

Gold Line Phase II Construction Authority

3871 East Foothill Boulevard, Suite 101, Pasadena, California 91107, Phone 626 564-9702, FAX 626 564-1116

November 25, 2003

Re: Approval of Amendment One to the Joint Exercise of Powers Agreement for the Gold Line Phase II construction Authority

Dear

The Governing Board of the Gold Line Phase II Construction Authority (the "Authority") has approved the entry of the San Bernardino Associated Governments (the "SANBAG") into the Authority. The San Gabriel Valley Council of Governments (the "SGVCOG") has voted not to join the Authority and to instead support the membership of SANBAG.

To enable SANBAG to become a member of the Authority, an amendment to the Joint Exercise of Powers Agreement for the Gold Line Phase II Construction Authority (the "Agreement") must be approved by all of the current Members of the Authority. Amendment One to the Agreement has been prepared for this purpose and the Governing Board has asked that Amendment One be provided to all of the Members of the Authority.

On behalf of the Governing Board of the Authority, I ask that you agendaize Amendment One for your City Council's action. The Authority would appreciate timely action on Amendment One so that the membership status of SANBAG in the Authority can be addressed as quickly as possible. I have enclosed a copy of Amendment One and a draft resolution that you may wish to consider using with your agenda preparation.

In reviewing the attached materials, you will note that SANBAG will become a dues paying member of the Authority if Amendment one is approved. The SGVCOG would not have paid dues if it had become a member. The financial benefits of a transition from the SGVCOG to SANBAG might be of interest to your City Council.

Please contact me if you have any questions or concerns regarding Amendment One or if it will not be possible to place Amendment One on your City Council's agenda before the end of the year.

Sincerely,

Nicholas T. Conway
Interim Administrator
Gold Line Phase II Construction Authority

4/12/2004
7.A.1.

**GOLD LINE PHASE II CONSTRUCTION AUTHORITY
A JOINT POWERS AUTHORITY**

JOINT EXERCISE OF POWERS AGREEMENT

AGREEMENT

“GOLD LINE PHASE II CONSTRUCTION AUTHORITY” (A JOINT POWERS AUTHORITY)

This Agreement (“Agreement”) is made and entered into by and between the public entities whose names are set forth in Exhibit A, attached hereto and incorporated herein by this reference, and who have approved and executed this Agreement (each a “Member” and collectively, “Members”), pursuant to Section 6500 *et seq.* of the Government Code and other applicable law:

WITNESSETH:

The parties hereto do agree as follows:

Section 1. Recitals. This Agreement is made and entered into with respect to the following facts:

a. The Pasadena Metro Blue Line Construction Authority (the “Blue Line Construction Authority”) was formed in accordance with Public Utilities Code Section 132400 *et seq.* and was created for the purpose of awarding and overseeing all design and construction contracts for the completion of the Los Angeles-Pasadena Metro Blue Line light rail project;

a.b. As defined by Section 132400(e) of the Public Utilities Code, SB1847 (Schiff), the Los Angeles-Pasadena Metro Blue Line light rail project extends from Union Station in the City of Los Angeles to Sierra Madre Villa Avenue in the City of Pasadena ~~Claremont~~ and also includes any mass transit guideway that may be planned extending further eastward along the rail right-of-way to the City of Claremont;

a.c. The Blue Line Construction Authority also has all of the powers necessary for planning, acquiring, owning, controlling, using, jointly using, disposing of, designing, procuring and building ~~not only the Los Angeles-Pasadena Metro Blue Line light rail project but also any extension of said project that is planned east of Sierra Madre Villa Avenue in the City of Pasadena along the rail right-of-way extending to the City of Claremont;~~

a.d. The Los Angeles-Pasadena Metro Blue Line has been renamed the Gold Line by the Los Angeles County Metropolitan Transportation Authority (the “LACMTA”) to avoid confusion with other commuter lines in the Los Angeles metropolitan area and the extension of this light rail line from Pasadena to Claremont has been identified as the Gold Line Phase II light rail project (the “Gold Line Phase II”);

a.e. The Gold Line light rail project between Union Station and Sierra Madre Villa Avenue in Pasadena (the “Gold Line Phase I”) has been constructed and the LACMTA expects it to be operational in the summer of 2003 ~~is now being tested by the LACMTA.~~ The cities of Azusa, Claremont, Duarte, Glendora, Arcadia, LaVerne, Irwindale, Pomona, San Dimas, Monrovia, and Pasadena (each a “Phase II City” and collectively the “Phase II Cities”) in concert

with the San Gabriel Valley Council of Governments (the "SGVCOG") and the Blue Line Construction Authority have begun the initial planning for the Gold Line Phase II;

a.f. It is anticipated that the Gold Line Phase II, once completely operational, will, ~~at the discretion of and~~ with the concurrence of the respective city councils, include at least one stop in the cities of Azusa, Claremont, Duarte, Glendora, Arcadia, LaVerne, Irwindale, Pomona, San Dimas, and Monrovia and the existing Gold Line stop at Sierra Madre Villa Avenue in the City of Pasadena will serve as the starting point for the Gold Line Phase II, thus providing each planned Phase II City with at least one stop along the Gold Line Phase II.

a.g. The public interest requires the formation of a single joint powers agency to represent the interests of the members of the Blue Line Construction Authority and the ~~cities to be served by the Gold Line Phase II~~ Cities as the project is planned, funded, designed and constructed;

a.h. The public interest requires that an agency that is created to support and participate in the planning, designing and construction of the Gold Line Phase II have the authority to enter into cooperative agreements with the Blue Line Construction Authority under which said agency could assume certain rights and responsibilities, in all or in part, that are necessary to ensure the funding for and the timely planning, design and construction of the Gold Line Phase II;

a.i. The public interest requires that each Member of an agency with the aforementioned goals be a governmental entity established by law with full powers of government in legislative, administrative, financial, and other related fields;

a.j. The public interest requires that each Member of an agency with the aforementioned goals determine by and through its legislative body that cooperation and coordination among the ~~Phase II eCities along the anticipated route of the Gold Line Phase II and~~ with the Blue Line Construction Authority and its members is required in furtherance of the public interest, necessity and convenience; and

a.k. The public interest requires that each Member, by and through its legislative body, has independently determined that the public interest, convenience and necessity requires the execution of this Agreement by and on behalf of each such Member.

Section 2. Creation of Separate Legal Entity. It is the intention of the Members to create, by means of this Agreement, a separate legal entity within the meaning of Section 6503.5 of the Government Code. Accordingly, there is hereby created a separate legal entity that shall exercise its powers in accordance with the provisions of this Agreement and applicable law.

~~Section 2.~~ Section 3. Name. The name of said separate legal entity shall be the Gold Line Phase II Construction Authority (the "Authority").

~~Section 2.~~ Section 4. Purpose and Powers of the Authority.

a. Purpose of Authority. The purpose of the creation of the Authority is to ~~provide for enable~~ the Members to participate as fully as is necessary and appropriate in the

planning, funding, design and construction of the Gold Line Phase II. It is the clear intent of the Members that the Authority not possess any power to operate the Gold Line Phase II or to maintain it after construction is completed and these responsibilities shall instead be the responsibility of the LACMTA. It is also the clear intent of the Members of the Authority to work closely with the Blue Line Construction Authority to promote efficiency of management of Gold Line Phase II, to achieve cost efficiencies and to avoid overlapping activities, all while ensuring the rapid completion of the Gold Line Phase II. The goal and intent of the Authority is one of cooperation among Members in support of the funding, planning, design and construction of the Gold Line Phase II.

a.b. Powers. The Authority shall have, and may exercise, the following powers solely or in concert with the Blue Line Construction Authority, as may be appropriate:

- (1) Serve as an advocate in representing the Members of the Authority at the regional, state and federal levels on issues of importance to the Gold Line Phase II;
- ~~(1)~~(2) Serve as a forum for the review, consideration, study, development and recommendation of policies and plans in connection with the Gold Line Phase II;
- ~~(1)~~(3) Address issues of concern to the Members, collectively and individually;
- ~~(1)~~(4) Utilize Member resources or presently existing single purpose public and public/private groups to carry out its programs and projects;
- ~~(1)~~(5) Explore practical avenues for voluntary intergovernmental cooperation, coordination and action;
- ~~(1)~~(6) Enter into memoranda of understanding, cooperative agreements, and/or a joint powers agreement with the Blue Line Construction Authority and/or the LACMTA to enable the Authority, as necessary, to coordinate, oversee, and/or participate in the funding, planning, design and construction of the Gold Line Phase II;
- ~~(1)~~(7) Build a consensus among the Members to address issues, strategies and policies in connection with the Gold Line Phase II;
- ~~(1)~~(8) Facilitate and coordinate activities for obtaining state, federal and regional grants in support of the Gold Line Phase II;
- ~~(1)~~(9) Make and enter into contracts, including contracts for the services of engineers, consultants, contractors, planners, attorneys and single purpose public/private groups;
- ~~(1)~~(10) Employ agents, officers and employees;

- ~~(1)~~(11) Receive gifts, contributions and donations of property, funds, services and other forms of financial assistance from persons, firms, corporations and any governmental entity;
- ~~(1)~~(12) Lease, manage, maintain, and operate any buildings, works, or improvements, except that the LACMTA shall be solely responsible for the operation of the Gold Line Phase II and the maintenance of same after construction is complete;
- ~~(1)~~(13) Delegate some or all of its powers to an Executive Director as hereinafter provided;
- ~~(1)~~(14) Acquire, through purchase or through eminent domain proceedings, and dispose of, through sale, transfer or any other lawful means, any property necessary for, incidental to, or convenient for, the exercise of the powers of the Authority;
- ~~(1)~~(15) Incur indebtedness and/or issue bonds, secured solely by pledges of funds to be available for the design and construction of the Gold Line Phase II; provided, however, that any borrowings authorized hereunder shall be subject to Section 17 of this Agreement;
- ~~(1)~~(16) Contract with public and private entities for the planning, design, and construction of the Gold Line Phase II;
- ~~(1)~~(17) Enter into cooperative or joint development agreements with local governments or private entities for any purpose that is necessary for, incidental to, or convenient for the full exercise of powers granted to the Authority;
- ~~(1)~~(18) Relocate or provide for the relocation of utilities as necessary for the completion of the Gold Line Phase II;
- ~~(1)~~(19) Exercise any implied power necessary to exercise the express powers provided for in this Section 4.

c. Exercise of Powers. The Authority shall have all implied powers necessary to perform its functions. It shall exercise its powers only in a manner consistent with the provisions of applicable law, this Agreement and the Bylaws. For the purpose of determining the powers of and the restrictions to be imposed on the Authority in its manner of exercising its powers pursuant to Government Code section 6509, it is understood and agreed by the Members that the Authority shall have any powers and observe any restrictions imposed upon the City of Claremont.

Section 5. Creation of Governing Board. There is hereby created a Governing Board for the Authority ("Governing Board") to conduct the affairs of the Authority. The Governing Board shall be constituted as follows:

a. Designation of Governing Board Representatives. One person shall be designated as a voting representative to the Governing Board by the legislative body of each of the Members ("Governing Board Representative").

a.b. Designation of Alternate Governing Board Representatives. One person shall be designated as an alternate voting representative to the Governing Board by the legislative body of each of the Members ("Alternate Governing Board Representative").

a.c. Eligibility. Each Governing Board Representative and Alternate Governing Board Representative shall serve at the pleasure of his/her legislative body and shall have a term of not more than four years from the date each is first designated by his/her legislative body. There shall be no limit on the number of terms that may be served by any person. Except with regard to the LACMTA and the SGVCOG, no person shall be eligible to serve as a Governing Board Representative or an Alternate Governing Board Representative unless that person is, at all times during the tenure of that person as a Governing Board Representative or Alternate Governing Board Representative, a member of the legislative body of his/her appointing Member. Should any Governing Board Representative or Alternate Governing Board Representative fail to maintain the status as required by this Section 5, that person's position on the Governing Board shall be deemed vacated as of the date such person ceases to qualify pursuant to the provisions of this Section 5 and the Member shall be entitled to appoint a qualified replacement

a.d. LACMTA and SGVCOG Representatives. The eligibility requirements for the LACMTA Representative and the LACMTA Alternate Representative shall be as determined by the LACMTA except that neither one may be an employee of the LACMTA. The eligibility requirements for the SGVCOG Representative and the SGVCOG Alternate Representative shall be as determined by the SGVCOG, except that neither one may be an employee of the SGVCOG.

a.e. Compensation. Each Governing Board Representative (or Alternate Governing Board Representative when acting in the absence of the Governing Board Representative) may be compensated at a rate of not more than one hundred fifty dollars (\$150.00) per regular meeting, adjourned regular meeting or special meeting of the Authority plus expenses if compensation and payment of expenses are authorized by the Governing Board. Compensation shall not exceed one thousand eight hundred dollars (\$1,800.00) per year per Member, plus expenses directly related to the performance of duties imposed by the Authority.

Section 6. Use of Public Funds and Property. The Authority shall be empowered to utilize for its purposes public and/or private funds, property and other resources received from the Members and/or from other sources. Where applicable, the Governing Board of the Authority may permit one or more of the Members to provide in kind services, including the use of property, in lieu of devoting cash to the funding of the Authority's activities.

Section 6-Section 7. Functioning of Governing Board.

a. Voting and Participation. Each voting Member may cast only one vote for each action item before the Governing Board through its representatives. An Alternate

Governing Board Representative may participate or vote in the proceedings of the Governing Board only in the absence of that Member's Governing Board Representative. A Governing Board Representative or Alternate Governing Board Representative seated on the Governing Board shall be entitled to participate and vote on matters pending before the Governing Board only if such person is physically present at the meeting of the Governing Board and if the Member which that Governing Board Representative or Alternate Governing Board Representative represents has timely and fully paid dues as required by Section 29 of this Agreement or has cured any failure to timely and fully pay dues in accordance with Section 29 d. of this Agreement.

a.b. Proxy Voting. No absentee or proxy voting shall be permitted.

a.c. Quorum. A quorum of the Governing Board shall consist of not less than a majority of its total voting membership.

a.d. Committees. As needed, the Governing Board may create permanent or ad hoc advisory committees to give advice to the Governing Board on such matters as may be referred to such committees by the Governing Board. All committees shall have a stated purpose before they are formed. All such committees shall remain in existence until they are dissolved by the Governing Board. Qualified persons shall be appointed to such committees by the pleasure of the Governing Board. Committees, unless otherwise provided by law, this Agreement, the Bylaws or by direction of the Governing Board, may be composed of Governing Board Representatives and individuals who are not Governing Board Representatives. A quorum of any such committee shall be one third (1/3) of its membership and all meetings of any such committee shall be held in accordance with the Ralph M. Brown Act (Government Code Section 54950 *et seq.*).

a.e. Actions. Actions taken by the Governing Board shall be by an affirmative vote of not less than a majority of the Governing Board Representatives who are present with a quorum in attendance, unless by a provision of applicable law, this Agreement, the Bylaws or by direction of the Governing Board, a higher number of votes is required to carry a particular motion.

Section 8. Duties of the Governing Board. The Governing Board shall be deemed, for all purposes, the policy making body of the Authority. All of the powers of the Authority, except as may be expressly delegated to others pursuant to the provisions of applicable law, this Agreement, the Bylaws or by direction of the Governing Board, shall be exercised by and through the Governing Board.

~~Section 8.~~Section 9. Roberts Rules of Order. The substance of Roberts Rules of Order shall apply to the proceedings of the Governing Board, except as may otherwise be provided by provisions of applicable law, this Agreement, the Bylaws or by direction of the Governing Board.

~~Section 8.~~Section 10. Meetings of Governing Board. The Governing Board shall, by means of the adoption of Bylaws, establish the dates and times of regular meetings of the

Governing Board. The location of each such meeting shall be as directed by the Governing Board.

~~Section 8.~~ Section 11. Election of Chairperson and Vice-Chairperson. The Chairperson of the Governing Board shall conduct all meetings of the Governing Board and perform such other duties and functions as required of such person by provisions of applicable law, this Agreement, the Bylaws or by the direction of the Governing Board. The Vice-Chairperson shall serve as Chairperson in the absence of the Chairperson and shall perform such duties as may be required by provisions of applicable law, this Agreement, the Bylaws, or by the direction of the Governing Board or the Chairperson.

At the first regular meeting of the Governing Board, a Governing Board Representative shall be elected to the position of Chairperson by the Governing Board, and a different Governing Board Representative shall be elected Vice-Chairperson of the Governing Board each by a vote of a majority of the total voting membership of the Governing Board. The terms of office of the Chairperson and Vice-Chairperson elected at the first regular meeting of the Governing Board shall expire on the following July 1. Thereafter, a Governing Board Representative shall be elected to the position of Chairperson of the Governing Board, and a different Governing Board Representative shall be elected to the position of Vice-Chairperson of the Governing Board, each by a vote of a majority of the total voting membership of the Governing Board, at the first regular meeting of the Governing Board held in May of each calendar year. The terms of office of the Chairperson and Vice-Chairperson shall commence and expire on July 1.

If there is a vacancy, for any reason, in the position of Chairperson or Vice-Chairperson, the Governing Board shall forthwith conduct an election and fill such vacancy for the unexpired term of such prior incumbent.

Section 12. Executive Director. The Governing Board may appoint by a vote of the majority of its total voting membership a qualified person to be Executive Director ("Executive Director") on any basis it desires including, but not limited to, a contract or employee basis. The Executive Director shall be neither a Governing Board Representative, nor an Alternate Governing Board Representative, nor an elected official of any Eligible Public Entity listed in Exhibit A, nor an Ex Officio Representative, but the Executive Director may be an employee of or be under contract to the Blue Line Construction Authority and, subject to the approval of the Governing Board, may concurrently remain in the employ of or under contract to the Blue Line Construction Authority. The Executive Director shall be the chief executive officer of the Authority. The Executive Director shall serve at the pleasure of the Governing Board and may be relieved from such position at any time, with or without cause, by a vote of the majority of the total voting membership of the Governing Board taken at a regular, adjourned regular or special meeting of the Governing Board. The Executive Director shall perform such duties as may be imposed upon that person by provisions of applicable law, this Agreement, the Bylaws, the Administrative Code ~~spells out authority~~ or by the direction of the Governing Board. The compensation, if any, of a person holding the office of Executive Director shall be set by the Governing Board.

~~Section 12.~~Section 13. Designation of Treasurer and Chief Financial Officer. The Governing Board shall, in accordance with applicable law, designate a single, qualified person to act as the Treasurer and Chief Financial Officer ("Chief Financial Officer") of the Authority. The Chief Financial Officer may be an employee of or be under contract to the Blue Line Construction Authority and, subject to the approval of the Governing Board, may concurrently remain in the employ of or under contract to the Blue Line Construction Authority. The compensation, if any, of the Chief Financial Officer shall be set by the Governing Board. The Chief Financial Officer of the Authority shall have charge of the depositing and custody of all funds held by the Authority. The Chief Financial Officer shall perform such other duties as may be imposed by provisions of applicable law, including those duties described in Section 6505.5 of the Government Code, and such duties as may be required by the Governing Board.

~~Section 12.~~Section 14. Selection and Responsibilities of Auditor. The Governing Board shall, in accordance with all applicable law and its own procurement policies, select an independent auditor to perform such functions as may be required by provisions of applicable law, this Agreement, the Bylaws and by the direction of the Governing Board. The compensation of the Authority's Auditor shall be set by the Governing Board.

~~Section 12.~~Section 15. Other Officers and Employees. The Governing Board may direct the employment of such other officers or employees as it deems appropriate and necessary to conduct the affairs of the Authority.

~~Section 12.~~Section 16. Advisory Committee. The Governing Board shall establish an Advisory Committee (the "Committee") at its first meeting. The Committee shall be established for the purpose of making recommendations to the Governing Board and shall be comprised of one city manager (or person holding the equivalent position, which position differs only in title), or that city manager's designee, from each current voting Member; except that, the SGVCOG's and the LACMTA's representatives shall each be of the SGVCOG's and the LACMTA's own choosing, respectively. Each current voting Member shall designate its representative to the Committee by a letter from the Member to the Governing Board and each representative shall serve at the pleasure of his/her legislative body. The Chairman of the Committee shall be a representative of a current voting Member who is elected by a majority vote of the total membership of the Committee. The Chairman shall serve a term of one year and may be re-elected to the position. The Chairman shall sit as an Ex Officio Representative of the Governing Board. A quorum of the Committee shall be one-third (1/3) of its membership. All meetings of the Committee shall be held in accordance with the Ralph M. Brown Act (Government Code Section 54950 *et seq.*)

~~Section 12.~~Section 17. Obligations of Authority. To the extent allowed by law, the debts, contract liabilities and obligations of the Authority shall be the debts, contract liabilities or obligations of the Authority alone. Further, and also to the extent allowed by law, no Member of the Authority shall be responsible, directly or indirectly, for any obligation, debt or contract liability of the Authority.

~~Section 12.~~Section 18. Liability Insurance and Indemnity.

a. Liability Insurance. The Authority shall obtain adequate insurance coverage for all of its activities and include in any insurance policies as additional named insureds the Members of the Authority, the Blue Line Construction Authority, and the boards, officers, directors, agents and employees of each of these entities. Further, the Authority shall require that parties with whom the Authority contracts agree to defend, hold harmless, and indemnify the Authority, the Members of the Authority, the Blue Line Construction Authority, and the boards, officers, directors, agents and employees of each of these entities.

~~a.b.~~ Indemnity. The Authority shall defend, indemnify and hold harmless Governing Board Representatives; Alternate Governing Board Representatives; committee representatives, officers, officials and employees of the Authority; Members; the Blue Line Construction Authority; and the boards, officers, officials and employees of the Members Members and the Blue Line Construction Authority from and against all claims or actions brought in connection with or arising from the acts or omissions of the Authority or acts undertaken on behalf of the Authority.

Section 19. Control and Investment of Authority Funds. The Governing Board shall adopt a policy for the control and investment of its funds and shall require strict compliance with such policy. The policy shall comply, in all respects, with all provisions of applicable law.

~~Section 19.~~ Section 20. Implementation Agreements. When authorized by the Governing Board, affected Members may execute an implementation agreement with the Authority for the purpose of authorizing the Authority to implement, manage and administer programs in the interest of the affected Members and the local public welfare. The costs incurred by the Authority in implementing a program, including indirect costs, shall be assessed only to those Members who are parties to that implementation agreement.

~~Section 19.~~ Section 21. Agreements with LACMTA and the Blue Line Construction Authority.

a. Assets. The Authority shall enter into agreements with the LACMTA and the Blue Line Construction Authority, as appropriate, regarding the manner of ownership and other requirements relating to all real and personal property and any other assets that are accumulated in the planning, design and construction of the Gold Line Phase II, including, but not limited to, rights-of-way, documents, third-party agreements, contracts and design documents.

~~a.b.~~ Roles and Responsibilities. The Authority shall enter into a memorandum of understanding with the LACMTA and/or the Blue Line Construction Authority addressing the roles and responsibilities of the Authority, the LACMTA and the Blue Line Construction Authority in connection with the Gold Line Phase II. It is the intention of the Members that any memorandum of understanding between the Authority and the Blue Line Construction Authority and/or the LACMTA shall provide that the Authority shall be given ~~all appropriate~~ appropriate authority and responsibility for the planning, design and construction of the Gold Line Phase II that can be delegated to or assumed by the Authority under existing law. Any such memorandum of understanding shall also indicate, to the extent allowed by law, that the Authority shall have the right to recommend all actions to be taken in connection with any

authority or responsibility that the Blue Line Construction Authority may retain regarding the Gold Line Phase II and the Blue Line Construction Authority may accept or reject but not modify any such recommended actions. Finally, any such memorandum of understanding shall also clearly state that the Authority shall have no responsibility for and no rights, duties or authority regarding the Gold Line Phase I.

Section 22. Prohibition against Encumbrances. The Authority shall not encumber any future fare box revenue that is anticipated from the Gold Line Phase II. Further, the Authority shall not encumber the Gold Line Phase II with any obligation that is transferable to the LACMTA or the Blue Line Construction Authority without their written approval. The responsibilities of the Authority do not extend to the procurement of rolling stock for the Gold Line Phase II, which is a component of the operation of the project and which is to be administered by the LACMTA.

~~Section 22.~~ Section 23. Term. Unless extended by written agreement of all of the Members or terminated by written agreement of all the Members ("Unanimous Termination"), the Authority created pursuant to this Agreement shall continue in existence for a period of fifteen (15) years from the Effective Date of this Agreement as determined in accordance with Section 32; however, this Agreement may be terminated early by an affirmative vote of not less than sixty percent (60%) plus one (1) of the then total voting membership of the Governing Board ("Early Termination"). Early Termination may occur only after one or more of the following: (a) a failure on the part of all of the eligible public entities whose names are set forth on Exhibit A to this Agreement ("Eligible Public Entities") to adopt this Agreement by majority vote of their respective legislative bodies within one hundred eighty (180) days of the Effective Date of this Agreement; (b) a determination by the Governing Board, no earlier than four (4) years from the Effective Date of this Agreement, indicating that sufficient funds will not be available to complete the Gold Line Phase II in a reasonable period, or (c) the completion of the Gold Line Phase II. In the event of Unanimous Termination or a vote in favor of Early Termination of this Agreement, the Governing Board shall ensure that a proper and orderly wrapping up of all of the activities, responsibilities and obligations of the Authority will occur. In the event of Unanimous Termination or a vote in favor of Early Termination, the Executive Director shall thereafter recommend and the Governing Board shall approve the extent to which construction activities shall be completed before this Agreement is terminated.

~~Section 22.~~ Section 24. Application of Laws to Authority Functions. The Authority shall comply with all applicable laws in the conduct of its affairs, including, but not limited to, the Ralph M. Brown Act. (Section 54950 *et seq.*, of the Government Code).

~~Section 22.~~ Section 25. Administrative Code.

Adoption. Not later than sixty (60) days after the Effective Date of this Agreement as described in Section 32, the Authority shall adopt those sections of the Blue Line Construction Authority Administrative Code that are applicable to the Gold Line Phase II and that are in accordance with all applicable laws including but not limited to contracting and procurement laws, laws relating to contracting goals for minority and women businesses, and the Political Reform Act of 1974 (Section 81000 *et seq.* of the Government Code).

~~a.b.~~ Code of Conduct. The administrative code shall include a code of conduct for employees and Governing Board Representatives and Alternate Governing Board Representatives.

Section 26. Members.

a. Withdrawal not Permitted. A Member may not withdraw from the Authority and shall each year be responsible for any Annual Dues, as defined in Section 29 c. of this Agreement and for its annual share of any and all obligations, liabilities or costs that are the responsibility of the Authority. A Member's share in the obligations, liabilities and costs of the Authority shall be calculated in proportion to the obligation of the Member to participate in the funding of the Authority.

~~a.b.~~ Admitting Eligible Public Entities on or before AugustSeptember 24, 2003. Eligible Public Entities who: 1) adopt this Agreement by majority vote of their respective legislative bodies and 2) properly sign this Agreement on or before SeptemberAugust 12, 2003, shall be admitted to the Authority on the effective date of this Agreement, as defined in Section 32.

~~a.c.~~ Admitting Eligible Public Entities on or after AugustSeptember 12, 2003. Eligible Public Entities who: (1) adopt this Agreement by majority vote of their respective legislative bodies and (2) properly sign this Agreement on or after AugustSeptember 12, 2003, shall be admitted to the Authority after payment of any past Initial Dues and Annual Dues, as both are defined in Section 29, and interest that is calculated from AugustSeptember 31, 2003, compounded monthly and determined using a rate that is approved by the Governing Board.

Section 27. Interference with Function of Members. The Governing Board shall not take any action that constitutes an interference with the exercise of lawful powers by a Member of the Authority.

~~Section 27.~~ Section 28. Schedule. The Authority shall make reasonable progress toward the completion of the Gold Line Phase II and shall proceed in accordance with any timetable for the Gold Line Phase II or any portion thereof that is now or is subsequently identified in the State Transportation Improvement Program.

~~Section 27.~~ Section 29. Dues of Members.

a. Payment of Dues. Each Phase II Ceity that is a Member of the Authority and the LACMTA shall have an obligation to participate in the funding of the Authority and shall be responsible for the payment to the Authority of dues. The LACMTA, the SGVCOG and the cities of South Pasadena and Los Angeles shall not be required to pay dues and shall not have any obligation to participate in the funding of the Authority, but shall, in good faith, provide assistance and support to the Authority. Further, the SGVCOG shall each year provide in kind services equal in value to the Initial Dues and the Annual Dues.

~~a.b.~~ Initial Dues. The initial dues shall be Thirty Onethirty-one Thousand Four Hundred Forty Fiveforty-five Dollars (\$31,445.00) for the LACMTA and every Phase II

eCity that is a Member (the "Initial Dues") and the Initial Dues shall be due and payable to the Authority on ~~August~~ October 1, 2003.

a.c. Annual Dues. In March of 2004, and in each March thereafter, the ~~Governing Board~~ Phase II Cities shall determine the Annual Dues, which shall be the same for the LACMTA and for each Phase II eCity that is a Member, except that if one or more additional stops for the Gold Line Phase II has been authorized, the ~~Phase II Cities Governing Board~~ may approve, by an affirmative vote of sixty percent (60%) plus one (1) of ~~its then total voting membership~~ Phase II Cities that are voting Members of the Authority, an adjustment to the Annual Dues of one or more ~~Members~~ Phase II Cities that takes into consideration the location of the additional stop(s) and the ~~Member~~ Phase II City(s) that will benefit therefrom. The annual dues (the "Annual Dues") shall be due on July 1 of each year, starting in 2004. The ~~Phase II Cities~~ Governing Board shall determine the Annual Dues after considering the recommendation of the Committee, which recommendation shall be based upon the estimated operating costs of the Authority and the projected costs of the Gold Line Phase II, both for the following year. An increase in Annual Dues of no more than five percent (5%) from the previous year may be approved by an affirmative vote of a majority of the Phase II Cities that are current voting Members of the Authority ~~total voting membership of the Governing Board~~. An increase in Annual Dues by more than five percent (5%) from the previous year will require an affirmative vote of sixty percent (60%) plus one (1) of the Phase II Cities that are current voting Members of the Authority ~~then total voting membership of the Governing Board~~.

a.d. Non-Payment of Initial Dues and Annual Dues. Initial Dues are delinquent sixty (60) days after payment is due and Annual Dues are delinquent thirty (30) days after payment is due. If a Member fails to pay Initial Dues or Annual Dues before they become delinquent, the Member shall be deemed to be suspended from voting on any matter before the Governing Board. Such a Member shall have its voting rights reinstated upon the payment of all dues then owed by the Member, including dues incurred prior to the suspension and during the suspension, plus interest that is compounded monthly and calculated using a rate that is approved by the Governing Board. Should a Member fail to pay dues and interest even after being suspended from participation, the Authority may take any actions allowed by law that are authorized by the Governing Board to recover any monies that are owed, and if authorized by the Governing Board, the Authority may also take other actions including, but not limited to, elimination of any planned station from the Gold Line Phase II, for any Member failing to pay dues.

a.e. Use of Dues. Dues may be used to pay for all or part of the operating costs of the Authority and/or all or part of the planning, acquisition, design, procurement, building, staffing and all other lawful costs of the Gold Line Phase II.

Section 30. Disposition of Assets. Upon termination of this Agreement, after the payment of all obligations of the Authority, any assets remaining shall be distributed to the Members in proportion to the then obligation of the Members to participate in the funding of the Authority.

~~Section 30.~~ Section 31. Amendment. This Agreement may be amended but only upon the unanimous consent of all of the legislative bodies of the Members hereto.

~~Section 30.~~ Section 32. Effective Date. The effective date ("Effective Date") of this Agreement shall be ~~July~~September 21, 2003, if eight (8) of the Eligible Public Entities adopt this Agreement by a majority vote of their legislative body and sign this Agreement by that date. If eight (8) of the Eligible Public Entities have not signed this Agreement by ~~July~~September 21, 2003, then the Effective Date of this Agreement shall be the first date on which eight (8) of the Eligible Public Entities adopt and sign this Agreement.

That the Members of this Joint Powers Agreement have caused this Agreement to be executed on their behalf, respectively, as follows:

Mayor/Chief Executive Officer/
Executive Director

ATTEST

City Clerk/Secretary

EXHIBIT A

Eligible Public Entities

Arcadia

Azusa

Claremont

Duarte

Glendora

Irwindale

LaVerne

LACMTA

Los Angeles

Monrovia

Pasadena

Pomona

San Dimas

SGVCOG

South Pasadena

AMENDMENT ONE
JOINT EXERCISE OF POWERS AGREEMENT
GOLD LINE PHASE II CONSTRUCTION AUTHORITY

This Amendment One to the Joint Exercise of Powers Agreement for the Gold Line Phase II Construction Authority ("Amendment One") is approved and executed by the current members of the Gold Line Phase II Construction Authority as set forth in Exhibit 1-A, attached hereto, and each of which must approve and execute this Amendment One in order for Amendment One to be effective. This Amendment One is also approved and executed by the San Bernardino Associated Governments (the "SANBAG"), which approval and execution shall allow SANBAG to become a member of the Gold Line Phase II Construction Authority should all of the current members listed in Exhibit 1-A so approve this Amendment One.

WITNESSETH:

The parties hereto do agree as follows.

Section 1. Recitals. This Amendment One is made and entered into with respect to the following facts:

a. The Gold Line Phase II Construction Authority (the "Authority") was formed pursuant to Section 6500 *et seq.* of the Government Code to enable its member cities and agencies to participate as fully as is necessary and appropriate in the planning, funding, design and construction of the Gold Line Phase II light rail project ("the Gold Line Phase II");

b. The SANBAG has asked to join the Authority in order to work cooperatively with the Authority and its member cities and agencies to complete the Gold Line Phase II including a possible extension to the city of Montclair;

c. The San Gabriel Valley Council of Governments (the "SGVCOG") has voted to forego its membership in the Authority in favor of the SANBAG; and

d. The SANBAG has agreed to pay dues and assume other required financial responsibilities as a condition of its membership in the Authority.

Section 2. Terms Remain in Effect. All terms of the Joint Exercise of Powers Agreement for the Gold Line Phase II Construction Authority (the "Agreement") that are not deleted or amended by this Amendment One remain fully in effect and the execution of this Amendment One by each of the parties hereto signifies approval and acceptance of the Agreement as modified by this Amendment One.

Section 3. Replacement of SGVCOG with SANBAG. In Section 5c in the third sentence delete the phrase "and the SGVCOG". In the heading for Section 5d delete the phrase "and SGVCOG Representatives". In Section 5d delete the second sentence in its entirety. In Section 16 and in Exhibit A of the Agreement, wherever it may appear replace "SGVCOG" with "SANBAG".

Section 4. Change to Section 16. In the third sentence of Section 16 of the Agreement change the word "designate" to "identify".

Section 5. Change to Interest Calculation Date. In Section 26c of the Agreement, change the date from which interest is to be calculated from "September 2, 2003" to "December 31, 2003."

Section 6. New Section 29a. Section 29a of the Agreement is deleted in entirety and replaced with the following new Section 29a.

"a. Payment of Dues. The SANBAG and each Phase II City that are Members of the Authority shall have an obligation to participate in the funding of the Authority and shall be responsible for the payment to the Authority of dues. The LACMTA and the cities of South Pasadena and Los Angeles shall not be required to pay dues and shall not have any obligation to participate in the funding of the Authority, but shall, in good faith, provide assistance and support to the Authority."

Section 7. New Section 29b. Section 29b of the Agreement is deleted in entirety and replaced with the following new Section 29b.

"b. Initial Dues. The initial dues shall be Thirty-One Thousand Four Hundred Forty-Five Dollars (\$31,445.00) for the SANBAG and for every Phase II City (the "Initial Dues") and the Initial Dues shall be due and payable to the Authority on October 1, 2003, except for SANBAG whose Initial Dues shall be due and payable thirty (30) days after the effective date of its membership in the Authority."

Section 8. New Section 29c. Section 29c of the Agreement is deleted in entirety and replaced with the following new Section 29c.

"c. Annual Dues. In March of 2004, and in each March thereafter, the SANBAG and the Phase II Cities shall determine the Annual Dues, which shall be the same for the SANBAG and for each Phase II City that is a Member, except that if one or more additional stops for the Gold Line Phase II has been authorized, the SANBAG and the Phase II Cities may approve, by an affirmative vote of sixty percent (60%) plus one (1) of the Phase II Cities plus SANBAG that are voting Members of the Authority, an adjustment to the Annual Dues of one or more Phase II Cities and of SANBAG that takes into consideration the location of the additional stop(s) and the Phase II City(ies) and/or SANBAG that will benefit therefrom. The annual dues (the "Annual Dues") shall be due on July 1 of

each year, starting in 2004. The Phase II Cities and SANBAG shall determine the Annual Dues after considering the recommendation of the Committee, which recommendation shall be based upon the estimated operating costs of the Authority and the projected costs of the Gold Line Phase II, both for the following year. An increase in Annual Dues of no more than five percent (5%) from the previous year may be approved by an affirmative vote of a majority of the SANBAG and the Phase II Cities that are current voting Members of the Authority. An increase in Annual Dues by more than five percent (5%) from the previous year will require an affirmative vote of sixty percent (60%) plus one (1) of the SANBAG and the Phase II Cities that are current voting Members of the Authority.”

Section 9. Effective Dates. The effective date of this Amendment One shall be the first date on which each of the current members of the Authority, as listed in Exhibit 1-A, shall have approved and signed this Amendment One. The effective date of the SANBAG’s membership in the Authority shall be the first date on which each of the current members of the Authority and the SANBAG shall have approved and signed this Amendment One.

Section 10. Counterparts. This Amendment One may be executed in several counterparts, and all counterparts so executed shall constitute one Amendment One, binding on all the parties hereto, notwithstanding that all of the parties are not signatory to the original or same counterpart.

The current members of the Authority and the SANBAG have caused this Amendment One to be executed on their behalf, respectively, as follows:

Mayor/Chief Executive Officer/
Executive Director

ATTEST

City Clerk/Secretary

Date

EXHIBIT 1-A

Current Members of the Gold Line Phase II Construction Authority

Arcadia

Azusa

Claremont

Duarte

Glendora

Irwindale

LaVerne

Monrovia

Pomona

San Dimas

South Pasadena

RESOLUTION NO. 03-

**A RESOLUTION OF THE CITY OF _____
APPROVING AMENDMENT ONE OF THE JOINT EXERCISE OF POWERS
AGREEMENT OF THE GOLD LINE PHASE II CONSTRUCTION
AUTHORITY.**

WHEREAS, the Gold Line Phase II Construction Authority (the "Authority") was formed effective September 15, 2003, pursuant to Section 6500 *et seq.* of the Government Code; and

WHEREAS, the City of _____ has approved and executed the Joint Exercise of Powers Agreement for the Gold Line Phase II Construction Authority (the "Agreement") and is a Member of the Authority; and

WHEREAS, the San Gabriel Valley Council of Governments (the "SGVCOG") had planned to become a Member of the Authority; and

WHEREAS, under the terms of the Agreement the SGVCOG would not be required to pay dues to the but would offer services in support of the Authority; and

WHEREAS, the San Bernardino Associated Governments (the "SANBAG") has asked to join the Authority and the SGVCOG has voted to forgo its membership in favor of the SANBAG; and

WHEREAS, the SANBAG has agreed to pay dues and assume other required financial responsibilities as a condition of its membership in the Authority;

WHEREAS, the Governing Board of the Authority has voted to approve the entry of SANBAG into the Authority; and

WHEREAS, the Governing Board of the Authority has approved a proposed Amendment One to the Agreement that would allow the entry of SANBAG into the Authority, require that SANBAG pay dues and assume financial responsibilities as all other dues-paying Members, provide SANBAG with all of the rights of dues-paying Members and allow SANBAG to join the Authority without any interest charges being applied to its initial dues payment; and

WHEREAS, the affirmative vote of every Member of the Authority is required for the approval of any amendment to the Agreement.

NOW, THEREFORE, be it resolved by the City Council of the City of _____ as follows:

SECTION 1. The City Council approves Amendment One to the Agreement.

SECTION 2. The City Council authorizes the _____ to execute Amendment One on behalf of the City and to take those other actions as may be necessary to enable Amendment One to become effective.

PASSED, APPROVED AND ADOPTED this __th day of December, 2003.

CITY OF _____

by _____

Attest:
