

Assembly Bill No. 664

CHAPTER 503

An act to add Part 18 (commencing with Section 107000) to Division 10 of the Public Utilities Code, relating to transportation.

[Approved by Governor October 3, 2013. Filed with
Secretary of State October 3, 2013.]

LEGISLATIVE COUNSEL'S DIGEST

AB 664, Williams. Gold Coast Transit District.

Existing law creates various transit districts throughout the state, with specified powers and duties relative to providing public transit services.

This bill would create the Gold Coast Transit District in the County of Ventura. The bill would provide that the jurisdiction of the district would initially include the Cities of Oxnard, Ventura, Port Hueneme, and Ojai and the unincorporated areas of the County of Ventura. The bill would authorize other cities in the County of Ventura to subsequently join the district. The bill would dissolve the existing joint powers agency known as Gold Coast Transit, and would create the district, on July 1, 2014. The bill would provide for the transfer of assets from Gold Coast Transit to the district, and would provide for the member agencies of the district to claim a portion of transit funds apportioned to the district under the Transportation Development Act for transit services, including those operated directly by the member agency. The bill would provide for a governing board and would specify voting procedures for the taking of certain actions by the board. The bill would specify the powers and duties of the district to operate transit services, and would authorize the district to seek voter approval of tax measures and to issue revenue bonds. The bill would enact other related provisions. By imposing requirements on the district and affected local agencies, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Part 18 (commencing with Section 107000) is added to Division 10 of the Public Utilities Code, to read:

PART 18. GOLD COAST TRANSIT DISTRICT

CHAPTER 1. GENERAL PROVISIONS

107000. This part shall be known and may be cited as the Gold Coast Transit District Act.

107001. The purpose of the transit district is to develop, provide, operate, and administer public transportation and to protect the public interest, health, and welfare.

107002. As used in this part, the following terms have the following meanings:

(a) "Agency" means Gold Coast Transit, a joint powers agency created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code.

(b) "Board of directors" or "board" means the board of directors of the district.

(c) "Board of Supervisors" means the Ventura County Board of Supervisors.

(d) "County" means the County of Ventura.

(e) "Director" means a voting member of the board of directors.

(f) "District" means the Gold Coast Transit District created by this part.

(g) "General manager" means the person defined in subdivision (d) of Section 107020.

(h) "Member" means the County of Ventura, the Cities of Oxnard, San Buenaventura (Ventura), Port Hueneme, and Ojai, and any other city within the County of Ventura that joins as a member of the district as set forth in this part. No person or entity of any kind that is not the county or a city in the county may be a member.

(i) "Transit" means the transportation of passengers and their incidental baggage.

(j) "Transit facilities" means any and all real and personal property, easements, licenses, equipment, facilities, rights, title, or interests owned or acquired by the district for transit services and the operation thereof.

(k) "Voter" means any elector who is registered under the Elections Code.

CHAPTER 2. FORMATION OF DISTRICT

107003. There is hereby created the Gold Coast Transit District. The jurisdiction of the district includes the Cities of Oxnard, San Buenaventura (Ventura), Port Hueneme, and Ojai and the unincorporated areas of the County of Ventura, and other cities that subsequently qualify as members pursuant to the requirements set forth in Section 107006.

107004. On and after July 1, 2014, the agency is dissolved and the district succeeds to, and is vested with, all of the rights, powers, duties, and obligations of the agency. The district is the successor to the agency's assets,

interests in any property, its rights and obligations under any contract, any outstanding indebtedness of the agency, and its rights under any grants, without the necessity of any further action.

107005. The district shall assume the duties of public transit provider performed by the agency. On and after July 1, 2014, the Cities of Oxnard, San Buenaventura (Ventura), Port Hueneme, Ojai, the County of Ventura, and other jurisdictions that subsequently qualify as members pursuant to the requirements set forth in Section 107006 are included within the district.

107006. Any city within the County of Ventura, other than a city specifically listed in Section 107003 that is already included in the district at its formation, may join as a member of the district upon approval by its city council of a resolution approving the city's joining as a member and a resolution of the district's board approving the joining of the new member.

107007. If any portion of the unincorporated area of the county is annexed to a member city, that city shall assume the service obligation of the county for that area. If any portion of the unincorporated area of the county becomes incorporated, the incorporating city shall assume the service obligations of the county for that area.

107008. Upon dissolution of the agency, employees of the agency shall be deemed to be employees of the district without any break in service or any loss or reduction of compensation or benefits, except as may be imposed by express action of the board.

107009. (a) Notwithstanding subdivisions (a) and (c) of Section 99231 of the Public Utilities Code, the apportionment area for the County of Ventura includes the unincorporated area of the county, regardless of whether that area is also within the boundaries of the district.

(b) Notwithstanding Section 99209 of the Public Utilities Code, the County of Ventura, including any nonprofit corporation or other legal entity wholly owned or controlled by the County of Ventura, is a municipal operator if it operates a public transportation system regardless of whether the County of Ventura is included, in whole or in part, within the district. All members of the district may claim from the district a portion of the funds made available from the local transportation fund apportioned by the Ventura County Transportation Commission to the district for transit services, including the operation of locally supported transit service and maintenance of the transit facilities not provided by the district that the member funds or operates.

CHAPTER 3. GOVERNMENT OF THE DISTRICT

107010. (a) The district shall be governed by a board composed of a minimum of five directors, which may be expanded with the addition of new member cities but shall not exceed 11 directors. One director shall be appointed by the governing body of each member. Each director shall serve at the pleasure of the director's appointing authority. Directors appointed pursuant to the joint powers agreement, which is superseded by formation

of the district, shall continue to serve at the pleasure of the director's appointing authority. Each director shall at all times during the director's term be a member of the governing body of the member that appointed the director.

(b) The governing body of each member shall also appoint an alternate director, who shall serve on the board during the absence or disability of the member's regular director. The alternate director shall meet the same qualifications and shall serve upon the same conditions and for the same term as the regular director. Whenever the alternate director serves on the board, the alternate director shall have all the powers of a regular director.

(c) The board may designate one or more ex officio members based on district adopted procedures. The duties and responsibilities of such nonvoting ex officio members shall be set forth in the adopted bylaws.

(d) All actions of the board shall be by majority vote on a one director, one vote formula with the exception of votes on the annual budget, midyear budget changes and amendments, and capital expenditures of five million dollars (\$5,000,000) or more. The vote for these specific issues shall be weighted, as set forth in subdivision (e).

(e) Where this subdivision is applicable, a director appointed by a member whose population is under 100,000 shall have a vote whose value and effect is equal to 1.0 vote and a director appointed by a member whose population is 100,000 or more shall have a vote whose value and effect is equal to 2.0 votes. The annual population estimates of the Department of Finance shall be used with an updated formula presented to the board annually at the first board meeting after release of the estimates. The weighted vote of any single director shall not, of itself, be given the value or effect of a majority vote. A weighted vote may not be split by any director.

(f) The board shall adopt bylaws for its proceedings consistent with the laws of the state.

(g) The board shall do all of the following:

- (1) Adopt an annual budget.
- (2) Adopt an administrative code, by ordinance, which prescribes the powers and duties of the district officers, the method of appointment of the district employees, and the methods, procedures, and systems of operation and management of the district.
- (3) Make determination of policy for the district.
- (4) Adopt a conflict-of-interest code.
- (5) Cause a postaudit of the financial transactions and records of the district to be made at least annually by a certified public accountant.
- (6) Create and administer funds of the district.
- (7) Adopt priorities reflecting the district's goals.
- (8) Do any and all things necessary to carry out the purposes of this part.

CHAPTER 4. MEETINGS

107011. The board, at its first meeting, and thereafter annually at the meeting designated by the board, shall elect a chair, who shall preside at all meetings, and a vice chair, who shall preside in the absence of the chair. In the event of the chair's or vice chair's absence or inability to act, the directors present, provided a quorum exists, by an order entered into the minutes, shall select one director to act as chair pro tempore, who, while so acting, shall have all the authority of the chair.

107012. All meetings of the board and any standing committees shall be conducted in a manner prescribed by the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code).

107013. A majority of the board or of a standing committee entitled to vote constitutes a quorum for the transaction of business. All official acts of the board or a standing subcommittee of the board require the affirmative vote of a majority of the board or committee members present.

107014. The acts of the board shall be expressed by motion, resolution, or ordinance.

CHAPTER 5. POWERS OF THE DISTRICT

107015. The district shall have the power to own, operate, manage, and maintain a public transit system and associated facilities, and, in the exercise of the power under this part, the district is authorized in its own name to do all of the following:

- (a) Adopt a seal and alter it at its pleasure.
- (b) Enact ordinances, resolutions, policies, and guidelines.
- (c) Employ agents and employees and contract for professional services.
- (d) Make and enter into contracts and enter into stipulations of any nature whatsoever and do all acts necessary and convenient for the full exercise of the powers granted in this part for the operation of the district and transit services and facilities.
- (e) Acquire, convey, construct, manage, maintain, and operate buildings and improvements, equipment, and assets of the district.
- (f) Acquire, convey, and dispose of real and personal property, easements, and licenses.
- (g) Adopt a conflict-of-interest code.
- (h) Lease and sublease real and personal property, equipment, and facilities.
- (i) Create and administer funds and the distribution of those funds.
- (j) Create and enact taxes, fees, fares, and penalties, as permitted by law.
- (k) Advocate on behalf of the district.
- (l) Develop and pursue ballot measures.
- (m) Enforce criminally or civilly, as applicable, any and all ordinances, resolutions, and policies as permitted by law.

- (n) Create standing and ad hoc committees, as deemed necessary.
- (o) Incur and encumber debts, obligations, and liabilities, including, but not limited to, bonds, notes, warrants, and other forms of indebtedness. However, the debts, obligations, and liabilities incurred by the district shall not be, nor shall they be deemed to be, debts, encumbrances, obligations, or liabilities of any member.
- (p) Invest money in the district treasury that is not needed for immediate necessities, as the board determines advisable, in the same manner and upon the same conditions as other local entities in accordance with Section 53601 of the Government Code.
- (q) Pursue collection of obligations owed to the district.
- (r) Sue and be sued, except as otherwise provided by law, in all actions and proceedings, in all courts and tribunals of competent jurisdiction.
- (s) Exercise the right and power of eminent domain to take any property necessary or convenient to the exercise of the powers granted in this part.
- (t) Subject to applicable law, provide transportation services or facilities outside the district's jurisdictional boundaries provided a finding is made by the board that those services or facilities benefit the citizens or users of the transportation service or facilities.
- (u) Do and undertake any and all other acts reasonable and necessary to carry out the purposes of this part.

107016. (a) The district shall provide, operate, manage, and maintain a public transportation service serving and connecting the territories of the members. Within the district's capabilities, as determined by the board, service may also be provided to points outside the territories of the members, with the prior approval of the nonmember city having jurisdiction of the territory to be served. Within the district's capabilities, expanded transportation services, routes, and facilities may also be provided. If the district proposes to provide expanded services that would serve the area of interest surrounding a nonmember city, as defined by the Ventura County Local Agency Formation Commission, the district shall provide at least 90 days' prior written notice to that city of the proposed service and thereafter shall make a reasonable effort to meet and confer with officials from that city regarding the proposed service before commencement of the service.

(b) (1) The district shall provide a standardized system of fares and a uniform system of transfers. Except as otherwise provided in paragraph (2), changes in fares and changes in routes shall be made only following a public hearing on the proposed change, with detailed notice made to the governing bodies of the members and the public at least 30 days prior to the proposed public hearing.

(2) Implementation of minor changes in routes and times may be made without notice and hearing by the board. Those minor changes may be implemented by the general manager without notice and hearing under guidelines established by the board, if the district has the equipment to make the minor changes without reduction of its existing services elsewhere and the changes do not result in additional costs to the district or the members.

The term “minor change” means less than 20 percent of the miles or hours of a route.

(c) In the performance of its operations, the district shall seek out and make maximum use of all available programs of assistance, may apply for and receive public and private grants that promote the operation of the district, and shall establish and maintain close liaison with federal, state, and regional agencies.

(d) The district may either operate the transit system itself or a part thereof or it may contract with any other public or private agency or corporation to operate all or part of the transit system for the district or it may contract with any public or private agency or corporation for the improvement in transit services, facilities, equipment, or operations being operated and conducted by that agency or corporation in, or out of, the district, as permitted by law.

107017. (a) In the performance of its operations, the district shall do all of the following:

(1) Keep and maintain records and books of accounts in accordance with the uniform system of accounts and records adopted by the Controller pursuant to Section 99243 of the Public Utilities Code.

(2) Provide for and submit to an annual independent audit of its total operations. A copy of each audit report shall be filed with the finance officer of each of the member agencies not later than 120 days following the close of each fiscal year.

(3) Consider and, following a public hearing, adopt an annual operating and capital expenditure budget and a five-year capital expenditure program, in compliance with the requirements of local, state, and federal laws.

(4) Provide for insurance coverage of liability, operations, and assets.

(5) Provide for district employee retirement benefits under the program administered by the California Public Employees’ Retirement System or other system permitted by law.

(b) The district fiscal year shall be July 1 through June 30.

(c) Notice of the time and place of a public hearing on the adoption of the annual budget shall be published pursuant to Section 6061 of the Government Code not less than 15 days prior to the day of the hearing. The proposed annual budget shall be available for public inspection at least 15 days prior to the hearing. Copies of the proposed annual budget and the capital expenditure program shall be submitted to the governing bodies of the member agencies for review and comment at least 30 days prior to the date scheduled for public hearing and final adoption.

107018. (a) The district may, with the concurrence of a majority of the board, cause to be submitted to voters of the district a ballot measure for the imposition of taxes.

(b) If approved as required by law, the district may impose and administer fees and other funding sources secured for transportation system operation, maintenance, and improvement.

(c) The board may set fares for public transit service by resolution.

(d) As an alternative procedure for the raising of funds, the district may issue bonds, payable from revenues of any facility or enterprise to be acquired or constructed by the district, in the manner provided by the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code), all of the provisions of which are applicable to the district.

(e) The district is a local agency within the meaning of the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code). The term “enterprise” as used in the Revenue Bond Law of 1941 shall, for all purposes of this part, include transit facilities and any and all parts thereof and all additions, extensions, and improvements thereto and all other facilities authorized acquired, constructed, or completed by the district. The district may issue revenue bonds under the Revenue Bond Law of 1941, for any one or more facilities or enterprises authorized to be acquired, constructed, or completed by the district, or, in the alternative, may issue revenue bonds under the Revenue Bond Law of 1941, for the acquisition, construction, and completion of any one of those facilities. Nothing in this part shall prevent the district from availing itself of, or making use of, any procedure provided in this part for the issuance of bonds of any type or character for any of the facilities or works authorized under this part, and all proceedings may be carried out simultaneously or, in the alternative, as the directors may determine.

(f) The district may advocate on and act on behalf of all members with their concurrence to further the district’s transit interests, funding, projects, and priorities.

(g) The district may promulgate a plan for funding transit projects or operations within its jurisdiction or as permitted in subdivision (t) of Section 107015.

107019. In the performance of its operations, the district shall comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352) and all requirements imposed by the Federal Transit Administration. The district’s operations shall be performed in accordance with Title VI of that act to the end that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under the district’s operations.

107020. (a) The district may hire an independent staff of its own or contract with any department or agency of the United States or with any public or private entity to implement this part.

(b) The district may contract with public or private entities in conformance with applicable procurement procedures for the procurement of engineering, project management, and contract management services.

(c) The board shall fix the compensation of the district’s officers and employees.

(d) The district may employ employees and agents as the board may deem necessary to carry out its powers and duties, including, but not limited to, a general manager and legal counsel. The general manager and legal

counsel shall be selected by, and shall serve at the pleasure of, and upon the terms prescribed by, the board.

107021. The general manager, and every officer or person under the direction of the general manager who handles, has access to, or has charge of any property of the district, shall provide and file with the general manager an official fidelity bond or insurance policy assuring to the district that person’s performance. The board shall determine and establish the penal sum of each official bond. Premiums charged for each bond required shall be paid by the district.

107022. The members, whether individually or collectively, shall not be liable for any act or omission of the district, including, but not limited to, any of the following:

- (a) Performing any and all things necessary to carry out the purposes of this part.
- (b) Any act of the district, or for any act of the district’s agents or employees.
- (c) The payment of wages, benefits, or other compensation to officers, agents, or employees of the district.
- (d) The payment of workers’ compensation or indemnity to agents or employees of the district for injury, illness, or death.

CHAPTER 6. CLAIMS

107023. (a) All claims for money or damages against the district are governed by Division 3.6 (commencing with Section 810) of Title 1 of the Government Code, except as provided therein or by other statutes or regulations expressly applicable thereto.

(b) No claim for money or damages shall be considered by the board unless the claim conforms to the provisions of Chapter 2 (commencing with Section 910) of Division 3.6 of Title 1 of the Government Code and unless the claim is filed with the clerk of the board not less than five days prior to the time of the meeting of the board at which it is to be considered.

(c) Pursuant to Section 935 of the Government Code, all claims against the district for money or damages that are excepted by Section 905 of the Government Code from the provisions of Division 3.6 (commencing with Section 810) of Title 1 of the Government Code, and which are not governed by any other statutes or regulations expressly relating thereto, shall be governed by the procedures prescribed in this section, as follows:

- (1) A signed written claim shall be presented to the district by mailing or delivering it to the clerk of the board by the claimant or by a person acting on behalf of the claimant. The claim shall conform to the requirements of Section 910 of the Government Code or be on a form provided by the district.
- (2) Unless otherwise provided in this section, the procedures of presentation, consideration, and action upon all claims filed pursuant to this section shall be the same as the procedures provided and required by Sections 910 to 915.2, inclusive, of the Government Code, and any amendment

thereto as enacted, which provisions and sections are hereby adopted as the requirements of this section. The presentation and action on claims provided herein shall be a prerequisite to a suit thereon, and the suit shall be subject to the provisions of Sections 945.5 and 945.6 of the Government Code.

CHAPTER 7. DETACHMENTS

107024. (a) Territory within the district may be detached from the district by a supermajority vote of the directors, which shall be at least 80 percent of the nonweighted vote of the existing board provided that all pending legal and financial obligations have been satisfied.

(b) The detachment of territory from the district shall become effective upon giving of the notice required in Section 57204 of the Government Code, provided that the detached territory shall not be relieved from liability for taxation for the payment of any bonded indebtedness existing at the time of detachment.

(c) Notice of the detachment of territory from the district shall be given to each assessor whose roll is used for a tax levy made pursuant to this part and with the State Board of Equalization pursuant to Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code.

CHAPTER 8. DISSOLUTION

107025. (a) The district may be dissolved upon a supermajority vote of the directors which shall be at least 80 percent of the nonweighted vote of the board. However, the winding up of the district shall be conducted by the board and the general manager. The district shall not be fully dissolved and terminated until all debts, financial obligations, and liabilities are paid in full and any and all remaining assets after payment of all debts, financial obligations, and liabilities are distributed to the members.

(b) (1) If the directors cannot agree as to the valuation of the property or to the manner of asset distribution, the question shall be submitted to arbitration, as set forth below, and the directors shall make the distribution or valuation as directed by arbitrators.

(2) Three arbitrators shall be appointed. One arbitrator shall be selected by the governing bodies of the Cities of Oxnard and San Buenaventura, one arbitrator shall be selected by the governing bodies of the County of Ventura, the City of Port Hueneme, and the City of Ojai, and one arbitrator shall be selected by the governing bodies of the other members. If no other members exist, the third arbitrator shall be selected by the Presiding Judge of the Ventura County Superior Court.

(3) The arbitration shall be binding and shall be conducted pursuant to Title 9 (commencing with Section 1280) of the Code of Civil Procedure. Any hearings shall be held within the county. All notices, including notices

under Section 1290.4 of the Code of Civil Procedure shall be given to the governing body of each member.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district are the result of a program for which legislative authority was requested by that local agency or school district, within the meaning of Section 17556 of the Government Code and Section 6 of Article XIII B of the California Constitution.

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