JOINT POWERS AGREEMENT BY AND BETWEEN
THE COUNTY OF SAN DIEGO AND THE CITY OF CHULA VISTA
ESTABLISHING THE SOUTH COAST ORGANIZATION
OPERATING TRANSIT (SCOOT)

THIS AGREEMENT is entered into by and between the County of San Diego, hereinafter referred to as "County", and the City of Chula Vista, hereinafter referred to as "City", and such other member agencies as hereafter may be added by amendment.

RECITALS

A. The undersigned agencies recognize the need for better public transportation service and have the power to establish and carry out such better transportation service and to enter into joint powers agreements to manage and operate such better transportation service rather than accomplish this task as separate entities. The joint powers agency will result in improved service levels in the San Diego South Bay community at more economical cost than present transit service systems.

B. The undersigned agencies may enter into joint powers agreements pursuant to Article 1 (commencing with Section 6500) of Chapter 4, Division 7, Title 1 of the Government Code.

C. The undersigned agencies agree to establish transportation service by each agency paying specifically for only that service received within its area of jurisdiction.

D. The benefits to be gained by the residents of the undersigned agencies under this agreement will include more economical, efficient, effective, continued, cooperative, comprehensive coordination of local, interjurisdictional, and regional public transportation service in the San Diego South Bay community.

E. The parties desire to jointly exercise their common power to operate and maintain a public transportation system by creating a new Public Transportation Entity, separate and distinct from each party, to own, operate, and administer a public transportation system to be governed by a Board of Directors composed as herein specified; the intent of the undersigned agencies in the short term is to initiate transportation service by contract with existing transit operators.
NOW THEREFORE, in consideration of the recitals and the mutual obligations of the parties as herein expressed, the undersigned agencies do hereby agree as follows:

1. **AUTHORITY.** This agreement is made pursuant to Article 1 (commencing with § 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California and Chapter 4 (commencing with § 99200), Part 11, Division 10 of the Public Utilities Code of the State of California.

2. **CREATION OF SOUTH COAST ORGANIZATION OPERATING TRANSIT (SCOOT).** There is hereby established a separate entity to be known as the "South Coast Organization Operating Transit" (referred to hereinafter as "SCOOT"), which shall be a public entity separate and apart from any agency which is a party to this agreement (see boundary map for SCOOT area attached hereto as Exhibit A and incorporated herein by the reference).

3. **PURPOSE.** SCOOT is created for the purpose of developing and providing more economical and better public transportation service to the extent authorized by Sections 99210 and 99231 of the Public Utilities Code to the residents within the jurisdiction of the undersigned agencies.

4. **POWERS.** SCOOT shall have the power to:

   (a) Enter into agreements with transit operators for the provision of public transportation service in the jurisdictions of the undersigned agencies;

   (b) Manage the aforesaid program of public transportation service in accordance with statutes and regulations of the United States and the State of California and other applicable laws;

   (c) Acquire, construct, manage, maintain, or operate any building, works, or improvement for public transportation services;

   (d) Acquire rolling stock, capital facilities, and employ personnel to provide transportation service;

   (e) Acquire, hold, and dispose of real or personal property;

   (f) Enter into such agreements as may be necessary to carry out the aforesaid program and as may be necessary to obtain the funds therefor;

   (g) Sue and be sued;
(h) Adopt an annual budget and a five-year capital improvement program based upon an equitable apportionment among the parties on the basis of local and interjurisdictional service provided within each party's jurisdiction; said budget shall be adopted by SCOOT's Board of Directors thirty (30) days prior to beginning of the fiscal year. If the budget isn't adopted by this date, then the previous year's budget shall remain in effect until the new budget is adopted. The SCOOT Board shall inform each member agency of the financial support required from the member agency for the fiscal year budgeted.

LTF funds are intended to support the provision of transportation services. LTF guidelines require an agency like SCOOT to enter into a service agreement with each separate member agency for their agreed portion of SCOOT's budget before LTF monies will be approved and released to SCOOT to provide transportation service.

(i) Do all other acts reasonable and necessary to carry out the purpose of this agreement.

5. BOARD OF DIRECTORS.

(a) Governing Body. The governing body of SCOOT shall be a Board of Directors consisting of one member for each member agency appointed by the respective elected Board or Council for the first $500,000 Local Transportation Funds (LTF) contribution from the agency to SCOOT. One additional member shall be appointed by the respective elected Board or Council from each member agency which contributes more than $500,000 from its LTF account to SCOOT. The appointed SCOOT Board member shall have the authority to designate an alternate to act in his/her absence as a member of the Board of Directors for all purposes. Each member of the Board of Directors shall serve at the will and pleasure of the elected governing body that appointed him/her, but no longer than four years.

(b) Meetings. The Board of Directors shall provide for its regular meetings; provided, however, it shall hold at least one regular meeting each year. The date, hour, and place of the holding of regular meetings shall be fixed by resolution of the Board of Directors and a copy of such resolution shall be filed with each party to this agreement.

(c) Ralph M. Brown Act. All meetings of the Board of Directors shall be called, noticed, and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with § 54950 of the Gov. Code).

(d) Quorum. All members of the Board of Directors or their designated alternates shall constitute a quorum and, with the exception listed under paragraph 13, a majority vote of all members or the designated alternates shall be required for the approval of any action, contract, or agreement to be taken or entered into by SCOOT.
(e) Chairman. The Board of Directors shall select a chairman and shall appoint a secretary who may, but need not, be a member of the Board of Directors.

(f) By-Laws. The Board of Directors may adopt from time to time such by-laws or rules and regulations for the conduct of its meetings and affairs as may be required.

(g) Service Standards. The Board of Directors shall establish service standards for local and regional service to be provided in the area.

(h) Organizational Structure and Responsibilities.

1) SCOOT shall contract with City for administrative services. SCOOT shall contract with City and County jointly for planning of SCOOT. The administrator of SCOOT shall be an employee of City and file an official bond in an amount fixed by the Board of Directors.

2) Should it be deemed feasible by County, County shall build a maintenance facility for maintenance and storage of buses subject to the availability of LTF funds to accomplish this task.

3) Transit services provided to the residents in each agency’s jurisdiction will be supported with funds from that agency’s LTF account.

4) The Board of Directors may seek any other available funds to support transit service.

5) Interjurisdictional routes which pass through two or more jurisdictions will be reviewed and approved by majority vote of the Board of Directors of SCOOT.

6) The object of SCOOT’s public transit service is to provide local, interjurisdictional, and regional transit and to coordinate with the proposed light rail line in the southern San Diego region.

7) SCOOT shall own or lease transit equipment, establish routes and frequency of service, as well as regulate and collect fares.

8) SCOOT may contract with transit operators to provide local, interjurisdictional, and regional transit service.

6. AGENCY LIABILITY. The Joint Powers Agency shall be solely liable for all debts or obligations incurred by SCOOT.
7. TREASURER. The Director of Finance of City or his authorized representative is hereby designated as the treasurer and depositary of all funds received by SCOOT from whatever source. The treasurer shall:

(a) Receive and receipt for all money of SCOOT and place it in his treasury to the credit of SCOOT;

(b) Be responsible upon his official bond for the safekeeping and disbursement of all SCOOT money so held by him;

(c) Be responsible and make certain that all interest accrued to all SCOOT money be attributed to SCOOT's account;

(d) Pay all sums, when due and owed by SCOOT, or any portion thereof, from SCOOT funds held by him only upon duly authorized checks of City acting as the Fiscal Agent;

(e) Verify and report in writing, on the first day of July, October, January, and April of each year, to SCOOT and to the parties to this agreement the amount of SCOOT funds he holds, the amount of receipts since his last report, and the amount paid out since his last report.

8. CHARGES FOR BILLINGS. Charges of member agencies for financial and administrative services shall be submitted to SCOOT on a quarterly basis. SCOOT shall be responsible for the accuracy of the charges.

9. ANNUAL JOINT POWERS AGENCY AUDIT. The Treasurer shall either make or shall contract with a certified public accountant to make an annual audit of those accounts and records of SCOOT within 180 days after the end of each fiscal year. The minimum requirements of the audit shall be those prescribed by Section 6505 of the Government Code as well as by Section 99245 of the Public Utilities Code. The audit shall confirm to generally accepted auditing standards. Within 180 days following the end of each fiscal year, a report of the audit covering that fiscal year shall be filed as a public record with the Auditor of each member agency which is a party to this agreement. All costs of the audit shall be borne by SCOOT and shall be a charge against any unencumbered funds of SCOOT available for that purpose. Audits required by the Transportation Development Act shall be undertaken in accordance with the requirements of this Act. Auditors of member agencies may audit SCOOT as well.

10. DISSOLUTION. Upon withdrawal of at least half of the member agencies, dissolution of SCOOT shall occur; and any assets, including surplus money on hand, or liabilities acquired by SCOOT pursuant to this joint powers agreement shall be distributed to the parties in proportion to the total contributions from all annual LTF allocations of the member agencies.
11. ADDITION OF OTHER AGENCIES. Other agencies who request membership in SCOOT may be added by majority vote of the Board of Directors and upon amendment of this agreement pursuant to paragraph 13.

12. EFFECTIVE DATE OF AGREEMENT. This agreement shall take effect upon its execution by County and City.

13. AMENDMENT. This Joint Powers Agreement may be amended as necessary by a unanimous vote of the member agencies. Within thirty (30) days of the effective date of any such amendment, a notice of the amendment shall be prepared and filed with the office of the Secretary of State. The notice shall contain:

(a) The name of each member agency which is a party to this agreement;

(b) The date upon which the agreement and the amendment became effective;

(c) A description of the amendment made to the agreement.

14. NON-DISCRIMINATION. In connection with the carrying out of this agreement, SCOOT, COUNTY, and CITY shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

It is the policy of the County that the County shall not participate in, nor contribute funds to any construction contract let by another Governmental jurisdiction (i.e. SCOOT) unless that jurisdiction has adopted an affirmative action program acceptable to the County.

The County shall not participate in nor contribute funds to any contract, agreement, or purchase order let by another governmental jurisdiction (i.e. SCOOT) for the procurement/purchase of supplies, equipment, services, or construction unless that jurisdiction:

(a) Adopts a small and minority business program policy consistent with the County's Policy B-39.

(b) Implements and appropriate procurement/purchasing process acceptable to the County; and

(c) Provides the County upon request a copy of the policy and process.
The applicable provisions of Executive Order 11246, relating to Equal Employment Opportunity, by this reference are incorporated herein and made a part hereof. Wherever the word "contractor" appears in said Executive Order, it shall mean SCOOT, COUNTY, and CITY or their agents.

IN WITNESS THEREOF, each of the following agencies has caused this agreement to be executed pursuant to a resolution adopted by its elected governing body.

CITY OF CHULA VISTA

By
Mayor

By
Chairperson, Board of Supervisors

Attest:
City Clerk

Attest:
Clerk of the Board of Supervisors

City Attorney

County Counsel

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL

By
Deputy

Approved by the Board of Supervisors of the County of San Diego

JUN 12 1979 #25

Clerk of the Board of Supervisors
To: William J. Robens, DCM/DPW

From: Jack A. Bloom, Transit Coordinator

Subject: Report on Formation of South Bay Transit Joint Powers Agency (JPA Agreement)

The County has signed this JPA South Coast Organization Operating Transit (SCOOT) Agreement on June 12, 1979, and will shortly appoint a member to the SCOOT Board. Initial discussions on the formation of the JPA were also held with other agencies. I have recently been informed that an East County Transit JPA will soon be formed with members consisting of the Cities of El Cajon and La Mesa and the County of San Diego.

The staff of National City informed me that they weren't interested in joining a South Bay Transit JPA at this time. They wanted the experience of operating their own local transit system strictly by themselves for at least a year or two prior to the possibility of joining the JPA. Also there is no financial advantage for National City to join SCOOT at this time.

If, in fact a JPA is formed, contact will be made in FY 1979-80 with Lemon Grove, National City, Imperial Beach, and Coronado in order to determine whether or not these cities would like to become members. The agreement provides for the addition of other agencies upon request and unanimous approval of the existing members.

RECOMMENDATIONS:

I recommend the Council act on the following three items relative to the formation of SCOOT:

1. Approve the Joint Powers Agreement establishing SCOOT.

2. Appoint two members and one alternate to represent the City on the SCOOT Board.

3. Direct staff to negotiate a contract with SCOOT to provide public transportation service to residents of the City of Chula Vista.
DISCUSSION:

The JPA agreement states that a Board of Directors composed of members appointed by elected officials from each member agency shall govern SCOOT. Each agency receives a minimum of one member to the SCOOT Board. Agencies contributing in excess of $500,000/year of their LTF allocation to SCOOT will be allowed to appoint an additional Board member. Thus under this initial JPA Agreement, Chula Vista will have two Board members and the County will have one. Each member can serve no more than four years on the SCOOT Board. A majority vote of all Board members is required for the approval of any action to be taken by SCOOT with the exception of a unanimous vote required to amend the agreement and in effect the adding of new member agencies.

According to the agreement, the SCOOT Board shall adopt an annual budget and a five year capital improvement program based upon an equitable apportionment among the member agencies on the basis of transit service provided by SCOOT within each agency's jurisdiction. LTF support for the costs of SCOOT's operation shall be equitably apportioned from each member agency's LTF account according to the public transportation services received by each member agency from SCOOT.

County staff has indicated a willingness to recommend funding about 50% of SCOOT's proposed capital equipment needs (i.e., 7 buses, fareboxes, radios, etc.) with their LTF monies in FY 1980. The City has only $937,000 in its LTF account and SCOOT's FY 1980 operating and capital costs total $1.48 million.

SCOOT shall have the ability to contract with other operators (e.g. San Diego Transit) to provide transit services. SCOOT may also acquire or lease rolling stock and capital facilities, establish routes and frequency of service, regulate and collect fares, as well as employ personnel to provide transit services.

SCOOT will contract with Chula Vista for administrative services and with the County and City jointly for the planning of SCOOT's activities and finances. This agreement states that the administrator of SCOOT will be an employee of the City of Chula Vista (i.e. City's Transit Coordinator).

This JPA agreement also allows the option of the County using LTF monies in its account to construct a transit maintenance facility in the Chula Vista area upon approval of the SCOOT Board.
Under the agreement, SCOOT will be solely liable for all debts or obligations incurred by SCOOT under this agreement. The agreement also designates the City's Director of Finance as the treasurer and depository of all funds received by SCOOT. The Director of Finance has agreed with taking over this responsibility and the City Manager has also concurred.

Dissolution of SCOOT shall occur upon withdrawal of at least half of the member agencies. Thus, under the proposed agreement, the City could withdraw from the JPA at any time. In approximate chronological order, the action required for SCOOT to actually be in operation follows:

1. County and City execution of JPA Agreement.

2. County and City appointment of respective Board members.

3. County and City execution of service contracts with SCOOT.

4. Filing of mid-year LTF claim by SCOOT and appropriate approval by MTDB and CPO.

5. Receipt of mid-year LTF claim waiver by the State Secretary of Business and Transportation.

6. Approval by depository of all County LTF monies, the County Auditor, of "new transit operator status" of SCOOT.

It is anticipated that SCOOT can be in formal operation in August or September, 1979. It is also estimated that it will cost the City approximately $330/day out of its General Fund for local transit service provision until SCOOT actually becomes a "certified transit operator." Staff will be coming back to Council within a couple of weeks with a proposed transit service contract between the City and SCOOT with costs fully offset by the LTF.

ADVANTAGES

The major advantages of the City joining SCOOT are as follows:

1. Savings of $120,000 expenditure of its General Funds for transit in FY 1980 and a savings of about $2 million in potential General Fund transit expenditure over a 5 year period.

2. Funding of the construction of a transit maintenance facility which the City could not provide out of its own LTF account.
3. Funding of approximately 60% (or $250,000) of the City's transit capital equipment needs (i.e., buses, radios, etc.) in FY 1980 (and possibly in future years) which the City may not be able to provide for out of its own LTF account.

4. The possibility of more efficient, economical, and effective coordination of local and regional transit service in the South Bay dependent upon the membership of the JPA.

DISADVANTAGES

The major disadvantages of the City joining the JPA are as follows:

1. An additional layer/agency that the City would have to deal with in regard to transit operations, planning and financing.

2. If the Council supported SB-620 passes the Assembly as it did the Senate, then the General Fund savings advantage of joining the JPA, cited above, would be minimized. However, the City still would not have sufficient LTF funds to finance a Chula Vista transit maintenance facility or a large portion of its transit capital equipment needs in the near future.

CONCLUSIONS

Based upon the comparison of the advantages and disadvantages of the City joining the JPA, I conclude that the most suitable alternative for the City is to become a member of SCOOT at this time. SCOOT provides an almost immediate waiver of the 50% LTF limitation requirement as well as a primary funding source for the City's transit maintenance facility and bus and related transit equipment purchases in FY 1980 as well as in future years.

There have been quite a few bills proposed in both Houses of the State Legislature in the past year attempting to waive the 50% LTF requirement and all of them have been held up in some committee. It seems like the major legislators involved have worked out a viable compromise with SB-620. However, it won't take effect until January 1, 1980, at the earliest and thus the City would still be liable for approximately $50,000 in General Fund expenditure for transit in FY 1980. Also SB-620 would not significantly add more funds to the City's LTF account for the purchase of a transit garage, buses, etc. which could be legally funded under SCOOT.

I believe that the formation and administration of SCOOT
would not be that cumbersome of a process at this point in time. If it ever became so burdensome to the City, it still has the option under the proposed agreement to withdraw from SCOOT at any time.

JAB: nr