



**SPECIAL MEETING - REVISED**

**EXECUTIVE COMMITTEE**

**WEDNESDAY, FEBRUARY 15, 2017 – 8:00 A.M.**

**OMNITRANS**

**1700 WEST FIFTH STREET**

**SAN BERNARDINO, CA 92411**

The meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or Limited English Proficiency services are needed in order to participate in the public meeting, requests should be made through the Board Secretary at least three (3) business days prior to the Committee Meeting. The Board Secretary's telephone number is 909-379-7110 (voice) or 909-384-9351 (TTY). If you have comments about items on the agenda or other general concerns and are not able to attend the meeting, please mail them to Omnitrans at 1700 West Fifth Street, San Bernardino, California, Attention Board Secretary. Comments may also be submitted by email to [BoardSecretary@omnitrans.org](mailto:BoardSecretary@omnitrans.org).

**THIS MEETING IS AVAILABLE BY TELECONFERENCE AT THE FOLLOWING LOCATION AND WILL BE CONDUCTED IN ACCORDANCE WITH GOVERNMENT CODE SECTION 54953(B).**

**CITY OF CHINO HILLS, 14000 CITY CENTER DRIVE, CHINO HILLS, CA 91709**

**THIS LOCATION IS ACCESSIBLE TO THE PUBLIC AND MEMBERS OF THE PUBLIC MAY ADDRESS THE COMMITTEE FROM THE TELECONFERENCE LOCATION.**

**A. CALL TO ORDER**

**B. ANNOUNCEMENTS/PRESENTATIONS**

1. Next Committee Meeting: March 3, 2017 – 9:00 a.m.  
Omnitrans Metro Facility

**C. COMMUNICATIONS FROM THE PUBLIC**

This is the time and place for the general public to address the Board for items that are not on the agenda. In accordance with rules applicable to meetings of the Executive Committee, comments on items not on the agenda and on items on the agenda are to be limited to a total of three (3) minutes per individual.

**D. POSSIBLE CONFLICT OF INTEREST ISSUES**

**E. DISCUSSION ITEMS**

1. Status of Legislative Efforts Regarding Spot Bill and Review of Draft Omnitrans Special Transit District Legislation – Agenda Material To Be Provided Prior to Meeting

**F. BOARD BUSINESS**

There is no Closed Session scheduled.

**G. REMARKS AND ANNOUNCEMENTS**

**H. ADJOURNMENT**

N/A

*The People of the State of California do enact as follows:*

SECTION 1. Part 18 (commencing with Section 108000) is added to Division 10 of the Public Utilities Code, to read:

**Comment [A1]:** This numbering is tentative.

Part 17  
Omnitrans Transit District

Chapter 1  
General Provisions

§ 108000.

This part shall be known and may be cited as the Omnitrans Transit District Act.

§ 108001.

It is the intent of the Legislature in enacting this part to provide for a unified, comprehensive institutional structure for the ownership and governance of a transit system within the County of San Bernardino to develop, provide, operate, and administer public transportation. It is further the intent of the Legislature that the district established by this act may succeed to the powers, duties, obligations, liabilities, immunities, and exemptions of Omnitrans, a joint powers authority formed pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code), upon its dissolution. Because there is no general law under which such a district could be formed, the adoption of a special act and the formation of a special district is required.

Chapter 2  
Definitions

§ 108010.

- (a) Unless the context otherwise requires, the provisions of this chapter govern the construction of this part.
- (b) “District” means the Omnitrans Transit District.
- (c) “Transit” and “transit service” means the transportation of passengers and their incidental baggage and parcels by any means.

(d) “Transit works” or “transit facilities” means any or all real and personal property, equipment, rights, facilities, title, or interests owned, or to be acquired, by the district for transit service or purposes for the operation thereof.

(e) “Board of directors,” “board,” and “directors,” means the board of directors of the district.

(f) “City” means, individually, the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland and Yucaipa, and any other city within the County of San Bernardino that joins as a member of the district as set forth in this part.

(g) “County” means, individually, the County of San Bernardino, and any other county which is annexed, in whole or in part, to the district as provided in this part.

(h) “Board of supervisors” means the County of San Bernardino board of supervisors.

(i) “Public agency” includes the State of California, and any county, city, district or other political subdivision or public entity of, or organized under the laws of, this state, or any department, instrumentality, or agency thereof.

(j) “System” means all transit works and transit facilities owned or held, or to be owned or held, by the district for transit purposes.

(k) “Revenues”, unless otherwise defined herein, means all rates, fares, tolls, rentals, fees, charges or other income and revenue actually received or receivable by, or for the account of, the district from the operation of the system, including, without limiting the generality of the foregoing, interest allowed on any moneys or securities any profits derived from the sale of any securities, any consideration in any way derived from any properties owned, operated, or at any time maintained by the district, and all local, State, federal grants and taxes received by the district.

(l) “Person” includes any individual, firm, partnership, association, corporation, limited liability company, trust, business trust, or the receiver or trustee or conservator for any thereof, but does not include a public agency, as defined in Section 108018.

(m) “Establish” includes establish, construct, complete, acquire, extend, or reroute. It does not, however, include the maintenance and operation of any existing system acquired by the district.

(n) “Voter” means any elector who is registered under the Elections Code.

(o) “Omnitrans JPA” means the joint powers authority formed pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the

Government Code) through that certain joint powers agreement titled “Amended and Restated Joint Powers Agreement between the County of San Bernardino and the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa Creating a County Wide Transportation Authority to be Known as ‘Omnitrans’”, dated July 1, 2016.

### Chapter 3 Formation of District

§ 108030.

There is hereby created the Omnitrans Transit District, comprising the territory lying within the boundaries of the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, Yucaipa, the unincorporated areas of San Bernardino County lying within census tracts: **\*\*\*INSERT TRACT NOS.\*\*\***, as set forth in the 2010 decennial census maps for the State of California on file with the Bureau of the Census, Department of Commerce, Washington, D.C., and other cities that subsequently qualify as members pursuant to the requirements set forth in Section **108006**.

§ 108031.

Through compliance with the provisions for annexation set forth in Chapter 8 (commencing with Section **108580**), the territory of all or part of any other contiguous city or county may be included within the district.

§ 108032.

Any city within the County of San Bernardino, other than a city specifically listed in Section 108015 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.

§ 108033.

(a) Upon the dissolution of Omnitrans JPA and without the necessity of any further action, the district shall succeed to any or all obligations, liabilities, indebtedness, bonded and otherwise, immunities, and exemptions of Omnitrans JPA and its board of directors.

(b) Upon the dissolution of Omnitrans JPA and without the necessity of any further action, the district shall assume the rights and obligations of Omnitrans JPA under any contract to which Omnitrans JPA is a party and which is to be performed, in whole or in part, on or after the date of dissolution of Omnitrans JPA.

(c) Upon the dissolution of Omnitrans JPA and without the necessity of any further action, all real and personal property owned by Omnitrans JPA shall be transferred to the district.

(d) On and after the date of dissolution of Omnitrans JPA, any reference in any provision of law or regulation to Omnitrans JPA shall be deemed to refer to the district.

#### Chapter 4 Government of District

§ 108040.

The district shall be governed by a board of directors. All powers, privileges, and duties vested in or imposed upon the district shall be exercised and performed by and through the board of directors provided, however, that the exercise of all executive, administrative, and ministerial power may be delegated and re-delegated by the board of directors to any of the offices, officers, or committees created pursuant to this chapter or created by the board of directors acting pursuant to this chapter.

§ 108041.

The board of directors shall consist of twenty (20) members as follows:

(a) The board shall be composed of one primary representative selected by the governing body of each city in the county and four (4) members of the San Bernardino County Board of Supervisors to serve until recalled by the governing body of the city or county. Each director shall be a mayor, councilperson, or supervisor of the governing body which selected him or her. Vacancies shall be filled in the same manner as originally selected.

(b) Each city and the county shall also select in the same manner as the primary or secondary representative, if applicable, one alternate to serve on the board when the primary representative is not available. Whenever the alternate director serves on the board, the alternate director shall have all the powers of a regular director.

(c) The board may allow for the appointment of advisory representatives to sit with the board but in no event shall said representatives be allowed a vote.

§ 108042.

The board, at its first meeting, and biannually thereafter at the first meeting in June, shall elect a chairperson who shall preside at all meetings, and a vice-chairperson who shall preside in his/her absence. The chairperson and the vice-chairperson shall serve two-year terms. Notwithstanding the foregoing, the vice-chairperson shall become chairperson for the subsequent two-year term in the absence of a vote by the board of directors to the contrary. In the event of their absence or inability to act, the member present, by an order entered in the minutes, shall select one of their members to act as chairperson *pro tem*, who, while so acting, shall have all the authority of the chairperson.

§ 108043.

The board of directors shall establish rules for its proceedings, including:

- (a) Adopt bylaws consistent with the laws of the state.
- (b) Adopt an annual budget.
- (c) Adopt a conflict-of-interest code.
- (d) Adopt priorities reflecting the district's goals.
- (e) Do any and all things necessary to carry out the purposes of this part.

§ 108044.

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.

§ 108045.

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

§ 108046.

All meetings of the board of directors shall be conducted in the manner prescribed by the Ralph M. Brown Act (Chapter 9 (commencing with § 54950), Part 1, Division 2, Title 5, of the Government Code).

§ 108047.

Each member of the board shall receive compensation, in an amount as determined by the board.

Chapter 5  
Powers and Functions of District  
Article 1  
Corporate Power

§ 108050.

The district shall have and may exercise all rights and powers, expressed or implied, that are necessary to carry out the purposes and intent of this chapter, including, but not limited to, the power to do all of the following:

- (a) Sue and be sued.
- (b) (1) To acquire any property by any means, and to hold, manage, occupy, develop, jointly develop, dispose of, convey, or encumber property.  
(2) To create a leasehold interest in property for the benefit of the district.
- (c) To acquire, by eminent domain, any property necessary to carry out any of its powers or functions.
- (d) To merge or split parcels, adjust boundary lines, or take similar actions as part of the acquisition of land or as needed in order to carry out its functions.
- (e) To construct, acquire, develop, jointly develop, maintain, operate, lease, and dispose of work, property, rights-of-way, and facilities.
- (f) To appoint necessary employees, and contract for professional services, and to define their qualifications and duties.
- (g) To enter into and perform all necessary contracts.
- (h) To adopt a seal and alter it at the district's pleasure.
- (i) To adopt an annual budget and to fix the compensation of its officers, board members, and employees.
- (j) To establish and enforce rules, fees, and regulations for the administration, operation, and maintenance of transit facilities, works and services.
- (k) To enter joint powers arrangements with other entities.
- (l) Appoint such advisory, standing, or ad hoc committees as it deems necessary.
- (m) To provide insurance.
- (n) To develop and pursue ballot measures and issue bonds.
- (o) To do any other things necessary to carry out the purposes of this chapter.

§ 108051.

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 herein, or by other statutes or regulations expressly applicable thereto.

§ 108052.

The district may fix, levy and collect, or cause to be collected, rates, tolls, rentals, fees, charges, taxes and assessments for any lawful purpose of the district, and as provided by law. The revenues obtained from any fares, tolls, rentals, fees, and charges may be in lieu of, or supplemental to, revenues obtained in any other manner and may be used for any district purpose and the payment of any district obligation.

§ 108053.

The district may exercise and all powers granted by any other law that, by its terms, is applicable to transit districts generally, to public agencies, local agencies, special districts, public corporations and public districts generally, or to any classification of districts or public agencies or local agencies or special districts or public corporations or public districts that include a district of the type provided for in this part, but the district shall not exercise any power contrary to an express provision of this part. The district has the power generally to perform all acts necessary or convenient to carry out fully the provisions of this part and to accomplish the purposes for which it was formed.

§ 108054.

The district shall be excluded from the requirements of a “local agency” set forth in § 53091 of the Government Code.

Article 2  
Contracts

§ 108060.

The district may make contracts and enter into stipulations of any nature whatsoever, employ labor, and do all acts necessary and convenient for the full exercise of the powers granted in this part.

§ 108061.

The district may contract with any department or agency of the United States of America, with any public agency or with any person upon such terms and conditions as determined to be in the best interest of the district.

§ 108062.

(a) The Legislature finds and declares that there is a compelling interest in ensuring that all federal, state, local, and private funds available to the district are captured and used in a timely manner. In order to maximize the use of federal, state, local, and private funds and to maintain a competitive posture in seeking supplemental federal funds, the district shall have the authority to establish and use a flexible contracting process to maximize efficient use of public



funds.

(b) The district shall have the following powers with regard to contracting:

(1) The district may make contracts and enter into stipulations of any nature whatsoever, either in connection with eminent domain proceedings or otherwise, including, without limiting the generality of the foregoing, contracts and stipulations to indemnify and hold harmless, and to do all acts necessary for, incidental to, or convenient for the full exercise of the powers granted in this chapter.

(2) Notwithstanding any other provisions of this chapter, the district is authorized to use any procurement method authorized for state or local agencies by state or federal law, including, but not limited to, use of a competitive negotiation process in accordance with the provisions of Article 7.5 (commencing with Section 20216) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code. The district shall maintain acquisition and contracting guidelines to be followed by the district with respect to procurement of goods and services. These guidelines may be in the form of standard formats or model formats.

§ 108063.

All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, workers' compensation, and other benefits that apply to the activity of officers, agents, or employees of a public agency when performing their respective functions shall apply to employees of the district.

§ 108064.

The district may insure against any accident or destruction of the system or any part thereof. The district may insure against loss of revenues from any cause whatsoever. It may provide, in the proceedings authorizing the issuance of any bonds, for the carrying of insurance in such amount and of such character as may be specified, and for the payment of the premiums thereon. The district may also provide insurance as provided in Part 6 (commencing with Section 989), Division 3.6, Title 1 of the Government Code.

§ 108065.

The district may contract for the services of independent contractors.

Article 3  
Property

§ 108070.

The district may take by grant, purchase, devise, or lease, or condemn in proceedings under eminent domain, or otherwise acquire, and hold and enjoy, real and personal property of every kind within or without the district necessary to the full or convenient exercise of its powers. The board may lease, mortgage, sell, or otherwise dispose of any real or personal property within or without the district necessary to the full or convenient exercise of its powers.

§ 108071.

The district may exercise the right of eminent domain to take any property necessary or convenient to the exercise of the powers granted in this act.

§ 108072.

The district is entitled to the benefit of any reservation or grant, in all cases, where any right has been reserved or granted to any public agency to construct or maintain roads, highway or other crossings over any public or private lands.

Article 4  
Transit Facilities and Services

§ 108080.

The district may provide transit service for the transportation of passengers and their incidental baggage by any means.

§ 108081.

(a) The district may acquire, construct, own, operate, control, or use rights-of-way, rail lines, bus lines, stations, platforms, switches, yards, terminals, parking lots, and any and all facilities necessary or convenient for transit service, within and without the district, underground, upon, or above the ground and under, upon or over public streets or other public ways or waterways, together with all physical structures necessary or convenient for the access of persons or vehicles thereto, and may acquire any interest in or rights to use or joint use of any or all of the foregoing; however, installations in state freeways are subject to the approval of the Department of Transportation, and installations in other state highways are subject to Article 2 (commencing with Section 670) of Chapter 3 of Division 1 of the Streets and Highways Code. Installations in county highways and city streets are subject to similar encroachment permits.

(b) In addition to any power described in subdivision (a), the district may, to the extent that it is not expressly provided for in subdivision (a), develop, lease, jointly develop, or jointly use air

rights, land rights, development rights, rights-of-way, rail trackage, entrances and exits, and any and all fixed facilities and structures physically or functionally related to transit service.

§ 108082.

The district may lease or contract for the use of its transit facilities, or any portion thereof, to any operator, and may provide for subleases by the operator upon any terms and conditions it deems in the public interest. As used in this section, “operator” means any public agency or any person.

§ 108083.

The district may contract with any public agency or person to provide transit facilities and services for the district.

§ 108085.

The district may construct and operate or acquire and operate transit works and facilities in, under, upon, over, across, or along any state or public street or highway or any stream, bay or water course, or over any of the lands which are the property of the state, to the same extent that such rights and privileges appertaining thereto are granted to municipalities within the state.

§ 108086.

(a) The district may enter into agreements for the joint use of any property and rights by the district and any public agency or public utility operating transit facilities; may enter into agreements with any public agency or public utility operating any transit facilities, and wholly or partially within or without the district, for the joint use of any property of the district or of the public agency or public utility, or the establishment of through routes, joint fares, transfer of passengers or pooling arrangements.

(b) In addition to any power described in subdivision (a), the district may enter into agreements for the joint use or joint development of any property or rights by the district and any public agency, or public utility operating transit facilities or nontransit facilities, or both, or any other person, firm, corporation, association, organization, or other entity, public or private, either, in whole or in part, within or outside the district, for the joint use or development of any nontransit facilities of the district or of the public agency, public utility, person, firm, corporation, association, organization, or other entity, public or private, for the establishment of through routes, joint fares, transfer of passengers, pooling arrangements, station cost-sharing, connector fees, or land, air, or development rights, sales or leasing, necessary for, incidental to, or convenient for, the full exercise of the powers granted in this chapter. For the purpose of this section, the following terms have the following meanings:

(1) “Joint development” includes, but is not limited to, agreements with any person, firm, corporation, association, organization, or other entity, public or private, to develop or to engage in the planning, financing, construction, or operation of nontransit district facilities or development projects adjacent, or physically or functionally related, to district transit facilities.

(2) "Development project" includes, but is not limited to, projects for any use or mixed use including public, commercial, or residential uses.

(3) "Nontransit facilities," includes, but is not limited to, any land, buildings, or equipment, or interest therein, that is used for the production of transit revenue not arising from the operation of a transit system.

§ 108087.

The rates, tolls, fees and charges for transit service furnished pursuant to this part shall be fixed by the board and shall be reasonable.

§ 108088.

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.

Article 5  
Public Grants, Loans and Contributions

§ 108090.

The district may, without limitation by any other provisions of this part requiring approval of indebtedness, accept contributions of money, grants, loans, rights-of-way, labor, materials, and any other property from the state or the United States, or any department, instrumentality, or agency thereof, or from any public agency for the acquisition, construction, maintenance, and operation of rail transit facilities. The district may, without limitation by any other provisions of this part, enter into any contract and cooperate with and accept cooperation from the state or the United States, or any department, instrumentality, or agency thereof, or any public agency in the acquisition, construction, maintenance, and operation of, and in financing the acquisition, construction, maintenance, and operation of, any rail transit facilities. The district may do any and all things necessary in order to obtain the aid, assistance, and cooperation under any federal or state legislation now or hereafter enacted. Any evidence of indebtedness issued under this section shall constitute a negotiable instrument.

§ 108091.

The district may obtain temporary transfers of funds in accordance with the last paragraph of Section 6 of Article XVI of the California Constitution.

Article 6  
Taxation

**Comment [A2]:** Note: This section requires further consideration to determine if we want to include some or all of it.

§ 108100.

The district may levy and collect, or cause to be collected, property taxes for any lawful purpose.

§ 108101.

The district shall not levy or collect a property tax unless two-thirds of the voters voting on the question at an election called for such purpose approves the levy of a property tax by the district.

§ 108102.

Each election shall be called and conducted by the district in the same manner as provided by law for the conduct of special elections by a county. The board may contract with the county, or delegate to the appropriate county officials the authority, to conduct the election on behalf of the district. The costs of any such election may be advanced to the district by any city or county prior to the time that the district has revenues of its own, to be repaid from subsequent district revenues.

§ 108103.

The ballot for the election shall contain such instructions as are required by law to be printed thereon.

§ 108104.

**Comment [A3]:** Subject to review.

Subject to the provisions of Section 108101, if from any cause the revenues of the district are, or are expected to be, inadequate in any year to pay the principal of, interest on, or sinking fund payments for general obligation bonds issued by the district pursuant to Chapter 4.5 (commencing with Section 53506) of Part 1 of Division 2 of Title 5 of the Government Code as they become due, or to establish or maintain any reserve fund therefor, the board may levy for district purposes and collect upon all property in the district taxable for district purposes as provided in this article, a tax sufficient, together with revenues already collected and available therefor, to pay the interest on the bonds that will become due and such part of the principal thereof, including any sinking fund installments required by any of the district's agreements with its bondholders, that will become due before the proceeds of a tax levied at the next general tax levy will be available for such purposes, and sufficient to provide or to restore such reserve fund to the amount required by any of the district's agreements with its bondholders.

§ 108105.

The board shall avail itself of the assessments made by the assessor of any county in which it operates and of the assessments made by the State Board of Equalization for the county and shall

take such assessments as the basis for district property taxation and have its property taxes collected by the tax collector of the county.

§ 108106.

The county auditor shall, on or before the third Monday in August of each year, transmit to the board a statement in writing showing the total value of all property within the county lying within an authorized taxing area of the district, ascertained from the assessments referred to in Section 107275.

§ 108107.

The board shall, on or before the first day of September, fix the rate or rates of taxes, designating the number of cents upon each one hundred dollars (\$100), and use as a basis the value of property transmitted to the board by the county auditor, which rate of taxation shall be sufficient to raise the amount previously fixed by the board.

§ 108108.

The board shall, immediately after fixing the rate or rates of taxes, transmit to the county auditor of each county in which the board has levied a tax, a statement of the rate of taxes fixed by the board.

§ 108109.

The district's taxes so levied shall be collected at the same time and in the same manner as county taxes. When collected, the net amount, ascertained as provided in this article, shall be paid to the treasurer of the district under the general requirements and penalties provided by law for the settlement of other taxes.

§ 108110.

Whenever any real property has been sold for taxes and has been redeemed, the money paid for redemption shall be apportioned and paid to the district by the county treasurer in the proportion which the tax due to the district bears to the total tax for which the property was sold.

§ 108111.

All taxes levied under this part are a lien on the property on which they are levied. The enforcement of the collection of such taxes shall be in the same manner and by the same means provided by law for the enforcement of liens for county taxes, all the provisions of law relating to the enforcement of the latter being made a part of this part so far as applicable.

§ 108112.

The county shall be compensated for services under this article at the rate of 1 percent for collecting the first twenty-five thousand dollars (\$25,000), and one-fourth of 1 percent for all sums over that amount.

§ 108113.

In lieu of, or in addition to, any taxes which may be levied by the district pursuant to this article, the legislative body or any city or county may enter into an agreement with the district to make annual contributions to the district from its general funds or from any other source of funds legally available to it for such purpose.

§ 108114.

A retail transactions and use tax ordinance may be adopted by the board in accordance with Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code, if two-thirds of the electors, or such lesser percentage as permitted by law, voting on the measure vote to authorize its enactment at a special election called for that purpose by the board. The retail transactions and use tax ordinance shall provide for imposition of a tax in accordance with Sections 7261 and 7262 of the Revenue and Taxation Code.

§ 108115.

Any transactions and use tax ordinance adopted shall be operative on the first day of the first calendar quarter commencing not less than 180 days after adoption of the ordinance.

§ 108116.

The district may contract with the State Board of Equalization for its service in the preparations necessary to administer a transactions and use tax ordinance. The costs to be covered by the contract are to be for services of the types described in Section 7272 of the Revenue and Taxation Code for preparatory work up to the date of the adoption of the ordinance. Any dispute as to the amount of the costs shall be resolved in the same manner as provided in that section.

§ 108117.

Prior to the operative date of the transactions and use tax ordinance, the district shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of the ordinance.

§ 108118.

If the district shall not have contracted with the State Board of Equalization prior to the operative date of its transactions and use tax ordinance, it shall nevertheless so contract, and, in such case, the operative date shall be the first day of the first calendar quarter following the execution of the contract.

§ 108119.

Repeal of the transactions and use tax ordinance shall not be operative earlier than the first day of the first calendar quarter following the adoption of the ordinance of repeal.

§ 108120

Nothing in this chapter prohibits the district from availing itself of, or making use of, any procedure provided in this chapter or any other provision of law for the levy and collection of special taxes or special assessments of any type or character, and all proceedings may be carried on simultaneously or, in the alternative, as the district may determine.

Article 7  
Investments and Deposits

§ 108200.

The district's investment of any surplus money in its treasury, including money in any sinking fund, shall be in accordance with Article 1 (commencing with Section 53600) of Chapter 4 of Part 1 of Division 2 of the Government Code.

§ 108201.

The district's deposit of district money shall be in accordance with Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of the Government Code.

Article 8  
Transit Enforcement and Penalties

§ 108300.

A violation of any ordinance, rule, or regulation enacted by the board relating to the nonpayment of a fare in any transit facility owned or controlled by the district shall be an infraction punishable by a fine not exceeding seventy-five dollars (\$75), except that a violation by a person, after the second conviction under this section, shall be a misdemeanor punishable by a fine not exceeding five hundred dollars (\$500) or by imprisonment in a county jail not exceeding six months, or by both that fine and imprisonment.

**Comment [A4]:** Review fines.

§ 108301.

No person shall give, either orally or in writing, information to a public officer or employee engaged in the enforcement of this article if that person knows that the information is false. A violation of this section is an infraction punishable by a fine not to exceed seventy-five dollars (\$75), except that a violation by a person, after a second conviction of a violation of this section, shall be a misdemeanor punishable by a fine not to exceed five hundred dollars (\$500) or by imprisonment in the county jail not to exceed six months, or by both the fine and imprisonment.

**Comment [A5]:** Review fines.



This section is in addition to, and does not supersede or limit, any and all other remedies, civil or criminal.

§ 108302.

A violation of any ordinance, rule, or regulation enacted by the board prohibiting unauthorized operation or manipulation of transit facilities owned or controlled by the board, or prohibiting unauthorized tampering or interference with, or loitering in or about, transit facilities owned or controlled by the board, is an infraction punishable by a fine not exceeding seventy-five dollars (\$75), except that a violation by a person, after the first conviction under this section, is a misdemeanor punishable by a fine not exceeding five hundred dollars (\$500) or by imprisonment in the county jail not exceeding six months, or by both that fine and imprisonment.

**Comment [A6]:** Review fines.

§ 108303.

A violation of any ordinance, rule, or regulation enacted by the board prohibiting the unauthorized entering into, climbing upon, holding onto or in any manner attaching oneself to vehicles operated upon exclusive public mass transit guideways owned or controlled by the board, is an infraction punishable by a fine not exceeding seventy-five dollars (\$75), except that a violation by a person, after the first conviction under this section, is a misdemeanor punishable by a fine not exceeding five hundred dollars (\$500) or by imprisonment in the county jail not exceeding six months, or by both that fine and imprisonment.

Chapter 6  
Personnel  
Article 1  
Employee Relations

§ 108400.

Under review.

Article 2  
Rights of Employees of Omnitrans

§ 108500.

When the district acquires existing facilities, rights and obligations of Omnitrans JPA, all of the employees of Omnitrans JPA shall be appointed to comparable positions by the district, without examination. These employees shall be given sick leave, seniority, vacation credits, and all other rights and obligations which they have with Omnitrans JPA, upon the transfer of Omnitrans JPA to district.

Article 3  
Pension Plan

§ 108600.

Upon the commencement of operations of the district, the district shall contract with the Board of Administration of the Public Employees Retirement System to replicate the benefits which are provided to employees of Omnitrans JPA, on the date of transfer of the facilities from Omnitrans JPA to district.

§ 108601.

The contract between the Board of Administration of the Public Employees Retirement System and district shall also provide for the transfer of all vested benefits accumulated by employees of Omnitrans JPA to those employees, as they transfer from Omnitrans JPA to district.

§ 108602.

The district shall have the authority to participate in, contract with, or implement any retirement system or plan which complies with State and Federal law.

Article 4  
Transit Police Force

§ 108700.

The district may establish and maintain a police force. Those employees of the district appointed by the Chief Executive Officer to the police force and who are duly sworn are peace officers, are subject to Section 830.33 of the Penal Code, in the event the district establishes a police force. The district shall comply with the standards for recruitment and training of peace officers established by the Commission on Peace Officer Standards and Training pursuant to Title 4 (commencing with Section 13500) of Part 4 of the Penal Code.

Chapter 7  
Bonds and Other Evidence of Indebtedness  
Article 1

§ 108800.

The district may issue bonds, payable from revenue 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), and all of the provisions of that law are applicable to the district.

§108801.

(a) 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

**Comment [A7]:** We will need to check with our bond counsel before finalizing.

Government Code). The term "enterprise," as used in the Revenue Bond Law of 1941, for all purposes of this chapter, includes the transit system or any or all transit facilities and all additions, extensions, and improvements thereto authorized to be acquired, constructed, or completed by the district.

(b) The district may issue revenue bonds under the Revenue Bond Law of 1941 for any one or more transit facilities authorized to be acquired, constructed, or completed by the district or for transit equipment described in Section 125702 authorized to be acquired by the district or, in the alternative, the district may issue revenue bonds under the Revenue Bond Law of 1941 for the acquisition, construction, and completion of any one of those transit facilities or for transit equipment described in Section 125702 authorized to be acquired by the district.

§ 108802.

(a) The district may purchase transit equipment such as cars, trolley buses, motorbuses, light rail vehicles, or rolling equipment, and may execute agreements and leases to effect the purchase and leasing of transit equipment.

(b) Payment for transit equipment, or rentals therefor, may be made in installments.

§ 108803.

The agreement to purchase or lease transit equipment may direct the vendor or lessor to sell and assign or lease the transit equipment to a bank or trust company duly authorized to transact business in the state as trustee, and may direct the trustee to deliver the transit equipment to one or more designated officers of the district and may authorize the district to simultaneously therewith execute and deliver an installment purchase agreement or a lease of that equipment to the district.

§ 108804.

(a) The agreements and leases shall be duly acknowledged before a person authorized by law to take acknowledgments of deeds and in the form required for acknowledgment of deeds.

(b) The agreements and leases shall be authorized by resolution of the board and shall contain covenants, conditions, and provisions that may be deemed necessary or appropriate to insure the payment of the installment or lease payments from any legally available source or sources of funds as may be specified in the installment purchase agreement or lease.

§ 108805.

The covenants, conditions, and provisions of the agreements and leases may not conflict with any trust agreement or similar document securing the payment of bonds, notes, or certificates of the district.

§108806.

An executed copy of each agreement and lease shall be filed in the office of the Secretary of State, for a fee of one dollar (\$1) for each copy filed. The filing constitutes notice to any subsequent judgment creditor or any subsequent purchaser.

§108807.

The district is a local agency within the meaning of Section 53500 of Part 1 of Division 2 of Title 5 of the Government Code and may issue general obligation bonds, payable from property taxes levied by the District, in the manner provided in Article 4.5 of Part 1 of Division 2 of Title 5 (commencing with Section 53506) of the Government Code, and all of the provisions of that law are applicable to the district.

§108808.

The Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code), the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500) of the Streets and Highways Code), and the Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code), are applicable to the district.

§108809.

The district shall be considered a "local agency," as defined in subdivision (h) of Section 53317 of the Government Code, and the provisions of Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code are applicable to the district.

§107510.

The district shall be considered to be a "local agency" as defined in subdivision (f) of Section 6585 of the Government Code, and Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code is applicable to the district.

§108810.

The district may borrow money in accordance with Article 7 (commencing with Section 53820), Article 7.6 (commencing with Section 53850), or Article 7.7 (commencing with Section 53859) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code.

§108811.

The provisions of Chapter 1 (commencing with Section 99000) of Part 11 of Division 10 of the Public Utilities Code are applicable to the district.

§108812.

(a) The district may borrow money in anticipation of the sale of bonds that have been authorized to be issued, but that have not been sold and delivered, and may issue negotiable bond

anticipation notes therefor, and may renew the bond anticipation notes from time to time, but the maximum maturity of any bond application notes, including the renewals thereof, may not exceed five years from the date of delivery of the original bond anticipation notes.

(b) The bond anticipation notes may be paid from any money of the district available therefor and not otherwise pledged. If not previously otherwise paid, the bond anticipation notes shall be paid from the proceeds of the next sale of the bonds of the district in anticipation of which they were issued. The bond anticipation notes may not be issued in any amount in excess of the aggregate amount of bonds that the district has not been authorized to issue, less the amount of any bonds of the authorized issue previously sold, and also less the amount of other bond anticipation notes therefor issued and then outstanding.

(c) The bond anticipation notes shall be issued and sold in the same manner as the bonds. The bond anticipation notes and the resolution or resolutions authorizing them may contain any provisions, conditions, or limitations that a resolution of the board of the district authorizing the issuance of bonds may contain.

§108813.

The district may issue negotiable promissory notes pursuant to this section to acquire funds for any district purposes. The maturity of the promissory notes may not be later than five years from the date thereof. Those notes shall bear interest at a rate not to exceed 12 percent per year. Those notes shall be payable from any source of revenue available to the district.

§108814.

The district may bring an action to determine the validity of any of its bonds, warrants, notes, or other evidences of indebtedness pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

§108815.

All bonds and other evidences of indebtedness issued by the district under this chapter, and the interest thereon, are free and exempt from all taxation within the state, except for transfer, franchise, inheritance, and estate taxes.

§108816.

(a) Notwithstanding any other provision of this chapter or of any other law, the provisions of all ordinances, resolutions, and other proceedings in the issuance by the district of any bonds, bonds with a pledge of revenues, bonds for any and all evidences of indebtedness or liability constitute a contract between the district and the holders of the bonds, notes, or evidences of indebtedness or liability, and the provisions thereof are enforceable against the district or any or all of its successors or assigns, by mandamus or any other appropriate suit, action, or proceeding in law or in equity in any court of competent jurisdiction.

(b) Nothing in this chapter or in any other law relieves the district or the territory included within it from any bonded or other debt or liability contracted by the district. Upon dissolution of the district or upon withdrawal of territory therefrom, that territory formerly included within the district, or withdrawn therefrom, shall continue to be liable for the payment of all bonded and other indebtedness or liabilities outstanding at the time of the dissolution or withdrawal as if the district had not been so dissolved or the territory withdrawn therefrom, and it shall be the duty of the successors or assigns to provide for the payment of the bonded and other indebtedness and liabilities.

(c) Except as may be otherwise provided in the proceedings for the authorization, issuance, and sale of any revenue bonds, bonds secured by a pledge of revenues, or bonds for improvement districts secured by a pledge of revenues, revenues of any kind or nature derived from any revenue-producing improvements, works, facilities, or property owned, operated, or controlled by the district shall be pledged, charged, assigned, and have a lien thereon for the payment of the bonds as long as they are outstanding, regardless of any change in ownership, operation, or control of the revenue-producing improvements, works, facilities, or property and it shall, in any later event or events, be the duty of the successors or assigns to continue to maintain and operate the revenue-producing improvements, works, facilities, or property as long as bonds are outstanding.

§108817.

Nothing in this chapter prohibits the district from availing itself of, or making use of, any procedure provided in this chapter or any other provision of law for the issuance of bonds or other forms of indebtedness of any type or character for any of the transit facilities authorized hereunder, and all proceedings may be carried on simultaneously or, in the alternative, as the district may determine.

## Chapter 8 Changes of Organization or Reorganization

§ 108900.

(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 9  
Dissolution

§ 108950.

If the district operates no transit facilities, the board may call an election at any time for the purpose of submitting to the voters of the district the question of whether the district shall be dissolved. Upon the filing with the secretary of the district of a petition signed by voters within the district equal in number to at least 25 percent of the total vote cast at the last general statewide election, asking that the question of dissolution of the district be submitted to the voters of the district, the board shall call the election.

§ 108951.

The election for the purpose of submitting to the voters of the district the question of whether or not the district shall be dissolved shall be held within 60 days following the date on which the petition is filed.

§ 108952.

Notice of any election for dissolution, whether called because of the filing of a petition or ordered by the board without petition, shall be published. The date fixed for the election shall not be less than 30 days from the date of the first publication of the notice.

§ 108953.

The ballots for the election shall contain substantially the instructions required to be printed on ballots for use at general state and county elections and, in addition, the following:

Shall the Omnitrans Transit District be dissolved?	Yes
	No

§ 108954.

The board shall canvass the vote. If a majority of the votes favor dissolution, the board shall by resolution dissolve the district.

§ 108955.

The board shall file a certified copy of the resolution with the Secretary of State and for record in the office of the county recorder of the County of San Bernardino and any other county in which territory of the district is situated.

AND/OR

§ 1089XX.

(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.

**Comment [A8]:** We can add language on how arbitrators will be selected.

(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.

§ 108956.

Upon dissolution of the district, the right, title, and interest to any property owned or controlled by the district which was acquired by the district from Omnitrans JPA or the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, Yucaipa, and the County of San Bernardino shall be returned to Omnitrans JPA or the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, Yucaipa, and the County of San Bernardino or disposed of as designated by those parties. It is the intent of the Legislature that any remaining property continue to be held in public ownership. A joint powers agency, members of which may include the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, Yucaipa, and the County of San Bernardino, may be formed to hold title to the remaining district property. If a joint powers agency cannot be formed, the district, in consultation with the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, Yucaipa, and the County of San Bernardino, shall make a recommendation to the Legislature regarding an appropriate disposition of the property.

§ 108957.

The board shall wind up the affairs of the district.