

**JOINT EXERCISE OF POWERS AGREEMENT
FOR THE
SOUTH TAHOE TRANSIT JOINT POWERS AUTHORITY**

THIS JOINT EXERCISE OF POWERS AGREEMENT (the “Agreement”) is made effective as of the October 15, 2024 (“Effective Date”), by and among the **CITY OF SOUTH LAKE TAHOE**, a general law city duly organized and existing under the laws of the State of California (the “City”), and the **COUNTY OF EL DORADO**, a political subdivision duly organized and existing under the laws of the State of California (the “County”). These public agencies are sometimes referred to herein individually and collectively as “Member” or “Members.”

RECITALS

- A. WHEREAS, the Joint Exercise of Powers Act (California Government Code Section 6500 *et seq.*, the “Law”) authorizes the Members to enter into an agreement for the joint exercise of power common to them and, by that agreement, create an entity that is separate from each of the Members; and
- B. WHEREAS, pursuant to Section 9 of Article XI of the California Constitution and Government Code Sections 26002 and 39732 the City and the County have the common powers to establish, plan for, manager, own, finance, acquire, construct, maintain, operate, or provide public transit facilities and services; and
- C. WHEREAS, the City and the County have determined that the public interest will be served by the joint exercise of these powers through this Agreement and the creation of a joint powers authority with the power to establish, plan for, manage, own, finance, acquire, operate, or provide public transit facilities and services.

NOW THEREFORE, the parties hereto agree as follows:

AGREEMENT

1. Authority and Purpose. This Agreement is made pursuant to the Law relative to the joint exercise of powers common to the Members. The purpose of this Agreement is to provide for the planning, programming, financing, acquisition, ownership, and operation of public transit services and facilities to serve the Lake Tahoe south shore area.
2. Creation of Authority and Jurisdiction. The Members hereby create the South Tahoe Transit Joint Powers Authority (“Authority”), a public entity separate from each of the Members. The jurisdiction of the Authority shall be the territory within and served by the Members to include all of El Dorado County and including the City of South Lake Tahoe. The intent of the Authority is to benefit the Lake Tahoe south shore area, which may include transit service within and outside the territory of the City and/or County as permissible by California law.

3. Term and Termination. This Agreement shall be effective as of the date first above written. It shall remain in effect until terminated in accordance with the Law by one or more of the Members; provided, however, that this Agreement may not be terminated, and no Member may withdraw its membership, until all bonds or other instruments of indebtedness issued by the Authority, if any, have been paid in full or otherwise extinguished as indebtedness of the Authority.

4. Powers. The Authority shall have all powers necessary or reasonably convenient to carry out the purposes stated in Section 1, including, but not limited to, the following:

- a. to work with regional, state, and federal agencies to plan, program, and secure funding for transit;
- b. to develop and implement transit plans;
- c. to develop, provide and operate local transit services, including obtaining all necessary approvals to operate a public transportation system;
- d. to advocate before local, regional, state and federal officials and agencies for improvements to transit services and facilities as well as funding for those improvements;
- e. to coordinate facility, service, and operational plans and programs with other public agencies and organizations;
- f. to secure administrative office space and furnishings;
- g. to make and enter into contracts;
- h. to contract for, or employ, administrative, technical and support staff, and consultants and contractors of any kind;
- i. to lease, acquire, hold, or dispose of real property by negotiation, dedication, or eminent domain;
- j. to lease, acquire, operate, maintain, and dispose of materials, supplies, and equipment of all types;
- k. to construct, manage and maintain facilities and services to meet the purposes of the Authority; of any kind;
- l. to accept, hold, invest (pursuant to the Law, including, without limitation, section 6509.5 thereof), manage, and expend monies;
- m. to levy fees and taxes, to enter into lease purchase agreements, and to issue bonds and incur other forms of indebtedness, as provided for in the Law, including, without limitation, sections 6547, 6547.1, 6547.5, and 6547.6 thereof, or any other applicable law;
- n. to negotiate and enter into reimbursement agreements to construct facilities or to provide for operations or services;
- o. to obtain and secure funding from all available public and private sources, including local, regional, state and/or federal government, bond issuances, lease purchase agreements, public grants, private contributions, public and private loans, and other funds, and claim contributions pursuant to any applicable state or federal statutes or local requirements;
- p. to sue and be sued; and
- q. to exercise all powers incidental to the foregoing.

5. Duties. The Authority shall have the duty to do the following within the times specified or, if no time is specified, within a reasonable time:

- a. to retain legal counsel for all Authority business, including litigation;
- b. to evaluate the need for, and acquire and maintain, if necessary, liability, errors and omissions, or other insurance;
- c. to conduct an annual audit as required by the provisions of Subsection 6.f.(3);
- d. to determine within one hundred eighty (180) days of the Effective Date of this Agreement the amount of start-up contributions to the Authority from each Member and each Member agrees to make payment to the Authority within one hundred (120) days of notice of Authority action setting the start-up contribution amount.
- e. to determine the ongoing funding required by the Authority and a cost allocation among the Members.

6. Administration.

- a. Governing Board -- Membership. The Authority shall be administered by a board of directors ("Board") consisting of three directors. Two directors, and one alternate director, shall be current members of the City Council. One director shall be the current member of the County Board of Supervisors representing District V and one alternate director shall be a current member of the County Board of Supervisors. Each City director and each City and County alternate shall be appointed by the City Council or the Board of Supervisors of which he or she is a member and shall serve at the pleasure of the member's appointing agency. Alternates shall serve as directors in the absence of the director representing the same jurisdiction as the alternate.
- b. Ex officio members. Ex officio members of the Board who may participate in Board discussions but who do not count towards establishing a quorum and do not have a vote on the Board include (1) one member and one alternate representing the South Shore Transportation Management Association ("SSTMA") appointed by the SSTMA Board; and (2) one member and one alternate representing the Tahoe Transportation District ("TTD") appointed by the TTD Board. Ex officio members shall serve at the discretion of and at the pleasure of each members appointing agency. Alternates shall serve as ex officio members in the absence of the ex officio member representing the same jurisdiction as the alternate.
- c. Meetings.
 - (1) Regular Meetings. The Board shall by resolution establish the number of

regular meetings to be held each year and the date, hour, and location at which such regular meetings shall be held; provided that the Board shall meet at least two times a year.

(2) Special Meetings. Special meetings of the Board may be called in accordance with the provisions of the Ralph M. Brown Act (California Government Code section 54950 *et seq.*).

(3) Conduct of Meetings. All meetings of the Board shall be held in accordance with the Ralph M. Brown Act (California Government Code section 54950 *et seq.*).

(4) Minutes. The Secretary of the Authority shall cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board, and to the City and County.

(5) Quorum. Two (2) directors of the Board shall constitute a quorum for the transaction of business, which must include one member of the City Council and one member of the Board of Supervisors. Except as otherwise provided in this Agreement, including Section 7, actions of the Board shall require the affirmative vote of a majority of the entire Board (i.e., two (2) affirmative votes).

d. Procedures.

(1) The Board shall elect a chair from among its membership to preside at meetings and shall select a secretary who may, but need not, be a member of the Board. The Board may, from time to time, elect such other officers as the Board shall deem necessary or convenient to conduct the affairs of the Authority.

(2) The Board may adopt by resolution rules of procedure, not inconsistent with the provisions of this Agreement, to govern the conduct of its meetings.

(3) Members of the Board shall comply with Title 9 of the California Government Code, commencing with section 81000 (Political Reform Act of 1974).

e. Managing Agency.

(1) Unless otherwise approved unanimously by the Members, City staff shall serve as staff to the Authority and perform administrative functions for the Authority. The Board shall appoint an Executive Director of the Authority and the Executive Director shall take direction from the Board. The Executive Director is authorized to carry out the business of the Authority consistent with this Agreement and the direction of the Board. The Board may enter into agreements with the City for payment to, or reimbursement to, the City for the performance of administrative functions for the the Authority.

f. Fiscal Matters.

(1) Treasurer and Auditor.

(A) Except as provided in Subsection (B), below, the Director of Finance of the City is designated as the Treasurer and Auditor of the Authority with the powers, duties, and responsibilities specified in the Law, including, without limitation, sections 6505 and 6505.5 thereof.

(B) In lieu of the designations in Subsection (A), above, the Board may from time to time appoint one or more qualified persons to either or both the positions of Treasurer or Auditor as provided in Section 6505.6 of the Law. Such appointment shall supersede the designation made in 6.f.(1)(A) above. The person (s) appointed by the Board under this paragraph shall have the powers, duties and responsibilities specified in sections 6505 and 6505.5 of the Law.

(2) Custodian of Property. The treasurer and auditor of the Authority shall be the public officers who have charge of, handle, and have access to, the Authority's property and shall file with the Authority an official bond in the amount set by the Board and such bond premium shall be paid for by the Authority.

(3) Accounts and Reports. The Board shall establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the Authority shall be open to inspection at all reasonable times to the County and the City, and their respective representatives. The accounts shall be prepared and maintained by the Treasurer of the Authority. The Authority, within one eighty (180) days after the close of each fiscal year, shall cause an independent audit of all financial activities for such fiscal year to be prepared by an independent certified public accountant employed by the Authority. The Authority shall promptly deliver copies of the audit report to the Members.

(4) Budgets. The Board shall adopt a budget no later than one hundred eighty (180) days after the Effective Date of this Agreement and no later than September 30 of each year thereafter.

(5) Contributions. Within one hundred twenty (120) days of notice of Authority action setting the start-up contribution amount the City and County shall contribute to the Authority start-up funds in the amounts determined by the Board. The Board may determine allocation contributions and set additional amounts to be contributed to the Authority from the City and the County in the future for ongoing operations.

7. Voting. Notwithstanding Subsection 6.c.(5), the following actions may only be taken by unanimous vote of the entire Board:

- a. To impose fees, assessments, levy taxes, or order the formation of an assessment or special district;
- b. To authorize the issuance and sale, refinancing, or early redemption of bonds;
- c. To determine the amount of the initial contributions or start-up funds, and to adopt or to amend the method of allocating contribution obligations under paragraph 6.f.(5)

- d. To exercise eminent domain.
- e. Approval of the Authority to take on debt;
- f. The creation of positions of employment for the Authority;
- g. To change or modify the provision of 6.e. designating the City as the Managing Agency of the Authority and requiring City staff to serve as staff to the Authority.

8. Exercise of Powers. The powers and duties which (a) are common to the Members, and (b) are vested in the Authority only by virtue of this Agreement, and are not independent powers and duties which arise by virtue of the Law, shall be exercised and carried out subject only to such restrictions upon the manner of exercising such powers or carrying out such duties as are imposed upon the City of South Lake Tahoe in the exercise of similar powers or in carrying out similar duties, as provided in section 6509 of the Law.

9. Fiscal Year. The fiscal year of the Authority shall be the period from October 1st of each year to and including the following September 30th.

10. Debts, Liabilities and Obligations. The debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, or obligations of the County or the City, either jointly or severally.

11. Liability of Board, Officers and Employees.

a. The members of the Board, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers, and in the performance of their duties pursuant to this Agreement. They shall not be liable to the Members for any mistake of judgment or other action made, taken, or omitted by them in good faith, nor for any action made, taken, or omitted by any agent, employee, or independent contractor selected with reasonable care, nor for loss incurred through the investment of the Authority's funds, or failure to invest the same.

b. To the extent authorized by California law, no member of the Board, officer, or employee of the Authority shall be responsible for any action made, taken, or omitted, by any other member of the Board, officer, or employee. No member of the Board, officer, or employee of the Authority shall be required to give a bond or other security to guarantee the faithful performance of his or her duties pursuant to this Agreement, except as provided in Subsection 6.f.(2).

c. The funds of the Authority shall be used to defend, indemnify, and hold harmless the Authority and any member of the Board, officer, or employee of the Authority for actions taken in good faith and within the scope of his or her authority. Nothing herein shall limit the right of the Authority to purchase insurance to provide coverage for the foregoing indemnity.

12. Liberal Construction. The provisions of this Agreement shall be liberally construed as necessary or reasonably convenient to achieve the purposes of the Authority.

13. Indemnification. The Authority shall acquire such insurance protection as is necessary to protect the interests of the Authority, the parties to this Agreement and the public. The Authority created by this Agreement shall assume the defense of and indemnity and save harmless each party to this Agreement and its respective officers, agents and employees, from all claims, losses, damages, costs, injury and liability of every kind, nature or description directly or indirectly arising from the performance of any of the activities of the Authority, or the activities undertaken pursuant to this Agreement.

14. Termination/Withdrawal

a. Notice. Any Member may withdraw from this Agreement upon one hundred twenty (120) calendar days' prior written notice to the other parties, in which event the Authority shall wind up its affairs and terminate. The Members will cooperate in all necessary actions to wind down the operations of the Authority.

b. Disposition of Property. In the event of termination or dissolution of the Authority the assets of the Authority shall be distributed according to the following:

(1) In the event of termination of the Authority where there is a successor public entity which will carry on the activities of the Authority and assume its obligations, Authority funds, including any interest earned on deposits, and property remaining upon termination of the Authority and after payment of all obligations shall be transferred to the successor public entity.

(2) If there is no successor public entity which would carry on any of the activities of the Authority or assume any of its obligations, Authority funds, including any interest earned on deposits, and property remaining upon termination of the Authority and after payment of all obligations, shall be returned in proportion to the contribution of each Agency during the term of this Agreement.

(3) If there is a successor public agency which would undertake some of the functions of the Authority and assume some of its obligations, Authority funds, including any interest earned on deposits, and property remaining upon termination of the Authority and after payment of all obligations, shall be allocated by the Board between the successor public entity and member agencies.

(4) In the event the Authority is terminated under circumstances falling within ii) or iii) above, all decisions of the Board with regard to determination of assets to be transferred to member agencies or any successor shall be final.

15. Severability. Should any part, term, or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

16. Successors; Assignment. This Agreement shall be binding upon and shall inure to the

benefit of the successors of the Members. No Member may assign any rights or obligations hereunder without the consent of the other Member; provided, further, that no such assignment may be made if it would materially and adversely affect (a) the rating of bonds issued by the Authority, or (b) bondholders holding such bonds.

17. Amendments. This Agreement may be amended only by the unanimous written agreement of the Members. So long as any bonds of the Authority are outstanding and unpaid, or funds are not otherwise set aside for the payment or redemption thereof in accordance with the terms of the bonds and the documentation relating thereto, this Agreement shall not be amended, modified or otherwise revised, changed or rescinded, unless the Members have first complied with the procedures required to amend the indenture for said Bonds.

18. Notices. Any notices to Members required by this Agreement shall be delivered or mailed, U.S. first class, postage prepaid, addressed as follows:

CITY OF SOUTH LAKE TAHOE
City Manager
1901 Lisa Maloff Way
South Lake Tahoe, CA 96150

With a copy to:
South Lake Tahoe City Attorney
1901 Lisa Maloff Way
South Lake Tahoe, CA 96150

COUNTY OF EL DORADO
County Administrative Officer
3330 Fair Lane
Placerville, CA 95667

With a copy to:
County Counsel
3330 Fair Lane
Placerville, CA 95667

Notices under this Agreement shall be deemed given and received at the earlier of actual receipt, or the second business day following deposit in the United States mail, as required above. Any Participant may amend its address for notice by notifying the other Participants.

19. Counterparts. This Agreement may be executed in any number of counterparts, and by different parties in separate counterparts, each of which, when executed and delivered, shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Participants have entered into this Agreement effective as of the date first above written.

CITY OF SOUTH LAKE TAHOE

BY:  _____

Cody Bass, Mayor

ATTEST:

BY:  _____

Susan Blankenship, City Clerk

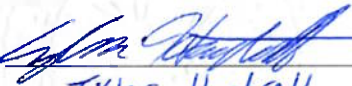
APPROVED AS TO FORM:

BY:  _____


Heather Stroud, City Attorney

COUNTY OF EL DORADO

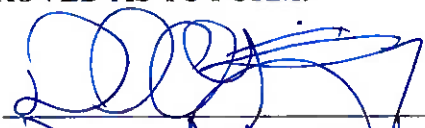
ATTEST:

BY: 
Tyler Hartsell
~~Clerk~~, Board of Supervisors
Clerk,

~~ATTEST:~~

BY: 
Wendy Thomas
~~Clerk~~, Board of Supervisors
Chair,

APPROVED AS TO FORM:

BY: 
David A. Livingston
County Counsel