



**JOINT MEETING OF THE STANISLAUS COUNCIL OF
GOVERNMENTS (StanCOG) EXECUTIVE COMMITTEE
AND THE STANISLAUS REGIONAL TRANSIT AUTHORITY
ADVISORY COMMITTEE
VIA TELECONFERENCE
MONDAY, SEPTEMBER 21, 2020
9:00 AM**

Important Notice Regarding COVID-19

In accordance with Governor Newsom's Executive Order N-29-20, any meeting room will be closed to the public. In the interest of maintaining appropriate social distancing measures, members of the public may participate in the meeting electronically and shall have the right to observe and offer public comment during the meeting.

The following options are available to members of the public to listen to this meeting and provide comments during the meeting:

1. You are strongly encouraged to listen to the committee meeting by joining the meeting from your computer or iPad at:

<https://global.gotomeeting.com/join/571980037>

AND by teleconference for audio of the meeting by:

Dial in using your telephone.

+1 (571) 317-3122

Access Code: 571-980-037

For participation by teleconference only, please use the above phone number and access code.

2. If you wish to make a comment on a specific agenda item, please submit your comment via the comment/question feature in GoToMeeting or, if using the teleconference line, please wait for the committee chair to ask for Public Comments from the teleconference line. Electronic comments will be shared with the committee members and placed into the record at the meeting. Every effort will be made to read comments received during the meeting into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

Committee Agendas and Minutes: Committee agendas, minutes and copies of items to be considered by this committee are available at least 72 hours prior to the meeting at the StanCOG offices located at 1111 "I" Street, Suite 308, Modesto, CA during normal business hours. The documents are also available on StanCOG's website at www.stancog.org.

Materials related to an item on this Agenda submitted to the committee after distribution of the agenda packet are available for public inspection at the address listed above during normal business hours. These documents are also available on StanCOG's website, subject to staff's ability to post the documents before the meeting.

Reasonable Accommodations: This Agenda shall be made available upon request in appropriate alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact Cindy Malekos at (209) 525-4600 during regular business hours at least 72 hours prior to the time of the meeting to enable StanCOG to make reasonable arrangements to ensure accessibility to this meeting.

Notice Regarding Non-English Speakers: This committee meeting is conducted in English. Anyone wishing to address the Committee is advised to have an interpreter or to contact Cindy Malekos at (209) 525-4600 during regular business hours at least 72 hours prior to the time of the meeting so that an interpreter can be provided.

Aviso con Respecto a Personas que no Hablan el Idioma de Inglés: Las reuniones de los Comités del Consejo de Gobiernos de Stanislaus son conducidas en Inglés. Cualquier persona que desea dirigirse al Comité se le aconseja que traiga su propio intérprete o llame a Cindy Malekos al (209) 525-4600 durante horas de oficina regulares o a lo menos 72 horas antes de la reunión, para proporcionarle con un intérprete.

AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. PUBLIC COMMENTS

These matters may be presented only by interested persons in the audience. Discussion is limited to three minutes or at the discretion of the Chair.

4. CONSENT CALENDAR

- A. Motion to Approve the Stanislaus Regional Transit Authority Advisory Committee Minutes of 9/14/20

5. DISCUSSION/ACTION ITEMS

- A. Review and Approve Draft JPA Agreement, Forward to Potential Member Jurisdictions for Legal Review and Comment Back to the Stanislaus Regional Transit Authority Advisory Committee
- B. Discussion of the Staff Working Group: Expanding it to Include Jurisdiction Executive Representative, and Status of Key Discussion Items (Verbal Report)
- C. Future Meeting Schedule (Verbal Report)

6. ADJOURNMENT



CONSENT CALENDAR



**JOINT MEETING OF THE STANISLAUS COUNCIL OF
GOVERNMENTS (StanCOG) EXECUTIVE COMMITTEE AND THE
STANISLAUS REGIONAL TRANSIT AUTHORITY ADVISORY
COMMITTEE
VIA TELECONFERENCE**

**Minutes of September 14, 2020 (Monday)
9:00 am**

Important Notice Regarding COVID-19

In accordance with Governor Newsom's Executive Order N-29-20, the Stanislaus Council of Governments (StanCOG) Board Room was closed to the public, and the Stanislaus Regional Transit Authority Advisory Committee (SRTAAC) members and staff participated in this meeting via GoToMeeting. In the interest of maintaining appropriate social distancing measures, members of the public were able to participate in the meeting electronically and had the right to observe and offer public comment during the meeting.

MEMBERS PRESENT: Chair Jenny Kenoyer (City of Modesto); Vice-Chair Nicole Larson (City of Turlock); Bill Zoslocki (City of Modesto); Vito Chiesa, Terry Withrow (Stanislaus County); Gil Esquer (City of Turlock); Richard O'Brien (Cities other than Modesto and Turlock)

ALSO PRESENT: Rosa Park, Karen Kincy, Cindy Malekos, Josey Oshana, Edith Robles (StanCOG); Mohammad Ahmed, Jerry Moore (Interwest Consulting); Phil McGuire (McGuire Management Consultancy); Monica Streeter (Neumiller and Beardslee); Calua Barnes, Adam Barth, Nathan Bray, Scotty Douglass, Jason Helton, Dave Leamon, Lucien Musso, Letti Ortiz, Bill Sandhu, Angela Swanson, Luis Uribe, Wayne York (Members of the Public)

1. CALL TO ORDER

Chair Kenoyer called the meeting to order at 9:03 am.

2. ROLL CALL

3. PUBLIC COMMENTS – NONE

4. CONSENT CALENDAR

- A. Motion to Approve the Stanislaus Regional Transit Authority Advisory Committee Minutes of 8/31/20
- **By Motion (Member Vito Chiesa/Member Bill Zoslocki)**, and a unanimous roll call vote, the Stanislaus Regional Transit Authority Advisory Committee approved the Consent Calendar.

5. DISCUSSION/ACTION ITEMS

A. DISCUSSION OF JPA EMPLOYMENT STRUCTURES

Phil McGuire stated that the approach to employment of staff for the Stanislaus Regional Transit Authority had been intended to replicate the successful models used by the majority of transit JPA's around the State in which the staff were employed by the JPA. Member Chiesa asked about meeting with the unions involved. Monica Streeter answered that the labor and employment agreements would have to be negotiated and drafted with the third party, the union. Mr. McGuire said that there would be discussions with the unions as staffing details were further determined.

- **By Motion (Member Vito Chiesa/Member Terry Withrow), and a unanimous roll call vote**, the Stanislaus Regional Transit Authority Advisory Committee recommended that staff move forward as if the JPA was the employer of record, subject to approval by member agencies.

B. DISCUSSION OF ADJUSTMENT TO JPA IMPLEMENTATION SCHEDULE

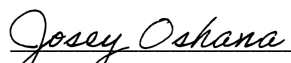
Phil McGuire said the original intent of the formation process was to have a new agency formed by January 1, 2021, in order to guide the full implementation process by July 1, 2021. He said this timeline had been accelerated from January to October due to a vendor contract issue in the City of Modesto which had subsequently been extended. He said that returning to the original formation date of January 1, 2021 was suggested to provide additional time for review and preparation of the JPA agreement. Member Bill Zoslocki asked that the process be slowed down to ensure coordination with all involved. There was consensus by the members who agreed with this approach. Mr. McGuire said that a draft document would be provided for the committee's review at the next meeting.

6. ADJOURNMENT

Chair Kenoyer adjourned the meeting at 10:11 am.

Next Regularly-Scheduled SRTAAC Meeting:
September 21, 2020 (Monday) @ 9:00 am

Minutes Prepared By:



Josey Oshana
Executive Administrative Assistant, StanCOG



DISCUSSION & ACTION ITEMS



TO: Stanislaus Regional Transit Authority Advisory Committee **Staff Report**
FROM: Phil McGuire **Motion**

DATE: September 17, 2020

SUBJECT: Draft JPA Agreement Document

Recommendation

By Motion:

Approve the Draft JPA Agreement and send the agreement on to the proposed Member jurisdictions for management and legal review.

Background

The Advisory Committee approved the structure of the Board of Directors for the new Stanislaus Regional Transit Authority at its meeting of August 31. At that same meeting, the Committee was advised that many other provisions of the JPA Agreement would warrant their attention for incorporation into the final document.

Discussion

Attached is the Draft JPA Agreement forming the Stanislaus Regional Transit Authority. This draft has been crafted to incorporate concepts and provisions based upon “best practices” from several transit JPA Agreements from around California. The draft has been reviewed by StanCOG legal counsel. Refinements recommended by counsel have been incorporated into the Draft Agreement.

A review process much like that for the MOU establishing the Advisory Committee is envisioned for the JPA Agreement. That is, once approved as a Draft by the Advisory Committee, the Agreement will be sent to each jurisdiction for review. This review is meant to be by legal counsel and others in leadership of the jurisdiction. Once comments have been received back from all jurisdictions, they will be compiled into a revised document for follow up review by the Advisory Committee. Having considered and responded as appropriate to input from each jurisdiction, the Advisory Committee will be asked to approve a final version of the JPA Agreement for transmittal to the jurisdictions for action to create the Authority.

It is recommended that the Advisory Committee approve the Draft JPA Agreement and forward the Agreement on to the proposed Member jurisdictions for review.

STANISLAUS REGIONAL TRANSIT AUTHORITY

JOINT POWERS AGREEMENT

This Joint Powers Agreement (“Agreement”) creating the “Stanislaus Regional Transit Authority (“Authority”) is by and among the CITY OF MODESTO, a municipal corporation (hereinafter "Modesto"), the CITY OF TURLOCK, a municipal corporation (hereinafter "Turlock"), and the COUNTY OF STANISLAUS (hereafter "County"), individually a “Member”, collectively the “Members” or “Member Agencies”. Each municipal corporation is sometimes referred to individually as “City” and collectively as “Cities.” The County of Stanislaus is sometimes referred to as “County.” The Cities and County are sometimes referred to individually as a “Party” and collectively as “Parties.” Each Party to this Agreement is a public agency, organized and operating under the laws of the State of California.

RECITALS

- A. Government Code Sections 6500 et seq. permit two or more public agencies, by agreement, to jointly exercise any power common to them and, thereby, authorizes the Members to enter into this Agreement.
- B. In the performance of their essential governmental functions, Modesto, Turlock, and the County each provide transit services within their respective boundaries and to areas outside of said boundaries in order to perform or participate in intra-city, inter-city and regional transit services.
- C. Public entities have the opportunity to provide transit and related services in a cooperative and coordinated manner, in order to best manage the public resources committed and necessary for delivery of such transit services.
- D. The formation of the Authority enables the Members to take advantage of the opportunities for more economical provision of transit services through economies of scale and to improve and expand the provision of a variety of transit services including, but not limited to, normal and customary intra-city bus transit, intercity transit, paratransit services, dial-a-ride, and connecting transit to other transportation providers such as BART and/or the ACE commuter train in such manner and at such time as the Members may decide necessary and appropriate for public benefit.
- E. The governing board of each Member has determined that it is in the Member's best interest and in the public interest, that this Agreement be executed, the Authority be created and they become Members of the Authority.

AGREEMENT

Section 1. Formation of the Stanislaus Regional Transit Authority ("Authority").

1.1. Pursuant to Chapter 5, Division 7, Title I of the Government Code of the State of

California (commencing with Section 6500) as amended from time to time, and commonly known as the Joint Exercise of Powers Act (“Act”), there is hereby created a joint powers agency which is named the “Stanislaus Regional Transit Authority” and may otherwise be referred to as "Authority" or such other acronym, brand or identifier as determined appropriate by the Board.

Section 2. Parties to Agreement.

2.1. The Members of the Authority are the City of Modesto, the City of Turlock, and the County of Stanislaus. Each of the Members are a public agency as defined by Government Code section 6500 et seq. and are each authorized and empowered to contract for the joint exercise of powers common to each agency. Each Party to this Agreement individually has the statutory authority to provide transit and related services, as well as provide facilities and personnel for such services. In accordance with the Act, the Members enter this Agreement to jointly exercise the foregoing common powers in the manner set forth in this Agreement.

Section 3. Purpose.

3.1. The Authority will be the agency created by the merger or consolidation of the public transportation systems presently existing and operated by the Members. Upon the Effective Date of this Agreement, the Authority will operate as a public entity separate and apart from the Members for the purpose of providing public transportation and related services, including but not limited to bus, dial-a-ride and shuttle service, and the provision of facilities and personnel for such services.

Section 4. Transfer of Assets; Succession to Existing Contracts.

4.1. Upon the Effective Date of this Agreement, the Members will enter into use agreements for the assets designated in the Transition Plan, adopted by the Authority and dated XXXXXX, 202X, for the transition period which will begin on the Effective Date of this Agreement through July 1, 2021. The transition period may be extended by mutual written agreement of the governing bodies of the Parties. Once the Authority receives approval of its status as a “qualified grantee” by necessary grantors, including the Federal Transit Administration (FTA), the cities of Modesto and Turlock and Stanislaus County will transfer, and the Authority will receive and accept, designated transit related assets, personal property, rolling stock and equipment of each presently operating transit service.

4.2. Unless prohibited by law, all existing agreements and contracts involving transit services by the Members or its personnel shall be assigned to the Authority as of the date specified in the approved Transition Plan, with any service or obligation to be provided or performed thereafter by the Authority as identified in the Transition Plan. A list of all such contracts and agreements shall be identified during the transition period and identified in the Transition Plan. The Authority agrees to assume all of the obligations, duties and liabilities of the Members under said agreements and contracts. Such agreements may include but are not limited to service operating contracts between Member agencies and contracting companies which may be assigned to the Authority no sooner than July 1, 2021.

Section 5. Existing Levels of Service. The services delivered by the new regional transit agency will be consistent with the expectations of each Party. Each Party will be involved in all

decisions regarding service levels and service deployment within its jurisdiction. The initial service to be provided by the Authority shall be the same as that currently provided until such time as the Authority carries out a region-wide planning process at which time services may be restructured under the direction of the JPA.

Section 6. Transit Employees.

6.1. Not later than 120 days following the organizational meeting of the Authority Board and prior to assuming operating control of the public transportation services, the Authority shall offer employment to some or all of the existing public transportation system employees of the Member jurisdictions. The employment by the Authority of each such employee shall be of substantially the same kind and level as the employment currently enjoyed by the employees. Salary, fringe benefits and seniority rights shall be provided to the fullest extent possible.

6.2. Notwithstanding Section 21 of this Agreement (indemnification), the Authority accepts responsibility for any claims arising due to such transfer of employment post formation of the Authority, including, but not limited to, any Federal Section 13(c) claims or any employee association claims regarding changes in wages, benefits or working conditions.

- a. The services delivered by the new regional transit agency will be consistent with the expectations of each participating agency. Each participating agency will be involved in all decisions regarding service levels and service deployment within its jurisdiction. The initial service to be provided by the new JPA shall be the same as that currently provided until such time as the new agency carries out a region-wide planning process at which time services may be restructured under the direction of the JPA.

Section 7. Powers.

7.1. The Stanislaus Regional Transit Authority shall have the common power of the Parties to plan, establish, administer, and operate an independent public transportation system and related services and in the exercise of that power, the Stanislaus Regional Transit Authority is authorized, in its own name, to do all acts necessary to fulfill the purposes of this Agreement including, but not limited to, each of the following:

7.1.1 Exercise the common powers of its Members in providing public transportation and related services, including related operational services, and any service to contracting entities and those powers that may be conferred upon it by subsequently enacted legislation;

7.1.2 Employ an Executive Director or Chief Administrative Officer;

7.1.3 Employ agents and employees and contract for professional services;

7.1.4 Make and enter into contracts, including contracts with its Members;

7.1.5 To assume any existing applicable contracts of its Members relating to the provision of transportation and related services;

7.1.6 Incur debts, liabilities and obligations; provided that no debt, liability or obligation of the Authority is a debt, liability or obligation of the Parties either singly or collectively except as may be agreed to by the governing body of the Member;

7.1.7 Acquire, own, lease, hold, convey, construct, manage, maintain, operate, sell or otherwise dispose of real and personal property by any lawful means, excepting only eminent domain;

7.1.8 Receive or apply for gifts, grants or loans, contributions and donations of real and personal property, funds, services and other forms of assistance from any public or private source including, the United States, the State of California or any department, instrumentality or agency thereof, for the purposes of financing the Authority's activities;

7.1.9 Sue and be sued in its own name, but not in the name or stead of any Member agency;

7.1.10 Invest money that is not needed for immediate necessities, in the same manner and upon the same conditions as other local entities in accordance with applicable law;

7.1.11 Issue revenue bonds or other forms of indebtedness, as provided by law;

7.1.12 To levy and collect payments and fees for services;

7.1.13 To impose new special taxes or assessments as authorized by law;

7.1.14 Claim transit funds from local, state and federal sources;

7.1.15 Cooperate with other agencies and participate in joint projects as necessary;

7.1.16 Prepare and support legislation related to the purposes of the Agreement;

7.1.17 Exercise all other powers necessary and proper to carry out the provisions of this Agreement.

Section 8. Board of Directors and Voting.

8.1. The powers of the Authority are vested in its Board of Directors ("Board"). The Board of the Authority is comprised of nine (9) voting directors which shall be appointed as follows:

8.1.1 Two Directors from the city of Modesto with each Director having one vote.

8.1.2 Two Directors from the City of Turlock with each Director having one vote.

8.1.3 One Director from the Board of Supervisors of the County of Stanislaus with said Director having one vote.

8.1.4 One Director who shall represent the cities in Stanislaus County other than Modesto and Turlock with said Director having one vote. The appointed representative shall be an elected official serving on the City Council of the city.

8.1.5 Three Citizen Directors shall be appointed by the Authority Board Members representing Modesto, Turlock and the County. Each Citizen Director shall have one vote. The criteria for selection of these three citizen Directors shall be specified in the Authority's bylaws. Selection criteria may include representatives of various rider constituencies, major transit trip generators such as local schools or California State University Stanislaus, or other transit-related interests in the geographical boundaries of the Authority.

8.2. Appointment. Directors shall be appointed by the governing body of each Party and shall serve at the pleasure of their appointing body or until their respective successors are appointed. If a vacancy occurs, it shall be filled by a new appointment made by the appropriate Member agency.

8.3. Alternate Representatives. Each Member shall designate at least one alternate representative. The alternates, except for the Citizen Director alternates, shall be elected officials of the Member. Members may designate more than one alternate for each representative, as deemed prudent by that Member. To be eligible to cast the vote of the Member, alternates must be designated and notice of that designation given to the Executive Director prior to the first meeting at which that alternate is to attend on behalf of the Member's designated representative.

8.4. Quorum and Majority Requirements. The presence of a majority of the Directors, or in the absence of a Director his or her alternate, from a majority of the Members shall constitute a quorum. All actions of the Board require the affirmative vote of a majority of the Directors.

8.5. Director's Terms. Directors shall serve a term of two (2) years unless earlier removed or replaced by the appointing Member Agency in accordance with that Member Agency's procedures. A Director is automatically removed if he or she is no longer an elected official. Directors may serve any number of terms consistent with the appointment process of the Director's appointing governing body.

8.6. Director Compensation. Directors and Alternates are eligible for a stipend of up to \$100 per meeting with a maximum of one compensated meeting per month. The Board may authorize actual and reasonable reimbursement of expenses and costs incurred by Directors or Alternate Directors on behalf of the Authority for which receipts are provided.

8.7. Delegation of Powers. The Board may delegate certain powers to specified committees but may not delegate the power to amend the Bylaws of the Authority, to approve the budget, to appoint the Executive Director, or to appoint the citizen Directors.

8.8. Time and Place of Meetings. The Board shall establish by resolution the date, time and place for regular meetings which shall occur at a minimum of four (4) times per year. Special meetings may be called by the Chair or by a majority of the Directors. All meetings of the Board shall be in conformance with the Ralph M. Brown Act (California Government Code sections 54950 et seq.).

Section 9. Conflicts of Interest.

9.1. In accordance with state law, Directors and Officers are "public officials" within the meaning of the Political Reform Act of 1974("PRA"), as amended, and its regulations, for purposes of financial disclosure, conflict of interest and other requirements of the PRA and regulations. The Authority shall adopt a conflicts of interest code in compliance with the Political Reform Act and all other applicable laws and regulations, including, but not limited to, the restrictions on the acceptance or solicitation of contributions.

Section 10. Committees.

10.1. The Board may create committees from time to time as necessary or desirable.

Section 11. Officers.

11.1. Chair. The Board shall elect from among their elected members a Chair of the Board. A citizen Director may not serve as Chair. The initial term of the Chair shall be two-years. Thereafter, the Chair shall serve a one-year term of office beginning at the first regular meeting of each calendar year. The Chair may serve more than one term if re-elected by the Board.

11.1.1 The Chair shall preside at all meetings of the Board and such other meetings as approved by the Board.

11.1.2 The Chair shall serve as the official spokesperson for the Board.

11.1.3 The Chair shall designate Directors or others to represent the Board at various meetings, hearings and conferences.

11.1.4 The Chair shall perform such other duties as necessary to carry out the work of the Board or as prescribed by law.

11.2. Vice Chair. The Board shall elect from among their elected members a Vice-Chair of the Board. A citizen Director may not serve as Vice-Chair. The initial term of the Vice-Chair shall be two-years. Thereafter, the Vice-Chair shall serve a one-year term of office beginning at the first regular meeting in each calendar year. The Vice-Chair may serve more than one (1) term if re-elected by the Board.

11.2.1 The Vice-Chair shall act in the place of and have all the powers and duties of the Chair in the absence of the Chair.

11.3. The Chair and Vice Chair assume their office upon election by the Authority Board. If either the Chair or Vice-Chair ceases to be a director, the resulting vacancy will be filled at the next meeting of the Board.

Section 12. Executive Director.

12.1. The Executive Director shall be selected by and shall serve at the pleasure of and

upon the terms prescribed by the Board. The powers and duties of the Executive Director are:

12.1.1 To serve as the Chief Administrative officer of the Authority and to be responsible to the Authority Board for the proper administration of all affairs.

12.1.2 To appoint, supervise, suspend, discipline or remove Authority employees subject to those policies and procedures, from time to time, adopted by the Authority Board.

12.1.3 To appoint the Treasurer/Chief Financial Officer of the Authority.

12.1.4 To supervise and direct the preparation of the annual budget for the Authority and to be responsible for its administration after adopting by the Authority Board.

12.1.5 To formulate and present to the Authority Board plans for Authority activities and the means to finance them.

12.1.6 To supervise the planning and implementation of all Authority activities.

12.1.7 To attend all meetings of the Authority Board and designate an employee to act as the Clerk to the Authority Board.

12.1.8 To prepare and submit to the Authority Board periodic financial reports and, as soon as practicable after the end of each fiscal year, an annual report of the activities of the Authority for the preceding year.

12.1.9 To have custody and charge of all Authority property other than money and securities.

12.1.10 To transmit to the Executive Director's successor all books and records of Authority in his or her possession.

12.1.11 To file an official bond in an amount determined by the Board, which shall not be less than the smallest bond required of the chief financial officer, treasurer or other fiscal officer of Authority or, upon the approval of the Authority Board of Directors, satisfy this requirement pursuant to Government Code section 1463.

12.1.12 To perform such other duties as the Authority Board may require in carrying out the policies and directives of the Authority Board.

Section 13. Treasurer/Auditor-Controller/Chief Financial Officer.

13.1. The Authority Chief Financial Officer, or his or her designee shall be the Treasurer and Auditor-Controller of the Authority. The Treasurer and Auditor-Controller shall:

13.1.1 Receive and receipt all money of Authority and place it in a designated financial institution approved by the Authority Board to the credit of Authority.

13.1.2 Be responsible upon the Treasurer's official bond for the safekeeping and disbursement of all Authority money held by Treasurer.

13.1.3 Pay, when due, out of money of Authority, all sums payable on outstanding bonds and coupons of Authority.

13.1.4 Pay any sums due or demands against the Authority when the demands have been approved by the Authority Board and/or the Authority Executive Director. The Auditor-Controller shall be responsible on his/her official bond for the Auditor-Controller's approval of disbursements of Authority money.

13.1.5 Verify and report in writing as soon as possible after the first day of July, October, January and April of each year to the Authority the amounts of monies the Treasurer holds for the Authority, the amount of receipts since the Treasurer's last report, and any interest accrued to those funds.

13.1.6 Keep and maintain records and books of account on the basis of generally accepted accounting practices. The books of account shall include records of assets, liabilities, and contributions made by each Party to this Agreement.

13.1.7 Make available all financial records of Authority to a certified public accountant contracted by Authority to make an annual independent audit of the accounts and records of Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the California Government Code and shall conform to generally accepted auditing standards. A report of the financial audit will be filed as a public record with each Member. The audit will be filed no later than required by state law. The Authority will pay the cost of the financial audit in the same manner as other administrative costs.

13.2. The appointment of a Treasurer/Auditor-Controller/Chief Financial Officer shall be made no later than the second regular meeting of the Board, and in any event before the Authority receives any funds or properties, real or personal, from any source. The Treasurer/Chief Financial Officer may be a designated employee of Authority or appointed from one of the Members Agencies.

13.3. The duties of Treasurer and Auditor-Controller may be fulfilled by one and the same officer of the Authority or such duties may be performed by separate officers of Authority provided the officer so designated file an official bond in an amount determined by the Authority Board.

13.4. Should the Authority contract with a Member Agency for the provision of some or all financial services, the funds of the Authority will be maintained in separate designated account(s) from those of the Member Agency itself.

Section 14. Additional Officers.

14.1. The Board may create such other offices and appoint individuals to such offices it considers either necessary or convenient to carry out the purposes of this Agreement.

Section 15. By-Laws.

15.1. The Board of Directors shall adopt Bylaws as necessary for the efficient and effective functioning of the Authority. The Bylaws may be amended from time to time as necessary by a majority vote of the Board.

Section 16. Limitation on Liability of Members for Debts and Obligations of the Authority.

16.1. Pursuant to Government Code section 6508.1, the debts, liabilities, and obligations of the Authority do not constitute debts, liabilities, or obligations of any Member Agency. However, a Member may separately contract for or assume responsibility for specific debts, liabilities, or obligations of the Authority.

Section 17. Limitation of Financial Commitment.

17.1. The Authority shall not look to Member Agencies for financial contributions from their general fund, or any other fund, unless each Member Agency separately contracts for and agrees to set aside and commit for the Authority transit moneys as part of its annual budgetary process.

Section 18. Fiscal Year.

18.1. The first fiscal year of the Authority is the period from the Effective Date of this Agreement through June 30, 2021. Each subsequent fiscal year of the Authority begins on July 1st and ends on June 30th unless the Board of Directors provides otherwise by resolution.

Section 19. Budget.

19.1. Within sixty (60) days after the first meeting of the Board, a preliminary general budget for the initial fiscal year shall be adopted by majority vote of the Board. For each fiscal year thereafter, the Board shall adopt a budget not later than sixty (60) days before the beginning of a fiscal year. In the Board's sole discretion, the budget may be an annual or multi-year budget.

Section 20. Regional Service Planning.

20.1. The Authority shall cause to have prepared a Regional Service Plan periodically but in no event less frequently than every five years. A SRTP (Short Range Transit Plan) may be used to fulfill this requirement. The Plan shall contain the baseline levels of transit service to be provided and shall include days of service; hours of service, areas to be served, types of transit service to be provided and rates of passenger fares to be charged for said service. The Board shall review said Plan and either approve and adopt said plan as presented or approve and adopt said Plan with modifications. The Plan may be expanded, modified, or reduced by the Board.

Section 21. Indemnification.

21.1. By Authority. From and after the Effective Date, the Authority shall hold each Member, its officers, agents and employees, harmless from any loss, damage, injury, claim, demand, litigation or liability and all expenses and costs relating thereto arising out of or in any way related to any Member asset transferred to the Authority, including but not limited to any agreement or contract assumed by or otherwise transferred to Authority, real property, personal

property, equipment and apparatus. .

21.2. By Members. Each Member Agency shall defend, indemnify and hold harmless the Authority, its Boards, officers, agents, representatives and employees and each other individual Member, and its respective officers, employees, agents and representatives from any loss, damage, injury, demand, litigation liability or claims for damage for any tort, personal injury, including death, as well as from claims from property damage, and all expenses and costs relating thereto (including attorneys' fees) which may arise from the acts or omissions of the Members employees, contractors, subcontractors or agent's operations occurring prior to the Effective Date of the Authority.

Section 22. New Members.

22.1. For the purpose of this section only, all Members admitted after the initial creation of the Authority are "New Members". Each New Member Agency of the Authority shall appoint two Directors and one Alternate, with each Director having one vote.

22.2. A public entity meeting the criteria established by the Authority Board may be admitted as a New Member upon a two-thirds (2/3) vote of the Authority Board and upon complying with all other requirements established by the Board and the Bylaws.

22.3. Each applicant for membership as a New Member must pay all fees and expenses, if any, set by the Board in order to pay for the costs of adding the New Member and to address its participation in the ownership of the Authority's assets and liability for any debt of the Authority upon approval as a New Member.

Section 23. Withdrawal From Membership.

23.1. Members may withdraw from the Authority by providing written notice to all other Member agencies by resolution of intent to withdraw adopted by the governing board of the withdrawing party. The notice of intent to withdraw shall be given at least 180 days before the start of the fiscal year in which it shall be effective. Such a withdrawal shall be effective on July 1st of the subsequent fiscal year after the 180 day period has passed. Withdrawal of a Member shall not affect the remaining Members of the Authority.

23.2. Upon the effective date of withdrawal, the withdrawing Member shall cease to be bound by this Agreement, except for any long-term financing obligations or other voluntarily assumed obligations placed upon and agreed to by the withdrawing party under the Agreement. Notwithstanding the foregoing, any long-term financing obligations incurred by the Authority, will not be an obligation of the withdrawing member and the withdrawing member shall only be obligated on existing debt up to the date of its termination and withdrawal from the Authority becomes effective and any remaining debt shall be the obligation of the Authority.

23.3. A withdrawn Member shall not be entitled to the return of any grant funds previously or historically allocated to it provided that the Authority is the current grantee for those funds at the time of withdrawal. However, the return of assets previously contributed by the Member Agency to the Authority shall be provided for in a withdrawal plan, prepared by the Authority, to address return of funds or assets from the Authority to the withdrawing Member.

Such withdrawal plan may include 1) the compensation for real property whose title has passed to the Authority with such value determined by a competent real property appraiser who is familiar with local property values and licensed in the state of California; 2) the purchase of a withdrawing Member's assets used by but not yet transferred to the Authority; or 3) compensation for the depreciated value of assets or rolling stock transferred as of the Effective Date. The Authority and the withdrawing Member will negotiate in good faith a withdrawal plan to address return of funds or assets from the Authority to the Member and assignment of liabilities associated with those funds or assets to that Member. In the event of a disagreement regarding the amount of compensation due for real property, the parties may resolve the matter via alternative dispute resolution or any other mutually acceptable means.

23.4. Any Member which as withdrawn from Authority in accordance with the provisions of this Section 22 may resume its membership upon sixty (60) days written notice to the then members, which notice may be waived by a majority vote of the Authority Board.

Section 24. Termination and Distribution.

24.1. This Agreement shall continue in force without a specific term unless terminated or the Authority is dissolved.

24.2. This Agreement may be terminated by the written consent of two-thirds (2/3) of the governing bodies of the Member's; provided, however, that this Agreement and the Authority shall continue to exist after termination for the purpose of disposing of all claims, distribution or assets and all other functions necessary to conclude the obligations and affairs of the Authority.

24.3. Upon termination of the Agreement, and after payment of debts, a dissolution plan shall be prepared by the Authority and reviewed and approved by the Member's to address the surplus property of the Authority, both real and personal, including all funds on hand, after payment of all liabilities, costs, expenses, and charges validly incurred under this Agreement, shall be returned to the respective Member's as nearly as possible in proportion to the contributions, if any, made by each.

24.4. After termination or dissolution of the Authority, any surplus money on deposit in any fund or account of the Authority will be returned to the Member's as required by law. The Board is vested with all powers of the Authority for the purpose of concluding and dissolving the business affairs of the agency.

Section 25. Notices. Notice to each Member under this Agreement is sufficient if mailed to the Member and separately to the Member's Directors at their respective addresses on file with the Authority.

Section 26. Prohibition Against Assignment. No Member may assign a right, claim, or interest it may have under this Agreement. No creditor, assignee or third party beneficiary of a Member has a right, claim or title to any part, share, interest, fund or asset of the Authority. However, nothing in this section prevents the Authority from assigning any interest or right it may have under this Agreement to a third party.

Section 27. Amendments. This Agreement may be amended by the Members acting pursuant to a resolution of their respective governing bodies. A proposed amendment must be submitted to each Member at least thirty (30) days in advance of the date when the Member considers it. An amendment is to be effective upon execution unless otherwise designated.

Section 28. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the Parties.

Section 29. Titles and Headings. The Section titles and headings of this Agreement are for convenience only and shall not be used in interpreting this Agreement.

Section 30. Severability. If a portion, term, condition or provision of this Agreement is determined by a court to be illegal or in conflict with a law of the State of California, or is otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions and provisions is not affected.

Section 31. Liability of the Authority. Subject to limitations thereon contained in any trust agreement or other documents pursuant to which financing of the Authority is implemented, funds of the Authority may be used to defend, indemnify, and hold harmless the Authority, any Member, any Director or Alternate, and any employee or officer of the agency for actions taken within the scope of their duties and acting on behalf of the Authority.

Section 32. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California.

Section 33. Counterparts. This Agreement may be executed in several counterparts, each of which is an original and all of which constitutes but one and the same instrument.

Section 34. Effective Date. This Agreement becomes effective and the Stanislaus Regional Transit Authority exists as a separate public entity when approved by the governing boards of the Members as evidenced by the last signature date set forth below.

[Signatures on next page]

IN WITNESS WHEREOF, the parties, pursuant to resolutions of their respective governing boards, have caused this Agreement to be executed this _____202____.

SIGNATORY

Approval as to Form:

County of Stanislaus

County of Stanislaus

By: _____
Jody Hayes, Chief Executive Officer

By: _____
Thomas E. Boze, County Counsel

Date: _____

City of Modesto

City of Modesto

By: _____
Joseph P. Lopez, City Manager

By: _____
Jose M. Sanchez, City Attorney

Date: _____

City of Turlock

City of Turlock

By: _____
Toby Wells, P.E., City Manager

By: _____
Douglas L. White, City Attorney

Date: _____

Attest:

By: _____
Stephanie Lopez, City Clerk



**DISCUSSION OF STAFF WORKING
GROUP: EXPANDING IT TO INCLUDE
JURISDICTION EXECUTIVE
REPRESENTATIVE, AND STATUS OF KEY
DISCUSSION ITEMS**

**A VERBAL REPORT ON THIS ITEM WILL
BE MADE AT THE
STANISLAUS REGIONAL TRANSIT
AUTHORITY ADVISORY COMMITTEE
MEETING**



FUTURE MEETING SCHEDULE

**A VERBAL REPORT ON THIS ITEM WILL
BE MADE AT THE
STANISLAUS REGIONAL TRANSIT
AUTHORITY ADVISORY COMMITTEE
MEETING**