

THE LOS ANGELES-SAN DIEGO-SAN LUIS OBISPO RAIL CORRIDOR AGENCY

BYLAWS

AMENDED FEBRUARY 18, 2015

PREAMBLE

The Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency (“Agency”) is a Joint Powers Agency created at the recommendation of the Los Angeles-San Diego State Rail Corridor Study Group which recognized the need for a public agency to oversee increases in the level of intercity passenger rail service in the travel corridor between San Diego and Los Angeles. This agency has evolved as rail service has been extended to Ventura, Santa Barbara, and San Luis Obispo Counties and now includes all counties along the Pacific Surfliner Corridor from San Diego to San Luis Obispo County.

The Agency is now capable of implementing the recommendations contained in both the State Rail Corridor Study Group’s June 1987 report entitled, *Los Angeles-San Diego State Rail Corridor Study*, and the April, 2012 *LOSSAN Corridorwide Strategic Implementation Plan* and undertaking related efforts to improve corridor services and facilities and coordinating commuter rail services.

In 2012 the functions of the Agency were significantly expanded by the enactment and signing into law of SB 1225 (Padilla, 2012). SB 1225 authorized the transfer of management of intercity rail passenger service in the LOSSAN Corridor from the California Department of Transportation to the Agency. The new role and functions of the Agency have been established in the 2013 Amendment to the Joint Powers Agreement Concerning The Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency (the “Agreement,” “Joint Powers Agreement” or “LOSSAN Agreement”).

These Bylaws are adopted effective July 17, 2013 pursuant to the Agreement, and amended February 18, 2015. These Bylaws supersede the Los Angeles - San Diego - San Luis Obispo Rail Corridor Agency Bylaws adopted in June 1989 and all subsequent amendments thereto.

ARTICLE I - FUNCTIONS

The functions of the Agency are to administer and manage the operations of the LOSSAN Rail Corridor Service as part of the California Passenger Rail System. The legislative authority for this role is SB 1225 (Padilla, 2012), an act to amend Sections 14031.8, 14070.2, 14070.4, and 14070.6 of, and to add Section 14070.7 to, and to repeal and add Article 5.2 (commencing with Section 14072) of Chapter 1 of Part 5 of Division 3 of Title 2 of, the Government Code, relating to transportation and known as the Intercity Passenger Rail Act of 2012 (SB 1225). SB 1225 authorized expansion of the authority of the LOSSAN Rail Corridor Agency, through an amendment to the existing Joint Powers Agreement.

The functions of the Agency are detailed in the LOSSAN Agreement.

ARTICLE II - DEFINITIONS

- Section A. **Agency** means the Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency.
- Section B. **Governing Board or Board** means the Board of Directors of the Agency.
- Section C. **LOSSAN** is the acronym for Los Angeles-San Diego-San Luis Obispo.
- Section D. **Voting member agencies** (Member Agency) mean Los Angeles County Metropolitan Transportation Authority, Orange County Transportation Authority, Riverside County Transportation Commission, San Diego Metropolitan Transit System, North County Transit District, San Diego Association of Governments, Ventura County Transportation Commission, Santa Barbara County Association of Governments, and San Luis Obispo Council of Governments.
- Section E. **Ex-officio non-voting associate agencies** (Associate Agency) mean the Southern California Association of Governments, the National Railroad Passenger Corporation (Amtrak), California High-Speed Rail Authority, and the California Department of Transportation.
- Section F. **Regional Transportation Planning Agency** means an entity authorized to prepare a regional transportation plan pursuant to Government Code Section 65080.
- Section G. **Corridor City** means a city adjacent to the LOSSAN Corridor right-of-way.
- Section H. **LOSSAN Rail Corridor Service** means Pacific Surfliner intercity passenger rail service that operates on the LOSSAN Corridor, which is a 351 mile long intercity and commuter rail corridor, stretching from San Diego in the south, up the coast to Orange County, Los Angeles County, Ventura County, and Santa Barbara County to San Luis Obispo County.
- Section I. **LOSSAN Regions** are defined as North Region: Ventura County, Santa Barbara County and San Luis Obispo County; Central Region: Los Angeles County; South Region: San Diego County; South Central Region: Orange County and Riverside County.
- Section J. **Fiscal Year** means from July 1 to and including the following June 30.
- Section K. **California State Rail Plan** is prepared every two years by the California Department of Transportation as an examination of passenger and freight rail transportation in California, in accordance with Section 14036 of the Government Code.

- Section L. **Member Agency** shall mean each of those voting governmental entities set forth in Section D of these Bylaws that have executed this Agreement and that have not withdrawn from the Agency.
- Section M. **Business Plan** shall mean the business plan to be submitted by the Agency to the Secretary of the Business, Transportation and Housing Agency covering the initial three year term of the Agreement as mandated by Section 14070.4(b) and updated and submitted annually thereafter.
- Section N. **Interagency Transfer Agreement** shall mean the agreement provided for in Section 14070.2(a) whereby the State of California will transfer all responsibility for administering the LOSSAN Rail Corridor Service to the Agency.
- Section O. **Interim Workplan** shall mean the workplan proposed for the period commencing with the execution of the Managing Agency contract called for in Section 12.0 of the Agreement and ending with the then current fiscal year.
- Section P. **Initial Term** shall mean the period that begins with the transfer of responsibilities from the California Department of Transportation to the Agency and continues for a three-year period.
- Section Q. **Managing Agency** means the Member Agency or the Associate Agency or any commuter rail agency, which uses the same facilities to provide commuter rail services as are used by the intercity passenger rail corridor service that has been selected by the Agency and has contracted with the Agency to provide all necessary administrative support to the Agency in order to prepare and assist in negotiating the Interagency Transfer Agreement, and to perform the Agency's duties and responsibilities during the Initial Term of the Interagency Transfer Agreement and any subsequent terms.
- Section R. **Managing Director** means the director of the Agency, who is an employee of the Managing Agency. The Managing Director reports to and serves at the pleasure of the Governing Board.
- Section S. **Transition Period** means the time period beginning with the effective date of the 2013 amendment to this Agreement in or around July, 2013 and continuing until the effective date of a contract between the Agency and the Managing Agency to provide Managing Agency services to the Agency as called for in Section 12.0 of the Agreement.

ARTICLE III - MEMBERSHIP

Section A. Voting Members of the Governing Board

All powers of the Agency shall be exercised by the Governing Board. The Governing Board shall be selected and composed as specified in the LOSSAN Joint Powers Agreement.

ARTICLE IV - ADMINISTRATION

Section A. **In General** - The Officers shall consist of the Chair and a Vice-Chair, both of whom shall represent a voting member of the Governing Board, a Treasurer, Auditor (Auditor-Controller), and other officers as the Agency deems necessary and as set out in these Bylaws.

Section B. **Term of Office** - The Chair and Vice-Chair shall serve one-year terms of office.

Section C. **Election of Officers** - The Agency at its first regularly scheduled meeting of the year and at its first regularly scheduled meeting every year thereafter, and at such other times as there may be a vacancy in either office, shall elect a Chair who shall preside at meetings and a Vice-Chair who shall preside in the Chair's absence.

Section D. **Executive Committee** - There shall be a maximum of 4 voting members including the Chair, Vice-Chair and Past Chair if available or one person appointed by the Board with the Managing Director serving as a non-voting member. Among these members, there shall be at least one member from the North Region. The Executive Committee will meet as needed.

1. The Executive Committee shall have the authority and duty to:

- a. Review and approve the agendas for the meetings of the Governing Board as needed;
- b. Provide direction to the Managing Director;
- c. Make recommendations as needed to the Board regarding the work program, budget, positions to be taken on issues, contracts, and all other matters within the jurisdiction of the agency;
- d. Evaluate Managing Director and provide such evaluation to the Governing Board for action and to the Managing Agency for information.
- e. Monitor the function of all agency committees.
- f. Minutes of Executive Committee shall be circulated to the Governing Board of Directors.
- g. Executive Committee is authorized to act in emergency situations but all actions must be reported to the Governing Board.

Section E **Transitional Managing Agency** - During the Transition Period between the effective date of the 2013 amendment to the Joint Powers Agreement as amended per SB 1225 and the effective date of a contract between the Agency and the

Managing Agency, the San Diego Association of Governments will serve as the Transitional Managing Agency. During the Transitional Period, the San Diego Association of Governments will provide professional staff assistance to the Agency at a level no greater than it provided during the first half of the fiscal year 2012-2013.

Whenever the Agreement establishes duties or appointments for the Managing Agency or its officers, those duties or appointments will be the responsibility of the Transitional Managing Agency and its officers during the Transition Period, but only to the extent such duties correspond with the past practice of the Transitional Managing Agency and the Agency or as otherwise required by law.

Section F **Managing Agency** - Subject to the policy direction and control of the Governing Board, and subject further to the terms, conditions and requirements of its contract with the Agency, the Managing Agency shall begin service upon the effective date of its contract and continue through the Initial Term and in that capacity shall provide all necessary administrative support to the Agency.

The Managing Agency staff dedicated to serve the LOSSAN Rail Corridor Service and under the supervision of the Managing Director, shall solicit the input and participation of the other agencies and endeavor to achieve consensus while providing administrative support to the Agency. Refer to Section 8 of the 2013 amendment to the Agreement for a listing of those administrative duties.

Section G. **Appointment of Managing Director** - The Managing Director and such other officers as the Agency may deem necessary shall be appointed by a majority vote of the Governing Board.

1. The Managing Director shall be an employee of the Managing Agency and serve at the pleasure of the Governing Board.
2. The Executive Committee will annually evaluate the performance of the Managing Director and provide such evaluation to the Governing Board and Managing Agency.

Section H. **Removal of Officers** - Officers may be removed from office by a majority vote of the Governing Board. Voting on removal shall take place no sooner than at the next regular meeting following the meeting at which a motion to remove officers was introduced. The motion should include the reasons for removal. Special notice of the motion shall be provided along with notice of the time and place of the meeting to all Governing Board Members at least one week prior to the meeting where the motion will be acted upon.

Section I. **Duties of Various Officers**

1. **Duties of the Chair** - The Chair shall, if present, preside at all meetings of the Governing Board and exercise and perform such other powers and duties as may from time to time be assigned to the Chair by the Governing Board or provided herein. In any case in which the execution of a document or the performance of

an act is directed, the Chair, unless an act of the Governing Board otherwise provides, is empowered and directed to execute such document or perform such act.

2. **Duties of the Vice-Chair** - The Vice-Chair shall perform, in order, the duties of the Chair in his or her absence and, when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair.
3. **Chair Pro Tempore** - In the event of the absence of or inability to act of the Chair and Vice-Chair, the voting members present at any meeting of the Governing Board, by order entered in the minutes, shall select one of their voting members to act as Chair Pro Tempore, who, while so acting, shall have all the authority of the Chair.
4. **Duties of the Treasurer** - The Treasurer of the Managing Agency, designated by a majority of a quorum of the Governing Board, may serve as the Treasurer of the Agency. The Treasurer shall be the depository of funds and have custody of all funds of the Agency from whatever source.
 - a. The Treasurer shall comply with all duties imposed under California Government Code, Section 6500 et.seq.
5. **Duties of the Auditor** - The Auditor of the Managing Agency, designated by a majority of a quorum of the Governing Board, may serve as the Auditor-Controller of the Agency. The Auditor-Controller shall draw warrants or check warrants against the funds of the Agency in the Treasury when demands are approved by the Governing Board or such other persons as may be specifically designated in the Bylaws.
 - a. The Auditor shall comply with all duties imposed under California Government Code, Section 6500 et.seq.
6. **Duties of the Managing Director** - The Managing Director shall be an employee of the Managing Agency and an officer of the Agency. Employees of the Managing Agency who have as their responsibility the support of the LOSSAN Rail Corridor Service shall report to the Managing Director. The powers and duties of the Managing Director are:
 - a. To develop and maintain the organizational and reporting structure, work responsibilities, job descriptions, and performance evaluation criteria for Managing Agency employees designated to support the LOSSAN Rail Corridor Service.
 - b. To hire and fire employees consistent with the Managing Agency personnel policies, recommend personnel classifications and other personal actions for the Managing Agency employees designated to support the LOSSAN Rail Corridor Service.

- c. To recommend approval of contract employees dedicated to support the LOSSAN Rail Corridor Service and oversee their activities.
- d. To direct the activities of Managing Agency employees and Managing Agency contractors assigned to the LOSSAN Rail Corridor Service.
- e. To administer all contracts.
- f. To cause to be prepared by a Certified Public Accountant and submitted to the Agency as soon as practical after the end of each fiscal year, a post audit of the financial transactions and records of the Agency for the preceding year.
- g. To keep the Governing Board advised as to the needs of the Agency.
- h. To have full charge of the administration of the business affairs of the Agency.
- i. To see that all ordinances, rules, and regulations, motions, or resolutions are implemented and enforced.
- j. To prepare and submit to the Governing Board on or before the last meeting of March of each year a proposed budget for the succeeding fiscal year. As part of the annual budget process, recommend the annual budget and staffing resources and support functions for the LOSSAN Rail Corridor Service, including job classifications, salary ranges and organizational functions and duties.
- k. To update the Governing Board annually on efforts to institutionalize a LOSSAN Rail Corridor Service corporate identity, including but not limited to the establishment and maintenance of branding (logo, public communication, marketing), website, employee workspace design, and distinct corporate identity (domain, email, business cards, letterhead, etc.).
- l. To oversee marketing, budget and programs for the LOSSAN Rail Corridor Service.
- m. The Managing Director is authorized to make disbursements of funds of the Agency not to exceed \$100,000 each, or as otherwise directed by Governing Board resolution, for the business of the Agency, provided that this limitation shall not apply to salary or to other disbursements that are necessary to meet contractual obligations that have been approved by the Agency per the authorized budget.
- n. The Managing Director is authorized to contract for and execute, on behalf of the Agency, supplies, equipment and materials, and

personnel service contracts not to exceed \$100,000, or as otherwise directed by Governing Board resolution, without prior Governing Board approval.

- o. The Managing Director shall keep or cause to be kept a book of minutes of all meetings of the Governing Board.
- p. The Managing Director shall give or cause to be given notice of all meetings as may be required by law, by these By Laws, or by motion or resolution of the Governing Board.
- q. The Managing Director shall:
 - (1) Oversee the functions of the Treasurer and Auditor.
 - (2) Execute a bond with one or more corporate sureties approved by the Governing Board in the sum of \$250,000 payable to the Agency, conditioned upon the faithful performance of the duties of the office, and the payment of all money received by the Managing Director according to law and the orders of the Agency.
 - (3) Prepare or cause to be prepared a written report filed with the Governing Board quarterly (July, October, January, and April) and circulated to the Governing Board of each year reporting the amount of money held, the amount and source of receipts since the last report, and the amount and recipient of the amounts paid out since the last report prior to the meeting.
 - (4) Keep a full and complete record of all financial transactions and records of the Agency.
- r. The Managing Director shall define an annual work program and report annually to the Governing Board on progress.
- s. The Managing Director shall have such other duties, powers, and responsibilities as may from time to time be assigned by the Governing Board.

Section I. **Committees**

- 1. **Technical Advisory Committee** - The Governing Board shall form a Technical Advisory Committee (TAC) to review, on behalf of the Governing Board, technical issues associated with the improvements in passenger rail service and related facilities in the LOSSAN Corridor.
 - a. The membership of the Committee shall include representatives from the voting member agencies and Ex-Officio non-voting agencies as well as representatives from the California Public Utilities

Commission, BNSF Railway, Union Pacific Railroad, Southern California Regional Rail Authority/Metrolink, and the Federal Railroad Administration..

- b. Quorum - At least 5 members of the TAC, including at least one member of the voting membership from each of the LOSSAN Regions, shall constitute a quorum.
 - c. All actions of the TAC require a majority vote of the voting members present.
2. **Executive Committee** - The Governing Board shall form an Executive Committee. There shall be a maximum of four (4) voting members including the Chair, Vice-Chair and Past Chair if available or one person appointed by the Board with the Managing Director serving as a non-voting member. Among these members, there shall be at least one member from the LOSSAN North Region. The Executive Committee will meet as needed.
 3. The Governing Board shall form other committees as necessary.
 4. The Chair shall name all members of Governing Board committees with consent of a majority of the Governing Board.

ARTICLE V - MEETINGS

Section A. **Agenda** - Matters to be placed on the agenda for any regular meeting may be filed with the Managing Director or the Chair of the Agency. The agenda for each regular meeting shall be prepared by the Managing Director. Copies of the agenda shall be mailed or delivered to each member three working days prior to the regular meeting date. Formal action, other than appointment of the committee or subcommittee, will not ordinarily be taken with respect to any matter not included on the agenda unless a majority of the voting members of the Agency present at the meeting consent to such consideration.

Section B. **Regular Meetings** - Regular meetings of the Governing Board shall be held at least quarterly, on the date determined by the Governing Board. The meetings of the Governing Board will be held at a location at the discretion of the Governing Board.

1. The meeting place may rotate among the member agencies.
2. The Chair shall announce the date and place of the next meeting.

Section C. **Special Meetings** - A special meeting may be called at any time by the Chair or, in the Chair's absence, by the Vice-Chair, in order, or by any six members by delivering personally or by mail written notice to the Managing Director and to each member. Such notice shall be delivered at least 24 hours before the time of such meeting as specified in the notice. The call and notice shall specify the time

and place of the special meeting and the business transacted at such meeting. Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the Secretary a written waiver of notice. Such waiver may be given by telegram or facsimile. Such written notice shall be deemed waived as to any member who is actually present at the meeting at the time it convenes.

Section D. **Quorum** -At least five of the voting member agencies of the Governing Board, including at least one member of the voting membership from each of the LOSSAN Regions, shall constitute a quorum for the transaction of business and all official acts of the Governing Board.

Section E. **Ralph M. Brown Act** - All meetings of the Governing Board shall be called, noticed, and conducted in the manner prescribed in the California Government Code, Section 54950, et. seq.

Section F. **Committee of the Whole** - At any regular meeting not held because of a lack of a quorum, members present, if less than a quorum of the Governing Board, may constitute themselves a “Committee of the Whole” for purposes of discussing agenda matters or any other matter of interest to the members present. The committee shall automatically cease to exist if a quorum of the Governing Board is present at the meeting.

Section G. **Motions** - Only voting members may make and second motions.

Section H. **Actions of the Board** - A supermajority vote requires eight (8) affirmative votes of the voting membership of the Governing Board which includes at least one member voting in the affirmative from the voting membership from each of the LOSSAN Regions.

Topics that require a supermajority vote (eight (8) affirmative votes of the voting membership of the Governing Board, which includes at least one member voting in the affirmative from the voting membership of each of the LOSSAN Regions), include:

1. Recommending changes to the Agency legislation;
2. Recommending changes to the Joint Powers Agreement regarding membership of the Agency Governing Board;
3. Recommending changes to the Joint Powers Agreement regarding voting structure of the Agency Governing Board;
4. Approval and changes to the Agency Bylaws;
5. Approval of the Interagency Transfer Agreement;
6. Continuance of the Interagency Transfer Agreement should the Agency determine that the State has failed to appropriate funds sufficient to maintain a minimum level of LOSSAN Rail Corridor Service as defined in the Interagency Transfer Agreement;

7. Reduction of LOSSAN Rail Corridor Service, and;
8. Establishment of or changes to cost sharing formulas.

All other topics require a majority vote of a quorum of the Governing Board at any regular, adjourned or special meeting where a quorum has been constituted for the transaction of business.

Amendments to the Joint Powers Agreement require the unanimous agreement of the voting Member Agencies.

ARTICLE VI - PROCUREMENT OF GOODS AND SERVICES

Section A. **In General** - The Agency may enter into contracts of any nature including, but not limited to, contracts to indemnify and hold harmless, to employ labor, and to do acts necessary and convenient for the full exercise of its powers. The Agency may contract with any public agency or with any other person or organization upon such terms and conditions as the approving authority finds are in the best interests of the Agency.

1. The Agency shall develop administrative procedures establishing proper procurement practices and authority to award contracts.
2. The Managing Director may authorize the purchase of goods or services for the Agency through the procurement department of any of the member agencies, counties, or other public agency if this would be advantageous to the Agency and if the purchase is conducted using acceptable contracting procedures. Approval of such purchases is restricted to the same level of approval authority as would be required were the Agency to conduct the procurement itself.

ARTICLE VII - BUDGET AND FINANCIAL RECORDS

Section A. **Budget Adoption** - Each year no later than the Governing Board's last meeting in March (or by April 1), the Managing Director shall submit for the Governing Board's adoption the Annual Budget for the succeeding fiscal year. The fiscal year shall be July 1 of each year to and including the following June 30. The budget shall include separate components for Managing Agency administration costs, operations, and capital costs anticipated to be incurred by the Agency during the fiscal year. Approval of a majority of a quorum of the Governing Board shall be required for adoption of the Budget and any amendments thereto.

Section B. **Board Approval of Expenditures**

1. The Governing Board's approval of an Annual Budget shall be deemed approval of expenditures made in accordance with the approved Budget.

All expenditures in excess of the designations and limitations of the approved Annual Budget and in excess of \$100,000 shall be made only upon the approval of a majority of a quorum of the Governing Board.

2. The Governing Board shall receive a quarterly report on expenditures of \$100,000 and less.
3. With respect to procurements of goods and services, approvals of contract awards shall be made in accordance with the Agency's administrative procedures, but payment of a contractor or consultant in accordance with the terms of an approved contract is authorized without further Governing Board approval.
4. Approvals of expenditures for travel, conference and business-related activities and reimbursement of Governing Board Members and Agency staff for such expenditures shall be governed by the Travel, Conference and Business Expense procedures to be adopted by the Agency.

Section C. **Books and Accounts** - A full and complete record of all financial transactions of the Agency shall be maintained by the Managing Director, with the support of the Auditor-Controller and Treasurer in accordance with practices established by, or consistent with those utilized by the Controller of the State of California for like public agencies. In particular, the Managing Director or designee, with the support of the Auditor-Controller and Treasurer, shall comply with the requirements of the statute governing joint power agencies, Chapter 5, Division 7, Title 1 of the Government Code commencing at Section 6500.

Section D. **Audit Reports** - The Managing Director or designee and the Auditor shall cause to be prepared by an independent Certified Public Accountant an audit of the financial transactions and records of the Agency for the preceding year. The audit shall be presented as soon as practical after the close of each fiscal year. In addition, the Managing Director or designee shall prepare and file with the Agency quarterly reports as stated in Article IV, Section H6q(3).

Section E. **Investment of Funds** - All funds of the Agency from whatever source shall be deposited with the Treasurer who shall have custody of the funds. All funds of the Agency will be invested in the manner and upon the conditions set forth in Government Code Section 53601. In the event that receipt of funds from a particular source shall be conditioned upon investment requirements for those funds, and furthermore, that those requirements do not conflict with Government Code Section 53601, the Treasurer shall invest such funds in compliance with the requirements of the funding source.

Section F. Should any provision of these Bylaws be found invalid or unenforceable, the decision shall affect only the provision interpreted, and all remaining provisions shall be severable and enforceable.

ARTICLE VIII - AMENDMENTS

Amendments to these Bylaws may be proposed by a Governing Board Member. The Amendment shall be submitted to the Governing Board at a meeting at least one month prior to the meeting at which the Amendment is voted upon. A supermajority vote (eight (8) affirmative votes) of the voting membership of the Governing Board including at least one vote from each of the regions identified in Article II, Section I is required to adopt an Amendment.