

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	08/28/17	Open	Action	08/23/17

Subject: Proposals to Change SacRT Enabling Legislation

ISSUE

Seeking guidance for potential changes to SacRT's current enabling act and whether to direct SacRT staff and SacRT's State Lobbyist to proceed to amend SacRT's enabling legislation as described herein.

RECOMMENDED ACTION

Motion: Directing Staff to Pursue Board Approved Language for Legislation Changes in 2017-2018 California State Legislative Session.

FISCAL IMPACT

None as a result of this action.

DISCUSSION

For each two-year California State Legislative Session, SacRT staff identifies potential changes that can be made to SacRT's enabling legislation and meets with SacRT's State Lobbyist to begin the process of having language prepared in the event that an opportunity arises to pursue a number of minor changes through the legislative process.

In February 2017, during SacRT's strategic planning presentation with the Board, staff discussed plans to seek legislative options that could increase opportunities for the District to successfully provide better transit service in the Sacramento region.

Last month in meeting with a local assembly member, SacRT staff discussed introduction of a number of potential changes to the Enabling Act.

Amending any bill at this point in the 2017 half of the two-year Legislative Session is complex and must be done in a manner that is mindful of the looming legislative deadlines. A bill amended in the next week, whether already a measure that is pending on the Floor of one of the houses or in the Appropriations Committees, must be reviewed by the relevant policy committee to determine whether it is germane and whether the measure is considered a major rewrite of the bill. If so, the policy committee must act to conduct a hearing on the rewritten bill.

Relevant Deadlines

September 1 – Last date for fiscal committees to meet and report bills to the respective house Floor;

Approved:

Presented:

Final 08/23/17

General Manager/CEO

Chief Counsel

J:\Board Meeting Documents\2017\12 August 28, 2017\Enabling Legislation Discussion v3 TS.doc

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	08/28/17	Open	Action	08/23/17

Subject: Proposals to Change SacRT Enabling Legislation

September 5-15 – Floor Session only; committees may not meet in this period except to consider bills that have substantially changed (as the measure at hand would);

September 7 – Last date to submit amendments for processing by September 8;

September 8 – Last date to amend a bill on the Floor.

September 15 – Last date to pass any bill in 2017. Recess begins on adjournment

Potential changes are attached to this Issue Paper as Attachments 1 through 4.

Attachment 1 represents a series of proposed changes to the Enabling Act, compiled over the last several years. The proposed changes are designed to increase clarity, ensure accurate interpretation of the Act, bring the Act in line with current practices and procedures, provide greater flexibility and reflect changes that have occurred since the Enabling Act was enacted. These proposed amendments include the following:

- Specify that “transit works” and “transit facilities” encompass all property and facilities owned or used by SacRT for operations, maintenance or administration (Pub. Util. Code § 102013)
- Specify that SacRT is a “Rapid Transit District” (Pub. Util. Code § 102050)
- Strike superfluous language describing SacRT’s service area within the County of Sacramento (Pub. Util. Code § 102051)
- Define “quorum” for purposes of a noticed meeting and for any gathering outside of a noticed meeting (Pub. Util. Code § 102105.1)
- Permit publication of ordinances on SacRT’s website (Pub. Util. Code § 102107)
- Specify that the Board Secretary may be a member of the Board or a district employee appointed by the Board (Pub. Util. Code § 102160)
- Modify tentative or proposed budget presentation requirements to comport with SacRT’s adopted procedure (Pub. Util. Code § 102206)
- Modify SacRT eminent domain authority and clarify proceedings related to which party bears the cost of removal, reconstruction, or relocation of any structure that is required including just compensation related to public utility obligations (Pub. Util. Code §§ 102242, 102243)
- Specify that one of the transit plan documents SacRT adopts may be the “general transit plan” (Pub. Util. Code § 102260)

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
11	08/28/17	Open	Action	08/23/17

Subject: Proposals to Change SacRT Enabling Legislation

- Specify that RT may provide charter bus service, special school service, and any other service to the extent permitted under federal law and regulations (Pub. Util. Code § 102281)
- Specify that any public agency may contract with SacRT to provide transit facilities for the public agency (Pub. Util. Code § 102282)
- Modify prevailing wage carve-out for projects where the private entity is paying SacRT fair market value for use of the land and SacRT is not otherwise contributing funds to the project (Pub. Util. Code §§ 102284, 102288)
- Specify a federal funding preemption where compliance with state law would result in SacRT losing federal funding (Pub. Util. Code § 102310)
- Modify SacRT’s ability to levy property taxes within the jurisdiction of participating entities (Pub. Util. Code § 102332)
- Strike tax levy language because it imposes a mandatory tax levy for bond service and appears to violate Proposition 13 (Pub. Util. Code § 102336)
- Modify sales tax authority to allow for increments of one-eighth of 1 percent, or multiples thereof, and to allow the tax to be collected within the boundaries of the district to include all participating entities (Pub. Util. Code § 102351)
- Modify language to provide express authorization for members of the Board and employees to sit on the Retirement Board to avoid any “incompatible offices” issue (Pub. Util. Code § 102430)

Attachment 2 represents a stand-alone alternative approach to modifying the boundaries within which SacRT may collect a sales tax in which the Board makes the determination of the applicable geographic boundaries. (Pub. Util. Code § 102351)

Attachment 3 is a stand-alone modification to the sales tax rate, allowing one-eighth of 1 percent or multiples thereof. (Pub. Util. Code § 102351)

Attachment 4 represents a proposed modification to the Board voting procedure. (Pub. Util. Code § 102105.1, 102105.2) Currently, Elections Code section 9300 precludes districts in which directors are empowered to cast more than one vote per director when acting on any matter from utilizing the initiative process for local sales tax measures. By modifying SacRT’s voting procedure to allow the Board to determine its voting procedure, the Board could, by resolution change to a one-vote-per-director system. In turn, this would remove SacRT from the preclusion of Elections Code section 9300 and allow SacRT to pursue the initiative process.

Staff seeks the Board’s direction in whether SacRT staff and its State Lobbyist should pursue these legislative efforts.

OFFICE OF LEGISLATIVE COUNSEL
DRAFT BILL

RN: 1708565

This request was prepared for you in accordance with instructions provided to us by Victoria Harris.

LCB Deputy Contact: Mr.L. Erik Lange at 341-8133.

The boxes checked below, if any, apply to this request:

Cover letter: This request is accompanied by a cover letter, to bring to your attention legal or practical issues that may be raised by this bill, if introduced.

✓ **Unbacked bill:** The attached bill draft has **not** been backed for introduction. When a Member has decided to introduce this bill draft, the draft should be returned to the Office of Legislative Counsel as soon as possible so that it can be prepared for introduction by that Member.

Spot bill: This bill, if introduced, may not be qualified for referral to a committee, if it is deemed a bill that makes no substantive change in or addition to existing law, or that would not otherwise affect the ongoing operations of state or local government (see, for example, Assembly Rule 51.5).

Bill related to the budget: In order for this measure to be deemed a bill "providing for appropriations related to the budget" within the meaning of Section 12 of Article IV of the California Constitution, thereby allowing the measure to be passed by a majority vote and to take effect immediately upon enactment, it is necessary that this measure contain an appropriation and be identified in the Budget Bill as a measure related to the state budget.

Reintroduced bill: This bill, if introduced, may violate the rule that, except as specified, a Member may not author a bill during a session that would have substantially the same effect as a bill he or she previously introduced during that session (Joint Rule 54(c)).

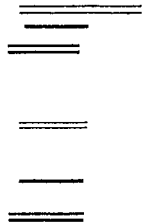
An act to amend Sections 102013, 102018, 102050, 102051, 102105.1, 102107, 102160, 102206, 102242, 102243, 102260, 102281, 102282, 102284, 102288, 102310, 102332, 102351, and 102430 of, and to repeal Section 102336 of, the Public Utilities Code, relating to transportation.



THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 102013 of the Public Utilities Code is amended to read:

102013. "Transit works" or "transit facilities" means any or all real and personal property, equipment, rights, or interests owned, or to be acquired, or used, by the district for transit service or ~~purposes.~~ purposes, including transit operations, maintenance, or administration. "Transit works" or "transit facilities" are public works for the purposes of the Public Contract Code.



SEC. 2. Section 102018 of the Public Utilities Code is amended to read:

102018. "System" means all transit works and transit facilities owned or held, or to be owned or held, or used, by the district for transit purposes.

SEC. 3. Section 102050 of the Public Utilities Code is amended to read:

102050. The Sacramento Regional Transit District may be formed pursuant to this chapter to carry out the purposes of this part. The district is hereby designated a rapid transit district. The district shall be a public corporation for ~~such~~ those purposes.

SEC. 4. Section 102051 of the Public Utilities Code is amended to read:

102051. The district may comprise the Cities of Citrus Heights, Elk Grove, Davis, Folsom, Rancho Cordova, Roseville, Sacramento, West Sacramento, and Woodland, and the following described territory of the Counties of Sacramento and Yolo, to the extent ~~they are~~ the territory is not included in the above-mentioned cities:

(a) The territory of the County of Sacramento ~~which may be included is described~~ as follows:

(1) ~~Beginning at the northeasterly corner of the Sacramento County line running southeasterly to State Highway Route 50; thence southwesterly along Route 50 to~~

~~Prairie City Road; thence southeasterly along Prairie City Road to White Rock Road; thence along White Rock Road to Grant Line Road; thence along Grant Line Road to Douglas Road; thence westerly along Douglas Road to Sunrise Blvd.; thence southerly along Sunrise Blvd. to Kiefer Blvd.; thence westerly along Kiefer Blvd. to Excelsior Road; thence southerly along Excelsior Road to Jackson Road; thence northwesterly along Jackson Road to Bradshaw Road; thence southerly along Bradshaw Road to Grant Line Road; thence westerly along Grant Line Road to State Highway Route 99; thence northwesterly along Route 99 to Elk Grove Blvd.; thence westerly along Elk Grove Blvd. to Bruceville Road; thence southerly along Bruceville Road to Bilby Road; thence westerly along Bilby Road to Franklin Blvd.; thence northeasterly along Franklin Blvd. to Elk Grove Blvd.; thence westerly along Elk Grove Blvd. to the intersection of State Highway Route 5; thence northerly along Route 5 to the Sacramento City Limits; thence along the Sacramento City Limits to the Sacramento River; thence along the Sacramento River upstream to the intersection of the Sacramento River and prolongation of San Juan Road; thence easterly along the prolongation of San Juan Road to the Sacramento City Limits; thence along the Sacramento City Limits to Elk Grove Blvd.; thence easterly along Elk Horn Blvd. to the Union Pacific Railroad; thence along the Union Pacific Railroad to Elverta Road; thence easterly along Elverta Road to 16th Street; thence northerly along 16th Street to the Sacramento County line; thence easterly along the Sacramento County line to the point of beginning, and excluding the Cities of Sacramento and Folsom.~~



(2) ~~Beginning at the southwesterly corner of the intersection of Route 5 and Power Line Road; thence northerly along Power Line Road to Elverta Road; thence~~

~~easterly along Elverta Road to Lone Tree Road; thence southerly along Lone Tree Road to Route 5; thence westerly along Route 5 to the point of beginning.~~

~~(3) All of that property known as the Sacramento County Metropolitan Airport in Natomas Elkhorn Subdivision and Sec. 36, T. 10N., R. 3 E., M.D.B. & M. and filed for record the 29th day of January, 1968, at 4:45 P.M., in Book 26 of Surveys, at Page 12, in the office of the Sacramento County Recorder.~~

~~(4) Notwithstanding paragraphs (1), (2), and (3) of this subdivision, the unincorporated territory of the County of Sacramento included that may be included in the district shall include is the same area as the urban service area ~~proposed to be adopted by~~ of the County of Sacramento, as adopted and as hereafter amended.~~

(b) The unincorporated territory of the County of Yolo ~~which~~ that may be included is described as follows:

(1) Beginning at the northeast corner of Sec. 36, T. 9 N., R. 3 E., M.D.B. & M.; thence north $\frac{1}{2}$ mile along the west line of Sec. 30, T. 9 N., R. 4 E., to the west $\frac{1}{4}$ corner of Sec. 30; thence east $\frac{1}{2}$ mile to the center of Sec. 30; thence north $\frac{1}{8}$ mile, more or less, to the north line of Swamp Land Survey No. 970, the point being on the centerline of Tule Lake Road; thence northeasterly along the north line of Swamp Land Survey No. 970 to the centerline of the Sacramento River; thence easterly and southerly down and along the Sacramento River to the south line of Swamp Land Survey No. 815; thence northwesterly along the south line of Swamp Land Survey No. 815 to its southwest corner; thence northeasterly along the west line of Swamp Land Survey No. 815 to a point where it is intersected by the quarter section line running east and west through Sec. 30, T. 8 N., R. 4 E.; thence west $\frac{3}{4}$ mile, more or less, to the east $\frac{1}{4}$

corner of Sec. 25, T. 8 N., R. 3 E.; thence north 5 ½ miles, more or less, to the point of beginning.

(2) Beginning at the intersection of State Highway Route 113 and the Yolo County line southern boundary; thence easterly along the Yolo County line southern boundary to the Davis City Limits; thence meandering along the Davis City Limits to Russell Boulevard; thence westerly along Russell Boulevard to Route 113; thence southerly along Route 113 to the point of beginning.

For purposes of this section, any reference to an avenue, boulevard, highway, railroad, road, or street includes the right-of-way thereof.

SEC. 5. Section 102105.1 of the Public Utilities Code is amended to read:

102105.1. In acting on any item, the following weighted voting procedure shall be applied:

(a) There shall be a total of 100 votes.

(b) The presence of members eligible to cast a majority of the 100 votes shall constitute a quorum for the transaction of ~~business~~. business at a noticed meeting. In all other cases, a majority of the members of the board shall constitute a quorum.

(c) Except as otherwise provided in this section, and notwithstanding any other provision of law, all official acts of the board shall require the affirmative vote of members casting a majority of the 100 votes. Any statute, including this part, that requires a vote of the board shall be interpreted to require a tally of the votes, rather than a tally of the members of the board. A statute requiring the affirmative vote of the majority or a greater number of members of the board, including, but not limited



98673

to, Section 1245.240 of the Code of Civil Procedure, shall be interpreted as requiring a tally of the votes cast by members, rather than a tally of members.

(d) Each board member shall have the number of votes determined by the following formula; however, each voting entity represented on the board shall have at least one vote, and providing that there shall be no fractional votes:

(1) Each member entity is entitled to five votes as a membership incentive; however, the total number of incentive votes shall not exceed 30. If the number of member entities exceeds six, the 30 incentive votes shall be divided equally among the member entities.

(2) The remaining votes shall be divided among all voting entities in proportion to each entity's financial contribution to the district. The calculation of each voting entity's financial contribution shall include all of the following:

(A) Funds allocated to the district pursuant to the Mills-Alquist-Deddeh Act, also known as the Transportation Development Act (Chapter 4 (commencing with Section 99200) of Part 11 of Division 10), or any successor thereto, as computed by the applicable transportation planning agency for the voting entity.

(B) Funds provided to the district by the voting entity pursuant to an agreement of the type described in subdivision (b) of Section 102100.3.

(C) Other local funds made available to the district by the voting entity for the operation of public transit service.

(D) The federal formula grant funds attributable to the voting entity shall be determined by multiplying the amount described in paragraph (8) of subdivision (b) of Section 102205 by the voting entity's proportionate share of the total population of



all voting entities, which shall be determined by using the population statistics described in paragraph (10) of subdivision (b) of Section 102205.

(E) Any adjustment expressly provided for in an agreement entered into between the district and any voting entity whereby the district receives or disburses any of the funds described in subparagraphs (A) to (D), inclusive, including, but not limited to, fund exchange or fund swap agreements.

(3) The total number of votes for each voting entity shall be the sum of the votes allocated in paragraphs (1) and (2).

(4) If the division set forth in paragraphs (1) to (3), inclusive, results in fractional votes, the number of votes allocated shall be rounded in the following manner:

(A) Each fractional vote that is 0.6 or greater shall be rounded up to the nearest whole number, and each fractional vote that is less than 0.6 shall be rounded down to the nearest whole number.

(B) If the sum total of the votes so rounded is greater than 100, the excess vote or votes shall be taken one each from the voting entity or entities with the greatest number of total votes, in descending order of the number of votes, until the sum total is 100. If two or more voting entities have the same number of votes, the vote reduction among those entities shall be done by lot.

(C) If the sum total of the votes so rounded is less than 100, one vote shall be added to the total of the voting entity or entities with the greatest number of total votes, in descending order of the number of votes, until the sum total is 100. If two or more voting entities have the same number of votes, the extra votes shall be allocated by lot among those entities.



(5) The determination of financial contribution and the apportionment of votes shall be approved by the board at the board meeting at which the budget is adopted. The new voting apportionment shall be effective on July 1 of each year or as soon thereafter as the budget is adopted.

(6) At the time the apportionment is approved, the following calculation shall be done for each voting entity: the total number of votes allocated to the voting entity shall be divided by the total number of appointments the voting entity is entitled to make under Sections 102100.2 and 102100.3, regardless of whether those appointments have been made. If the result is greater than 15 votes per appointment, the voting entity shall be entitled to appoint an additional member to the board, effective July 1. Notwithstanding Section 102100.5, the legislative body of the voting entity making its appointment under this provision shall give written notification to the secretary of the board within 30 days of approval of the allocation. A member so appointed shall be subject to the same restrictions and shall have the same powers, when serving on the board, as any other member.

(7) For any voting entity that has appointed more than one member to the board, the total votes allocated to that voting entity shall be divided equally among the board members or alternates representing that entity who are present and voting. Where an equal division would result in fractional votes, the votes shall be divided to the nearest whole number among all members representing the voting entity who are present and voting, with the remaining votes being allocated, one vote each, to the members representing the voting entity in order of seniority, as measured by years of consecutive



service on the board. If two or more members have served for the same length of time, the extra vote or votes shall be allocated between those members by lot.

(8) If a city or county becomes a voting entity or ceases to be a voting entity after the annual allocation called for in this subdivision has taken place, the board shall approve a new allocation, applying the financial contribution data used for the most recent allocation and considering what the new voting entity would have contributed, had it been part of the district when the preceding allocation took place. If necessary, the financial contribution of a newly incorporated entity may be estimated using population figures from the applicable local agency formation commission.

(9) If, during the course of the fiscal year, the financial data used to calculate the financial contribution of any voting entity differs by more than 10 percent from the amount that will actually be provided during the fiscal year by that entity, the board may call for a new allocation to be conducted and any allocation so called for shall be approved by the board. The allocation shall proceed in the manner described in paragraphs (1) to (4), inclusive, but the calculation in paragraph (2) shall be done with reference to the financial contribution actually provided to the district during the fiscal year (except as otherwise provided in paragraph (8)), to the extent that contribution is known.

SEC. 6. Section 102107 of the Public Utilities Code is amended to read:

102107. (a) No ordinance shall be passed by the board on the day of its introduction, nor within three days thereafter, nor at any time other than at a regular or adjourned regular meeting. The enacting clause of all ordinances shall be as follows:

"The board of directors of the Sacramento Regional Transit District do ordain as follows:"

(b) All ordinances shall be signed by the chairman of the board or the chairman pro tempore and attested by the secretary. Before the expiration of 15 days after the passage of an ordinance, it shall be published once in a newspaper of general circulation in the ~~district.~~ district or on the district's Internet Web site. An order entered in the minutes of the board that the ordinance has been duly published is prima facie proof of such publication.

SEC. 7. Section 102160 of the Public Utilities Code is amended to read:

102160. The officers of the district shall consist of the members of the board, and the ~~chairman, chairman~~ chair, chair pro tern, and secretary, who shall be selected from the members of the board. ~~board. except that the secretary may alternatively be an employee of the district appointed by the board.~~ The board may also hire and appoint a general manager, a legal counsel, a controller, a treasurer, and such other officers, assistants, and deputies as the board may deem necessary.

SEC. 8. Section 102206 of the Public Utilities Code is amended to read:

102206. The district shall also submit to the legislative body of each voting entity with its tentative or proposed budget ~~a statement of its proposed operations and level of service for the period covered by the budget, calling attention to any substantial or significant changes or proposed changes in operations and level of service within each voting entity and a draft of the vote allocation called for by Section 102105.1.A~~ legislative body may include with its comments to the district on the ~~budget,~~ budget



170856598673BILLIAGE5

comments concerning the proposed ~~operations, level of service, and~~ vote allocation, and the board shall consider those comments prior to adopting the budget.

SEC. 9. Section 102242 of the Public Utilities Code is amended to read:

102242. 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 part. The district, ~~in exercising such power, shall in addition to the damages for the taking, injury, or destruction of property, also pay~~ determination of which party bears the cost, ~~exclusive of betterment and with credit for salvage value,~~ cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables, or poles of any public utility ~~which is required to be moved to a new location.~~ shall be governed by the preexisting rights of the public utility to be present on the property.



SEC. 10. Section 102243 of the Public Utilities Code is amended to read:

102243. The Public Utilities Commission of the state shall have and exercise power and jurisdiction to fix just compensation to be paid for the taking of any property of a public utility in eminent domain proceedings brought by the district. Just compensation shall not be payable if the public utility is obligated, under the terms of its preexisting rights to property, to relocate or remove its facilities at its own expense. No taking or acquisition by the district ~~which~~ that would involve the abandonment, removal, relocation, or use of the property of a railroad corporation, as defined in Section 230, shall be permitted, unless the Public Utilities Commission, after a hearing, ~~shall find and determine~~ finds and determines that the public interest and necessity require the abandonment, removal, relocation, or use of ~~such~~ that property and that

~~such~~ the taking or acquisition will not unreasonably impair the ability of the railroad corporation involved to provide safe, adequate, economical, and efficient service. The district may commence and maintain ~~such~~ eminent domain proceedings relative to a public utility in the Public Utilities Commission or the superior court at its option.

SEC. 11. Section 102260 of the Public Utilities Code is amended to read:

102260. The district shall adopt and maintain a general transit plan for the district. The district may designate one of the transit plans it is otherwise required to prepare as the general transit plan.

SEC. 12. Section 102281 of the Public Utilities Code is amended to read:

102281. (a) The district may ~~engage in the business of providing~~ provide charter bus service, ~~sightseeing service,~~ special school service, and other ~~service, including any other service as may be provided by its predecessor, the Sacramento Transit Authority;~~ service to the extent permitted under federal law.

~~(b) No bus equipment which is designed solely for charter service shall be purchased. No intercity model bus shall be operated in charter service; however, nothing in this section shall limit the features and equipment on, or the use of, transit and suburban model buses.~~

~~(c) The board shall hold a public hearing prior to adopting a charter rate schedule or any amendment thereof. Notice of the hearing shall be mailed at least 30 days in advance to each charter party carrier maintaining an office or equipment point within the district, and to each charter party carrier or representative thereof who has requested, in writing, to be notified of such hearings. A notice shall include the proposed charter rate schedule. At the close of the public hearing, the board may adopt charter rate~~



~~schedules which shall not be less than the lowest of the three largest private charter party carriers operating similar service in the district. For any charter service between points within the district, the district may establish a lower minimum charge. The designation "three largest private charter party carriers" refers to the three carriers with the highest gross revenue generated from charter service originating within the district.~~

~~(d) A charter trip shall have its origin within the district, and the return trip shall have its destination within the district, unless the district is requested by a private charter party carrier to provide a trip not having origin and return destination within the district.~~

SEC. 13. Section 102282 of the Public Utilities Code is amended to read:

102282. The board may contract with any a public agency or person to provide transit facilities and services for the district. A public agency may contract with the district to provide transit facilities and services for the public agency.

SEC. 14. Section 102284 of the Public Utilities Code is amended to read:

102284. (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.

(c) Construction projects or works of improvement for facilities authorized by the district under the terms of a joint development agreement that is approved under the authority conferred by this section shall be considered a public works project subject



to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and shall be enforced by the Department of Industrial Relations in the same manner in which it carries out this responsibility under the Labor Code. However, this subdivision shall not apply to a project on real property of the district that is conveyed to a private entity for fair market value if the district is not otherwise contributing funds to the project.

SEC. 15. Section 102288 of the Public Utilities Code is amended to read:

102288. (a) The district may acquire, construct, own, operate, control, or use rights-of-way, rail lines, buslines, stations, platforms, switches, yards, terminals, parking lots, and any and all facilities necessary or convenient for transit service, within or partly outside 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.

(c) Construction projects or works of improvement for facilities authorized by the district under the terms of a joint development agreement that is approved under the authority conferred by this section shall be considered a public works project subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and shall be enforced by the Department of Industrial Relations in the same manner in which it carries out this responsibility under the Labor Code. However, this subdivision shall not apply to a project on real property of the district that is conveyed to a private entity for fair market value if the district is not otherwise contributing funds to the project.

SEC. 16. Section 102310 of the Public Utilities Code is amended to read:

102310. The district may accept, without limitation by any other provisions of this part requiring approval of indebtedness, contributions, grants, or loans from any public agency or the United States or any department, instrumentality, or agency thereof, for the purpose of financing the acquisition, construction, maintenance, or operation of transit facilities, and may enter into contracts and cooperate with, and accept cooperation from, any public agency or the United States, or agency thereof, in the acquisition, construction, maintenance, or operation, and in financing the acquisition, construction, maintenance or operation of any such transit facilities in accordance with any legislation which Congress or the Legislature of the State of California may have heretofore adopted or may hereafter adopt, under which aid, assistance, and cooperation may be furnished by the United States or any public agency in the acquisition,



construction, maintenance and operation of any such transit facilities. The district may do any and all things necessary in order to avail itself of such 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. Laws, or rules or regulations, of this state inconsistent with the laws, or rules and regulations, of the United States, shall not apply to the acquisition, construction, maintenance, or operation of transit facilities funded by the United States, to the extent of the inconsistency, if that inconsistency may result in a loss of federal funding.



SEC. 17. Section 102332 of the Public Utilities Code is amended to read:

102332. The district shall not levy or collect a property tax ~~within any city or within all or any part of the unincorporated area of any county until:~~

(a) ~~The legislative body of the city or county adopts a resolution declaring there is need for the district to operate and levy a tax within the city or the unincorporated area, or part thereof, of the county.~~

(b) ~~Two thirds until two-thirds of the voters of the city or the unincorporated area; district, or part thereof, following the adoption of the resolution under subdivision (a), voting on the question at an election called for that purpose, approves the operation of the district, and approve the levy of a property tax by the district, within the city or within the unincorporated area, or part thereof, of the county.~~
district. The property tax shall be effective within a jurisdiction as long as the jurisdiction remains a participating entity within the district.

SEC. 18. Section 102336 of the Public Utilities Code is repealed.

~~102336. In addition to the general tax levy as set forth in Section 102331, 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 bonds of the district as they become due, or to establish or maintain any reserve fund therefor, the board shall 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.~~

SEC. 19. Section 102351 of the Public Utilities Code is amended to read:

~~102351. Notwithstanding Sections 7261 and 7262 of the revenue and Taxation Code, the~~ The retail transactions and use tax ordinance shall provide for rates of one quarter or one half a rate of one-eighth of one percent. The ordinance shall apply only within that portion of the district that consists of the City of Sacramento and the unincorporated territory of the County of Sacramento which is activated as part of the district as of the date of any election relating to the tax authorized by this article. 1 percent or a multiple thereof. The ordinance shall provide for the tax to be imposed within the boundaries of the district. as defined in Section 102052.5, or any portion thereof. The transactions and use tax shall be effective within a jurisdiction as long as the jurisdiction remains a participating entity within the district.



SEC. 20. Section 102430 of the Public Utilities Code is amended to read:

102430. The district may provide for a retirement system; provided, that the adoption, terms, and conditions of any retirement system covering employees of the district represented by a labor organization in accordance with this section shall be pursuant to a collective bargaining agreement between such labor organization and the district. The district may establish trust accounts for the purposes of this section. If the district establishes a retirement board for the retirement system. board members and employees of the district may serve on the retirement board.



LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, __

General Subject: Sacramento Regional Transit District.

Existing law provides for the creation of the Sacramento Regional Transit District, with specified powers and duties relative to the provision of public transit services. Existing law describes the authorized boundaries of the district. Existing law provides for the district to be governed by a board of directors and provides for a weighted voting procedure. Existing law provides that the district may exercise the right of eminent domain and may levy various taxes subject to voter approval. Existing law authorizes the district to provide for a retirement system for its employees.

This bill would revise and recast these and other related provisions. The bill would modify the description of the authorized boundaries of the district and provide that the district is a rapid transit district, as defined. The bill would specify that certain property and facilities used by the district are transit works and facilities, and constitute public works for the purposes of the Public Contract Code. The bill would modify the



definition of quorum as applied to meetings of the board. The bill would authorize the district to publish ordinances on its Internet Web site as an alternative to newspaper publication. The bill would authorize the board secretary to be a district employee appointed by the board. The bill would provide that the preexisting rights of a public utility to be present on property would govern which party bears the costs of utility relocation in a district eminent domain proceeding, and that just compensation would not be payable if the public utility is obligated to bear the cost. The bill would authorize a public agency to contract with the district to provide transit facilities and services for the public agency. The bill would exempt improvements associated with a joint development project with a private entity from the definition of a public work if district property is being acquired by the private entity for fair market value and the district is not otherwise contributing funds to the project. The bill would delete a provision stating that district installations in county highways and city streets are subject to encroachment permits. The bill would provide that laws, or rules or regulations, of this state inconsistent with the laws, or rules and regulations, of the United States, shall not apply to the acquisition, construction, maintenance, or operation of transit facilities funded by the United States, to the extent of the inconsistency, if that inconsistency may result in a loss of federal funding. The bill would modify the district's powers to impose property or sales taxes to apply to all or any part of the district, and that the taxes would apply to an entity within the boundaries of the district as long as the entity remains a participating entity of the district. The bill would authorize members of the board and district employees to sit on the district's retirement system board. The bill would make other related changes.



98673

02116117 07:52 PM
RN 17 08565 PAGE 3

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local
program: no.



ORIGINAL COPY

07/28/17 07:35 PM
RN 17 18427 PAGE 1
Substantive

46613

AMENDMENTS TO ASSEMBLY BILL NO. 709
AS AMENDED IN SENATE JUNE 13, 2017

Amendment 1

In the title, strike out lines 2 and 3 and insert:

An act to amend Section 102351 of the Public Utilities Code, relating to transportation.

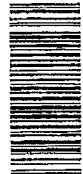
Amendment 2

On page 2, before line 1, insert:

SECTION 1. Section 102351 of the Public Utilities Code is amended to read:
102351. Notwithstanding Sections 7261 and 7262 of the Revenue and Taxation Code, the retail transactions and use tax ordinance shall provide for rates of one-quarter or one-half of one percent. ~~The ordinance shall apply only within that portion of the district that consists of the City of Sacramento and the unincorporated territory of the County of Sacramento which is activated as part of the district as of the date of any election relating to the tax authorized by this article. The board may determine the geographic areas within the boundaries of the district that the ordinance shall apply to.~~ The ordinance shall be subject to voter approval by the electors in those geographic areas consistent with Section 102350.

Amendment 3

On page 2, strike out lines 1 to 3, inclusive, and strike out pages 3 and 4



ORIGINAL COPY

07/28/17 07:46 PM
RN 17 18426 PAGE 1
Substantive

19831

AMENDMENTS TO ASSEMBLY BILL NO. 709
AS AMENDED IN SENATE JUNE 13, 2017

Amendment 1

In the title, strike out lines 2 and 3 and insert:

An act to amend Section 102351 of the Public Utilities Code, relating to transportation.

Amendment 2

On page 2, before line 1, insert:

SECTION 1. Section 102351 of the Public Utilities Code is amended to read:
102351. ~~Notwithstanding Sections 7261 and 7262 of the Revenue and Taxation Code, the~~ The retail transactions and use tax ordinance shall provide for rates of one-quarter or one-half of one percent, a rate of one-eighth of 1 percent or a multiple thereof. The ordinance shall apply only within that portion of the district that consists of the City of Sacramento and the unincorporated territory of the County of Sacramento ~~which that~~ is activated as part of the district as of the date of any election relating to the tax authorized by this article.

Amendment 3

On page 2, strike out lines 1 to 3, inclusive, and strike out pages 3 and 4



~~(8) If a city or county becomes a voting entity or ceases to be a voting entity after the annual allocation called for in this subdivision has taken place, the board shall approve a new allocation, applying the financial contribution data used for the most recent allocation and considering what the new voting entity would have contributed, had it been part of the district when the preceding allocation took place. If necessary, the financial contribution of a newly incorporated entity may be estimated using population figures from the applicable local agency formation commission.~~

~~(9) If, during the course of the fiscal year, the financial data used to calculate the financial contribution of any voting entity differs by more than 10 percent from the amount that will actually be provided during the fiscal year by that entity, the board may call for a new allocation to be conducted and any allocation so called for shall be approved by the board. The allocation shall proceed in the manner described in paragraphs (1) to (4), inclusive, but the calculation in paragraph (2) shall be done with reference to the financial contribution actually provided to the district during the fiscal year (except as otherwise provided in paragraph (8)), to the extent that contribution is known.~~

SEC. 5. Section 102105.1 is added to the Public Utilities Code, to read:

102105.1. (a) The board, in acting on any item, shall continue to use the weighted voting procedures described in former Section 102105.1, as it read on December 31, 2017, until the board, consistent with the requirements of former Section 102105.1, as it read on December 31, 2017, adopts other vote allocation procedures.

(b) If the board adopts other vote allocation procedures pursuant to subdivision (a), the board shall post those new procedures on the district's Internet Web site.

SEC. 6. Section 102206 of the Public Utilities Code is amended to read:

102206. The district shall also submit to the legislative body of each voting entity with its tentative or proposed budget a statement of its proposed operations and level of service for the period covered by the budget, calling attention to any substantial or significant changes or proposed changes in operations and level of service within each voting entity ~~and and, if applicable,~~ a draft of the vote allocation called for by ~~Section 102105.1, former Section 102105.1, as it read on December 31, 2017, or, if applicable, and any vote allocation adopted pursuant to Section 102105.1, as added by the act amending this section in the 2017-2018 Regular Session.~~ A legislative body may include with its comments to the district on the budget, comments concerning the proposed operations, level of service, and vote allocation, and the board shall consider those comments prior to adopting the budget.

Amendment 3

On page 2, strike out lines 1 to 3, inclusive, and strike out pages 3 and 4

Proposed Amendment to SacRT's enabling act awaiting official Legislative Counsel version

ARTICLE 1. Board of Directors [102100.1 - 102107]
(Article 1 added by Stats. 1971, Ch. 1374.)

102105.

The board shall establish rules for its proceedings. The acts of the board shall be expressed by motion, resolution, or ordinance. All meetings of the board shall be conducted in the manner prescribed by the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code).

102105.1

- a) The board shall have the authority to determine its voting procedure.
- b) If the board chooses, by ordinance or resolution, to adopt a weighted voting system, it will adhere to the requirements outlined in PUC Section 102105.2.

102105.2

In acting on any item **under a weighted voting system**, the following ~~weighted voting~~ procedure shall be applied:

- (a) There shall be a total of 100 votes.
- (b) The presence of members eligible to cast a majority of the 100 votes shall constitute a quorum for the transaction of business.
- (c) Except as otherwise provided in this section, and notwithstanding any other provision of law, all official acts of the board shall require the affirmative vote of members casting a majority of the 100 votes. Any statute, including this part, that requires a vote of the board shall be interpreted to require a tally of the votes, rather than a tally of the members of the board. A statute requiring the affirmative vote of the majority or a greater number of members of the board, including, but not limited to, Section 1245.240 of the Code of Civil Procedure, shall be interpreted as requiring a tally of the votes cast by members, rather than a tally of members.
- (d) Each board member shall have the number of votes determined by the following formula; however, each voting entity represented on the board shall have at least one vote, and providing that there shall be no fractional votes:
 - (1) Each member entity is entitled to five votes as a membership incentive; however, the total number of incentive votes shall not exceed 30. If the number of member entities exceeds six, the 30 incentive votes shall be divided equally among the member entities.
 - (2) The remaining votes shall be divided among all voting entities in proportion

to each entity's financial contribution to the district. The calculation of each voting entity's financial contribution shall include all of the following:

(A) Funds allocated to the district pursuant to the Mills-Alquist-Deddeh Act, also known as the Transportation Development Act (Chapter 4 (commencing with Section 99200) of Part 11 of Division 10), or any successor thereto, as computed by the applicable transportation planning agency for the voting entity.

(B) Funds provided to the district by the voting entity pursuant to an agreement of the type described in subdivision (b) of Section 102100.3.

(C) Other local funds made available to the district by the voting entity for the operation of public transit service.

(D) The federal formula grant funds attributable to the voting entity shall be determined by multiplying the amount described in paragraph (8) of subdivision (b) of Section 102205 by the voting entity's proportionate share of the total population of all voting entities, which shall be determined by using the population statistics described in paragraph (10) of subdivision (b) of Section 102205.

(E) Any adjustment expressly provided for in an agreement entered into between the district and any voting entity whereby the district receives or disburses any of the funds described in subparagraphs (A) to (D), inclusive, including, but not limited to, fund exchange or fund swap agreements.

(3) The total number of votes for each voting entity shall be the sum of the votes allocated in paragraphs (1) and (2).

(4) If the division set forth in paragraphs (1) to (3), inclusive, results in fractional votes, the number of votes allocated shall be rounded in the following manner:

(A) Each fractional vote that is 0.6 or greater shall be rounded up to the nearest whole number, and each fractional vote that is less than 0.6 shall be rounded down to the nearest whole number.

(B) If the sum total of the votes so rounded is greater than 100, the excess vote or votes shall be taken one each from the voting entity or entities with the greatest number of total votes, in descending order of the number of votes, until the sum total is 100. If two or more voting entities have the same number of votes, the vote reduction among those entities shall be done by lot.

(C) If the sum total of the votes so rounded is less than 100, one vote shall be added to the total of the voting entity or entities with the greatest number of total votes, in descending order of the number of votes, until the sum total is 100. If two or more voting entities have the same number of votes, the extra votes shall be allocated by lot among those entities.

(5) The determination of financial contribution and the apportionment of votes shall be approved by the board at the board meeting at which the budget is

adopted. The new voting apportionment shall be effective on July 1 of each year or as soon thereafter as the budget is adopted.

(6) At the time the apportionment is approved, the following calculation shall be done for each voting entity: the total number of votes allocated to the voting entity shall be divided by the total number of appointments the voting entity is entitled to make under Sections 102100.2 and 102100.3, regardless of whether those appointments have been made. If the result is greater than 15 votes per appointment, the voting entity shall be entitled to appoint an additional member to the board, effective July 1. Notwithstanding Section 102100.5, the legislative body of the voting entity making its appointment under this provision shall give written notification to the secretary of the board within 30 days of approval of the allocation. A member so appointed shall be subject to the same restrictions and shall have the same powers, when serving on the board, as any other member.

(7) For any voting entity that has appointed more than one member to the board, the total votes allocated to that voting entity shall be divided equally among the board members or alternates representing that entity who are present and voting. Where an equal division would result in fractional votes, the votes shall be divided to the nearest whole number among all members representing the voting entity who are present and voting, with the remaining votes being allocated, one vote each, to the members representing the voting entity in order of seniority, as measured by years of consecutive service on the board. If two or more members have served for the same length of time, the extra vote or votes shall be allocated between those members by lot.

(8) If a city or county becomes a voting entity or ceases to be a voting entity after the annual allocation called for in this subdivision has taken place, the board shall approve a new allocation, applying the financial contribution data used for the most recent allocation and considering what the new voting entity would have contributed, had it been part of the district when the preceding allocation took place. If necessary, the financial contribution of a newly incorporated entity may be estimated using population figures from the applicable local agency formation commission.

(9) If, during the course of the fiscal year, the financial data used to calculate the financial contribution of any voting entity differs by more than 10 percent from the amount that will actually be provided during the fiscal year by that entity, the board may call for a new allocation to be conducted and any allocation so called for shall be approved by the board. The allocation shall proceed in the manner described in paragraphs (1) to (4), inclusive, but the calculation in paragraph (2) shall be done with reference to the financial contribution actually provided to the district during the fiscal year (except as otherwise provided in paragraph (8)), to the extent that contribution is known.

(Added by Stats. 2006, Ch. 272, Sec. 26. Effective January 1, 2007.)