investment companies, for executors, administrators, guardians, conservators, trustees, and other fiduciaries, for state school funds, and for any funds which may be invested in county, municipal, or school district bonds. The bonds are securities which may properly and legally be deposited with, and received by, any state or municipal officer or any public agency for any purpose for which the deposit of bonds or obligations of the state is now, or may hereafter be, authorized by law, including deposits to secure public funds.

130550. This chapter, being necessary for the welfare of the state and its inhabitants, shall be liberally construed to effect the purposes thereof.

130551. (a) This chapter provides a complete, additional, and alternative method for the doing of the things authorized thereby, and is supplemental and additional to powers conferred by other laws. (b) The issuance of bonds and refunding bonds under this chapter need not comply with the requirements of any other law applicable to the issuance of bonds.

130552. The State of California does hereby pledge to, and agree with, the holders of any bonds issued under this chapter and with those parties who may enter into contracts with the commission pursuant to this chapter that the state will not limit or alter the rights hereby vested in the commission until the bonds, together with the interest thereon, are fully met and discharged and the contracts are fully performed on the part of the commission. However, nothing in this section precludes that limitation or alteration if and when adequate provision has been made by law for the protection of the bondholder or those entering into contracts with the commission. The commission, as agent for the state for this purpose only, may include this pledge and undertaking for the state in issuing its bonds and entering into contracts.

130553. To the extent that the provisions of this chapter, with respect to the financing of transit systems or facilities, are inconsistent with the provisions of any general statute or special act or

parts thereof, with respect to the financing of transit systems or facilities, the provisions of this chapter are controlling. This section does not affect the authority of the Southern California Rapid Transit District to issue bonds, notes, or other evidences of indebtedness under Chapter 7 (commencing with Section 30900) of Part 3 of Division 10 or any other law.

Miscellaneous Provisions related to District, Commission, and Authority Law

Los Angeles – Orange County Areawide Regional System, PUC 40010-40014

40010. It is necessary that a transit district be established in Orange County in order to provide an interim solution to the transit problem of this area pending inclusion, if at all, of Orange County into the Southern California Rapid Transit District. The problem is unique in that presently there are several existing transportation facilities serving various parts of the area but independently operated, without interchange of transportation services, and without possibility of merger. The geographic location of the area requiring transportation services makes it necessary to develop a single transit system to protect the public interest. It shall be the ultimate purpose of the Orange County Transit District to establish, when financing therefor becomes feasible, a permanent rapid transit system designed to be part of a unified Los Angeles-Orange County areawide regional system. When such permanent system is planned it shall incorporate physical characteristics necessary for full compatibility with the system of the Southern California Rapid Transit District, and unified management of the operations of such an areawide system shall be provided. Such unified management may be provided by management or operating contract with, or by annexation of the Orange County Transit District to, the Southern California Rapid Transit District or by any other lawful means; and shall take into full account the financial burdens already assumed by the citizens of the area comprising the Los Angeles Rapid Transit District to establish its system, which should be recognized in the operation of the unified system. The share of such financial burdens to be assumed by the Orange County Transit District, determined by its board by agreement with the board of the Southern California Rapid Transit District to be in the best mutual interest of the citizens of the two districts, may be made payable out of bond proceeds (subject to authorization of the bonds at an election), tax levies or any other available funds and may be made payable at such times and upon such rate of interest and other terms as shall be agreed between the boards of the two districts.

40011. The Orange County Transit District as created and established by the voters of the County of Orange comprises all that portion of the County of Orange lying within the exterior boundaries thereof.

40012. Except as otherwise provided in this part elections shall be held and conducted and the result ascertained, determined, and declared in all respects as nearly as practicable in conformity with the general election laws of the state.

40013. Except as otherwise provided in this part all ordinances and notices which are required to be published shall be published within the district pursuant to Section 6066 of the Government Code.

40014. Whenever the signature of any officer or employee of a district or of any member of the retirement board or of any officer or employee of the retirement system is authorized or required under the provisions of this part, except in the single instance provided in Section 40243, the signature may be made by the use of a plate bearing facsimilies of such signatures.

Merger with the Orange County Transit District, PUC 40600-40617

40600. The district may be consolidated with the Southern California Rapid Transit District organized and operating pursuant to Part 3 (commencing with Section 30000) of this division, in the manner provided in this chapter.

40601. Whenever the board finds and determines that: (a) The Southern California Rapid Transit District is willing to annex the territory comprising the district; (b) The annexing district has adequate facilities for and is able to supply transit service to the district in a manner equal to or superior to that presently rendered by the district; (c) Annexation will not result in assumption of financial obligations by the taxpayers of the district disproportionate to the services which they will receive; the board shall thereafter negotiate an agreement with the annexing district specifying the terms and conditions of annexation and such other matters as are necessary and incidental thereto.

40602. The board shall thereafter, by resolution setting forth the terms and conditions of the proposed contract at length, declare its intention to cause the agreement to be approved and effect consolidation of the district with the Southern California Rapid Transit District.

40603. The resolution, together with a notice fixing the time and place for hearing thereon, shall be published once in a newspaper of general circulation published in the district. The time fixed for hearing shall not be less than 30 nor more than 60 days from the date of publication of such notice.

40604. At the hearing any interested person may file with the board written objections to the approval of the terms and conditions of the proposed contract or the consolidation, or both the proposed contract and the consolidation.

40605. Upon the hearing, the board shall determine whether or not the terms and conditions of the contract will be approved and the consolidation effected, and shall hear and determine all objections thereto.

40606. Any hearing on the agreement and consolidation may be adjourned from time to time by the board, not exceeding 30 days in all, without further notice other than an order entered upon the minutes of the meeting fixing the time and place of adjournment.

40607. If no protests are filed, or if the protests filed are overruled and denied by the board, the board shall thereupon by resolution finally approve the terms and conditions of the agreement and proceed with the consolidation.

40608. At any time after the board of directors of the district has finally approved the agreement the Board of Supervisors of Orange County shall cause an election to be held in the district to determine whether the Orange County Transit District will be consolidated with the Southern California Rapid Transit District upon the terms and conditions stated in the agreement.

40609. Notice of election shall be published once a week for two successive weeks (two publications) in a newspaper of general circulation published within the district, and shall either state that a copy of the consolidation agreement is on file in the office of the Clerk of Orange

County, and open to the inspection of all persons interested, or set forth the terms and conditions of the consolidation agreement at length, in the discretion of the board of supervisors calling the election.

40610. The ballots for the election shall contain substantially the instructions required to be printed on ballots for use at general state and county elections and in addition shall set forth the proposition of consolidation substantially as follows:

_____ || Shall the
Orange County Transit District be || consolidated with the Southern California | YES | Rapid
Transit District in accordance with || and subject to all the terms and conditions |-----|----- of a
consolidation agreement dated _____ || now on file in the office of the Clerk of | NO | Orange
County? || _____|_____|_____

40611. If upon a canvass of the election it is found that a majority of all votes cast on the proposition at the election were cast in favor of the consolidation, the proposition and all of the terms and conditions of the consolidation agreement shall be deemed carried and approved by the voters.

40612. If the proposition fails to carry, the result shall be entered upon the minutes of the Board of Supervisors of Orange County.

40613. If the proposition receives the vote of the requisite majority of voters, the Board of Supervisors of Orange County shall enter in its minutes an order declaring the result of the election and shall thereupon cause the consolidation agreement to be executed by its duly authorized officers.

40614. Upon receipt by the Southern California Rapid Transit District of a copy of the consolidation agreement properly executed by the district and Orange County the board of directors of the Southern California Rapid Transit District shall pass a resolution declaring the Orange County Transit District consolidated with the Southern California Rapid Transit District, and shall cause a certified copy of the resolution to be filed with the Secretary of State. From and after the date of filing of the resolution with the Secretary of State the consolidation of the Orange County Transit District with the Southern California Rapid Transit District is complete.

40615. From and after the date of consolidation the board of directors of the Southern California Rapid Transit District shall levy upon all of the property in the former Orange County Transit District such taxes, tolls, or charges as are necessary to provide funds for the payment of the indebtedness assumed by the former district or otherwise necessary to comply with the terms and conditions of the consolidation agreement, all in addition to the general district taxes authorized elsewhere in Part 3 (commencing with Section 30000) of this division to be levied and collected.

40616. The validity of any consolidating proceedings shall not be contested in any action unless the action is brought within three (3) months after the completion of the proceedings.

40617. Upon the completion of such consolidation procedure, the Orange County Transit District shall be deemed to be dissolved. Thereafter, all property and assets of the district which are not subject to the negotiated contract pertaining to consolidation shall be distributed to the County of Orange.

Merger with the San Diego County Transit District, PUC 93000-93017

93000. The district may be consolidated with the Southern California Rapid Transit District organized and operating pursuant to Part 3 (commencing with Section 30000) of this division, in the manner provided in this chapter.

93001. Whenever the board finds and determines that: (a) The Southern California Rapid Transit District is willing to annex the territory comprising the district; (b) The annexing district has adequate facilities for and is able to supply transit service to the district in a manner equal to or superior to that presently rendered by the district; (c) Annexation will not result in assumption of financial obligations by the taxpayers of the district disproportionate to the services which they will receive; the board shall thereafter negotiate an agreement with the annexing district specifying the terms and conditions of annexation and such other matters as are necessary and incidental thereto.

93002. The board shall thereafter, by resolution setting forth the terms and conditions of the proposed contract at length, declare its intention to cause the agreement to be approved and effect consolidation of the district with the Southern California Rapid Transit District.

93003. The resolution, together with a notice fixing the time and place for hearing thereon, shall be published once in a newspaper of general circulation published in the district. The time fixed for hearing shall not be less than 30 nor more than 60 days from the date of publication of such notice.

93004. At the hearing any interested person may file with the board written objections to the approval of the terms and conditions of the proposed contract or the consolidation, or both the proposed contract and the consolidation.

93005. Upon the hearing, the board shall determine whether or not the terms and conditions of the contract will be approved and the consolidation effected, and shall hear and determine all objections thereto.

93006. Any hearing on the agreement and consolidation may be adjourned from time to time by the board, not exceeding 30 days in all, without further notice other than an order entered upon the minutes of the meeting fixing the time and place of adjournment.

93007. If no protests are filed, or if the protests filed are overruled and denied by the board, the board shall thereupon by resolution finally approve the terms and conditions of the agreement and proceed with the consolidation.

93008. At any time after the board of directors of the district has finally approved the agreement the Board of Supervisors of San Diego County shall cause an election to be held in the district to determine whether the San Diego County Transit District will be consolidated with the Southern California Rapid Transit District upon the terms and conditions stated in the agreement.

93009. Notice of election shall be published once a week for two successive weeks (two publications) in a newspaper of general circulation published within the district, and shall either state that a copy of the consolidation agreement is on file in the office of the Clerk of San Diego County, and open to the inspection of all persons interested, or set forth the terms and conditions of the consolidation agreement at length, in the discretion of the board of supervisors calling the election.

93010. The ballots for the election shall contain substantially the instructions required to be printed on ballots for use at general state and county elections and in addition shall set forth the proposition of consolidation substantially as follows:

_____' ' Shall the San
Diego County Transit Dis- ' ' trict be consolidated with the Southern ' YES ' California Rapid
Transit District in ' ' accordance with and subject to all the ' _____ ' _____ terms and
conditions of a consolidation ' ' agreement dated _____ now on file ' ' in the office of the
Clerk of San Diego ' NO ' County? ' '

93011. If upon a canvass of the election it is found that a majority of all votes cast on the proposition at the election were cast in favor of the consolidation, the proposition and all of the terms and conditions of the consolidation agreement shall be deemed carried and approved by the voters.

93012. If the proposition fails to carry, the result shall be entered upon the minutes of the Board of Supervisors of San Diego County.

93013. If the proposition receives the vote of the requisite majority of voters, the Board of Supervisors of San Diego County shall enter in its minutes an order declaring the result of the election and shall thereupon cause the consolidation agreement to be executed by its duly authorized officers.

93014. Upon receipt by the Southern California Rapid Transit District of a copy of the consolidation agreement properly executed by the district and San Diego County the board of directors of the Southern California Rapid Transit District shall pass a resolution declaring the San Diego County Transit District consolidated with the Southern California Rapid Transit District, and shall cause a certified copy of the resolution to be filed with the Secretary of State. From and after the date of filing of the resolution with the Secretary of State the consolidation of the San Diego County Transit District with the Southern California Rapid Transit District is complete.

93015. From and after the date of consolidation the board of directors of the Southern California Rapid Transit District shall levy upon all of the property in the former San Diego County Transit District such taxes, tolls, or charges as are necessary to provide funds for the payment of the indebtedness assumed by the former district or otherwise necessary to comply with the terms and conditions of the consolidation agreement, all in addition to the general district taxes authorized elsewhere in Part 3 (commencing with Section 30000) of this division to be levied and collected.

93016. The validity of any consolidating proceedings shall not be contested in any action unless the action is brought within three (3) months after the completion of the proceedings.

93017. Upon the completion of such consolidation procedure, the San Diego County Transit District shall be deemed to be dissolved. Thereafter, all property and assets of the district which are not subject to the negotiated contract pertaining to consolidation shall be distributed to the County of San Diego.

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