

**AMENDED AND RESTATED  
ADMINISTRATIVE CODE  
OF THE  
FOOTHILL/EASTERN TRANSPORTATION CORRIDOR AGENCY  
Revised September 2021**

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**ADMINISTRATIVE CODE**  
**FOR THE FOOTHILL/EASTERN**  
**TRANSPORTATION CORRIDOR AGENCY**

ARTICLE I. DEFINITIONS

For purposes hereof, the following words shall have the following meanings:

(a) “Agreement” means the Second Amended and Restated Joint Exercise of Powers Agreement dated March 18, 2003 creating the Agency, as amended from time to time.

(b) “Agency” means the Foothill/Eastern Transportation Corridor Agency formed pursuant to the Agreement.

(c) “Annual Budget” means the approved budget for administrative expenses of the Agency.

(d) “Board” means the governing body of the Agency.

(e) “Board Members” means those persons serving as members of the Board or their alternates.

(f) “Chair” means the person designated to preside at meetings of the Agency pursuant to Section 3.1(b) hereof:

(g) “Caltrans” means the California Department of Transportation.

(h) “Development Fees” means the fees imposed by Parties pursuant to the authority of Government Code Section 66484.3 to finance in part of the Foothill/Eastern Transportation Corridor.

(i) “Ex Officio Board Members” means Board Members who do not have a vote in Agency matters and whose presence shall not be counted in determining whether a quorum sufficient to transact Agency business exists.

(j) “Chief Executive Officer” means the chief operating employee selected by the Board to manage the day-to-day activities of the Agency. The Chief Executive Officer shall not be an employee of any individual Party of the Agency.

(k) “FHWA” means the Federal Highway Administration.

(l) “Fiscal Year” means July 1<sup>st</sup> to and including the following June 30<sup>th</sup>.

(m) “General Counsel” means the attorney(s) acting as general counsel to the Agency.

(n) “Holiday” means any day defined to be a state holiday according to Sections 6700 and 6701 of the Government Code, solely for the purpose of establishing Board meeting dates.

(o) “Party” means the County of Orange and each city signatory to the Agreement which has not withdrawn from the Agreement, including any public entity executing an addendum of the original Agreement.

(p) “Project Budget” means an approved budget for construction costs as defined in Government Code Section 66484.3. Construction costs include, but are not limited to, costs incurred in connection with the design, acquisition of rights-of-way, administration of construction contracts and actual construction of the Transportation Corridors. Project Costs do not include administrative expenses referred to in Government Code Section 66484.3, as amended by Chapter 839 of Statutes, 1985-1986 Regular Session of the Legislature which are hereby

administratively construed to consist solely of the office and other administrative expenses necessary for the day to day operations of the Agency.

(q) “San Joaquin Hills Agency” means the San Joaquin Hills Transportation Corridor Agency.

(r) “Foothill/Eastern Agency” means the Foothill/Eastern Transportation Corridor Agency.

## ARTICLE II. THE GOVERNING BOARD

2.1 Powers. The Board shall exercise all of the powers and authority of the Agency in furtherance of the purposes of the Agency as defined in the Agreement. Without limiting the generality of the foregoing, the Board shall have the power to do any of the following on behalf of the Agency:

(a) To exercise jointly the common powers of the Parties (i) to study and plan ways and means to provide for the design, financing and construction of the Foothill/Eastern Transportation Corridors, (ii) to lease, acquire, construct, maintain, repair, manage, operate and control facilities for the financing of and the imposing of fees for the planning and construction of major thoroughfares and bridges and for collection of tolls, and (iii) to plan for, acquire and construct environmentally-sensitive thoroughfares and bridges to conform to the technical standards of Caltrans and the FHWA whenever possible and/or desirable.

(b) To make and enter into contracts;



(c) To contract for the services of auditors, appraisers, engineers, attorneys, planners, financial consultants, and separate and apart therefrom to employ a Chief Executive Officer and such other persons as it deems necessary;

(d) To appoint agents;

(e) To lease, acquire, construct, manage, maintain and operate any buildings, works or improvements;

(f) To acquire, hold, or dispose of property by any lawful means, including without limitation, gift, purchase, eminent domain, lease, lease purchase or sale;

(g) To incur debts, liabilities or obligations subject to limitations herein set forth, including without limitation the issuance of bonds;

(h) To receive gifts, contributions and donations of property, funds, services and other forms of financial assistance from persons, firms, corporations and any governmental entity;

(i) To sue and be sued on behalf of the Agency;

(j) To apply for an appropriate grant or grants under any federal, state, or local programs for assistance in developing any of its programs;

(k) To adopt a seal and alter it;

(l) To appoint such officers and employ such employees and assistants as may be appropriate, who may also be, but are not required to be, officers and employees of the individual Parties;

(m) To exercise those powers authorized in Chapter 5 (commencing with Section 31100) of Division 17 of the California Streets and Highway Code in accordance with Government Code Section 66484.3;

- (n) To exercise such powers as are set forth in the Agreement; and;
- (o) To administer the Agency in furtherance of all of the above.

2.2 Organization.

- (a) The Board shall consist of the following;

- (i) One voting member from each city which is a Party, who shall each be a current member of the legislative body of the Party such Board Member represents.

- (ii) Three voting members from the County of Orange which members shall be the duly elected Supervisors for the Third, Fourth and Fifth County of Orange Supervisorial Districts.

- (iii) Any additional Ex Officio Board Members appointed by the Board from time to time.

- (b) Each participating Board Member shall also have an alternate, who must also be a current member of the legislative body of the Party such alternate represents. Notwithstanding the foregoing, the alternate to the Board Members representing the County of Orange shall be appointed by the appropriate Board Member and need not be members of the legislative body of the County. The name of the alternate Board Member shall be on file with the Clerk of the Board. After being duly sworn, an alternate Board Member shall assume all rights and duties of the absent Board Member.

- (c) Each Board Member and alternate shall hold office from the first meeting of the Board after appointment by the City Council or Board of Supervisors until a successor is named and qualified. Board Members and alternates shall be appointed by and serve at the pleasure of their appointing body and may be removed at any time, with or without cause, at the sole discretion of the legislative body of the Party such Board Member represents.

(d) If for any reason a Board Member is no longer a current member of the legislative body of the Party such Board Member represents, his alternate shall serve in his place until a successor is named and qualified. If no qualified alternate has been appointed, such Board Member shall continue to serve until the earlier of: (i) the appointment of his successor by such Party; or (ii) the end of the 60<sup>th</sup> day following the date such Board Member ceases to be a member of the legislative body of such Party.

(e) Unless prohibited by law from accepting compensation, each Board Member who is a member of a legislative body or an alternate not otherwise compensated for meeting attendance as part of their full time employment shall be compensated at the rate of \$120 per meeting for attending to the business of the Agency for a maximum of \$2,160 per quarter (18 meetings per quarter), per agency. Out-of-town travel shall be compensated at the rate of \$120 per day, subject to the same \$2,160 limit per quarter, per agency, and shall include reimbursement for necessary travel and personal expenses incurred in the performance of such Board Members duties. The amount of compensation payable to Board Members may be changed from time to time as approved by resolution of not less than two-thirds (2/3) of the Board Members. The Agency's Travel, Conference and Business Expense Policy is attached hereto as Appendix A.

2.3 Principal Office. The principal office of the Agency shall be established by motion of the Board and shall be located within the County of Orange. The Board may change said principal office from one location to another within the County of Orange.

2.4 Meetings.

(a) The Board shall meet at the principal office of the Agency or at such other place as may be designated by motion of the Board.

(b) Regular meetings of the Board shall be held on such day and time of each month as shall be specified by motion of the Board, unless such day is a holiday, in which case the meeting shall be held on the next regular business day approved by the Board.

(c) Regular, adjourned, and special meetings shall be called and conducted in accordance with the provisions of the Ralph M. Brown Act, Government Code Sections 54950 et seq., as it may be amended.

(d) At any regular meeting, the Board Members present, if less than a quorum of the Board may constitute themselves a “Committee of the Whole,” for the purposes of discussing agenda matters or any other matter of interest to the members present. The committee shall automatically cease to exist if a quorum of the Board is present at the meeting.

2.5 Quorum. Two-thirds (2/3) of the voting Board Members shall constitute a quorum for the purpose of the transaction of business relating to the Agency, and, except as otherwise provided herein, all official acts of the Agency shall require the affirmative vote of a majority of the voting Board Members present at a duly held meeting of the Board. In the event that a quorum is initially present at a duly held meeting but a quorum is not present throughout the meeting, the Board Members remaining may continue to take actions on behalf of the Board provided such action is approved by the number of Board Members otherwise required for such action assuming the presence of a quorum.

2.6 Board Meeting Best Practices and Procedures. A description of the procedures is attached hereto as Appendix B.

2.7 Simultaneous Board Meetings. The Agency may conduct its Board Meetings simultaneously with Board Meetings of the San Joaquin Hills Transportation Corridor Agency pursuant to procedures approved by the Boards of both Agencies, provided such meetings

are conducted in accordance with applicable laws, including without limitation of the Ralph M. Brown Act. A description of the procedures currently approved by the Board for such meetings is attached hereto as Appendix C.

### ARTICLE III. OFFICERS AND DUTIES

#### 3.1 In General.

(a) The Officers of the Agency shall consist of the Chair and a Vice Chair, each of whom shall be a Board Member, a Chief Executive Officer, a Chief Financial Officer, a Controller, a Clerk of the Board, a General Counsel and other such officers as the Board or Chief Executive Officer may appoint. Except for the Chief Executive Officer, any officer, employee or agent of the Board may also be an officer, employee or agent of any of the Parties, and the appointment by the Board of such person shall be conclusive evidence that the two positions are compatible.

(b) Appointment of Chair and Vice Chair. The Board at its first meeting of each calendar year to be effective as of each February 1<sup>st</sup>, and at such other time as there may be a vacancy, shall elect a Chair who shall preside at all meetings and a Vice Chair who shall preside in his/her absence.

(c) Appointment of Chief Executive Officer. The Chief Executive Officer shall be appointed by the affirmative votes of a majority of the Board Members present at a duly held meeting of the Board.

(d) Removal of Officers. The Chief Executive Officer, Chief Financial Officer, Controller, Clerk of the Board and General Counsel may be removed by the affirmative vote of a majority of the Board Members present at a duly held meeting of the Board.

(e) Duties of Various Officers.

(i) Duties of Chair. The Chair shall, if present, preside at all meetings of the Board and shall exercise and perform such other powers and duties as may from time to time be assigned to the Chair by the Board or as prescribed herein. Annually or as needed, the Chair, together with the Chair of the San Joaquin Hills Transportation Corridor Agency, shall make/review external appointments to other agencies to assure TCA is adequately represented. The external appointments to other agencies will be reported at a subsequent Joint Boards of Directors meeting as a “receive and file” item. This includes the Orange County Council of Governments and the Southern California Association of Governments and may include other organizations in the future.

(ii) Duties of the Vice Chair. The Vice Chair shall perform the duties of the Chair in his/her absence and, when so acting, shall have all the powers of and be subject to all the restrictions enacted upon the Chair and shall exercise and perform such other powers and duties as may from time to time be assigned his/her by the Board.

(iii) Chair Pro Tempore. In the event of the absence, or inability to act, of the Chair and Vice Chair, the Board Members present at any meeting of the Board, by resolution entered in the minutes, shall select one of their members to act as Chair Pro Tempore, who, while so acting, shall have all of the authority of the Chair.

(iv) Duties of Chief Executive Officer. The Chief Executive Officer shall be a full-time officer of the Agency. The powers and duties of the Chief Executive

Officer are:

A. To have full charge of the administration of the day-to-day business affairs of the Agency;

B. To administer the personnel system of the Agency as set forth in the Employee Handbook and Personnel Policies approved by the Board, including hiring, controlling, supervising, promoting, transferring, suspending with or without pay or discharging any employee, laying-off employees for lack of work or lack of funds, and creating or eliminating such positions as are within the approved budget for the Agency;

C. To act as the purchasing agent for the Agency with powers to be exercised in the manner governing the exercise of the powers of the purchasing agent of the City of Irvine, and in accordance with the Board approved Contracts and Procurement Services Policies and Procedures manual;

D. To keep the Board advised as to the needs and the status of the operations of the Agency;

E. To see that all rules, regulations and resolutions of the Agency are enforced;

F. To execute and deliver contracts and agreements on behalf of the Agency following such approvals as may be required hereunder and to administer Agency contracts;

G. To prepare and distribute the agenda for all Board meetings;

H. To undertake such other duties, powers and responsibilities as may from time to time be assigned to him by the Board; and

I. To accept and consent to deeds or grants conveying any interest in or easement upon real estate to the Agency pursuant to Government Code Section 27281 and to prepare and execute certificates of acceptances therefor from time to time as Chief Executive Officer determines to be in furtherance of the purposes of the Agency.

(v) Duties of Chief Financial Officer and Controller. The Chief Financial Officer shall perform the duties and responsibilities of the position of “treasurer” set forth in the Agreement. The Controller shall perform the duties and responsibilities of the position of “auditor” set forth in the Agreement. The Chief Financial Officer and the Controller shall hold and manage the funds of the Agency. These offices may be held by separate officers or employees or may be combined and held by one such officer or employee, to the extent permitted by law, as prescribed by the Board. Such person or persons shall perform the treasurer and auditor functions, respectively, for the Agency and perform those functions required by Government Code Section 6505, 6505.5 and 650.6, including any subsequent amendments thereto. As soon as practical after the end of each fiscal year, the Chief Financial Officer and Controller shall cause an audit of the financial statements of the Agency for the preceding year to be prepared by a Certified Public Accountant approved by the Board, and such audit shall be submitted to the Board.

(vi) Duties of Clerk of the Board. The Clerk of the Board shall perform the duties and responsibilities of the position of the “Secretary” set forth in the Agreement. The Clerk of the Board, or the Chief Executive Officer’s appointed designee, shall provide for the secretarial services required by the Board, including keeping a book of minutes of all meetings of the Board, giving notice of all meetings as may be required by law or action of the Board, and shall perform such other duties as may be prescribed by the Board.



3.2 Committees. The Board may, as it deems appropriate, appoint committees to accomplish the purposes set forth herein. Each committee shall by majority vote elect a Chair at its first meeting and annually thereafter in the month following the election of Board officers, or from time to time as required. Committee meetings shall be scheduled by the Chief Executive Officer as needed. Any meeting of such committee shall be deemed to be a meeting of the Agency for purposes of compensation of the members of such committee only. With the exception of the San Joaquin Hills Operations and Finance Committee, the number of Board Members serving on each committee of the Board shall be limited to no more than one member less than a majority of the full Board. The Agency may appoint up to one member less than a majority of the Board to serve on each Joint Committee, as set forth below. A majority of the members of any committee shall constitute a quorum. In the event that a quorum is initially present at a committee meeting but a quorum is not present throughout the meeting, the members may continue to take action on behalf of the committee provided such action is approved by the number of members otherwise required for such action assuming the presence of a quorum. All committee meetings shall be open to all Board Members, unless the presence of Board Members who are not members of such committee would violate the provisions of Government Code Section 54950 et seq., as amended. The Chairs may also, from time to time, create such ad hoc committees as it deems appropriate in accordance with applicable laws, including without limitation of the Ralph M. Brown Act. A description of the committees currently approved by the Board is attached hereto as Appendix D.

3.3 Bonding Requirements. The officers or persons who have charge of, handle or have access to any property of the Agency shall be so designated and empowered by the Board. Each such officer or person shall be required to file an official bond with the Board, or the Agency may purchase a government crime or employee dishonesty insurance policy, including faithful

performance in accordance with Section 1463 of the Government Code. The amount of the bond or insurance shall be based upon advise from the Agency's Board approved insurance broker. The premiums on any such bonds or insurance attributable to the coverage required herein shall be expenses of the Agency.

3.4 Status of Officers and Employees. All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, and exemptions from pension, relief, disability, worker's compensation and other benefits which apply to the activities of officers, agents, or employees or any of the Parties when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties for the Agency. None of the officers, agents or employees appointed by the Board shall be deemed, by reason of their employment by the Agency, to be employed by any of the Parties or to be subject to any of the requirements of such Parties.

3.5 Compensation. Compensation of the Chief Executive Officer shall be as provided for from time to time by the Board. Compensation for all other Agency employees shall be determined by the Chief Executive Officer; provided that the compensation is within the budget approved by the Board.

#### ARTICLE IV. REVENUES

4.1 Payment to Agency of Overhead and Administrative Expenses.

(a) The Board may authorize an audit of any Party to determine whether said Party's payment of fees accurately reflect such Party's obligation under the Agreement. Unpaid fees shall bear interest at a rate equal to the Orange County Treasurer's Co-mingled rate.

4.2 Compensation of Agency for Acquisition of Rights-of-Way. When it is within its power to do so, each Party shall be individually responsible for the preservation and acquisition by dedication pursuant to Title 7, Divisions 1. and 2. of the Government Code of rights-of-way and similar property interests within its territory which are necessary to accomplish the purposes of the Agreement. In the event that a Party fails to acquire said rights-of-way and property interests by the above mentioned means after the route alignment for the Foothill and Eastern Transportation Corridors is established and accepted by the Agency, or fails to preserve such rights-of-way and property interests by the above-mentioned means which were established by the County of Orange prior to such establishment and acceptance by the Agency, that Party shall compensate the Agency for all costs (including attorney's fees) incurred by the Agency in acquiring said rights-of-way and property interests.

4.3 Other Revenues. The Agency, from time to time, may assess and collect such other fees and revenues as the Board deems appropriate in order to carry out the purposes of the Agency, may apply for and receive grants or other funds from the state and federal governments and may issue bonds and other securities. Bonds shall be issued in accordance with the procedures and requirements set forth in Articles 2 and 4, Title 1, Division 7 of the Government Code of the State of California (commencing at Section 6540) and Government Code Section 66484.3, as appropriate.

## ARTICLE V. CONTRACTS

5.1 General. The Agency may enter into contracts of any nature whatsoever, including, but not limited to, contracts to indemnify and hold harmless, to employ labor, and to do

all acts necessary and convenient for the full exercise of its powers. The Agency may contract with any public agency or with any person upon such terms and conditions as the Board finds are in the best interests of the Agency.

5.2 Approval. Every contract shall be approved in accordance with the Board approved Contracts and Procurement Services Policies and Procedures Manual.

5.3 Policies and Procedures. In the event that the Agency desires to enter into a type of contract for which the Agency has no current published policies and procedures, the Agency may elect to award such contracts in accordance with the applicable Caltrans procedures.

5.4 Personal Property Purchases. The Chief Executive Officer may elect for the Agency to purchase personal property, with the Chief Executive Officer exercising the powers of Purchasing Agent in accordance with the Contracts and Procurement Services Policy and Procedures Manual of the Agency.

5.5 Agreements with Other Transportation Corridor Agencies and Other Public Agencies and Procedures for Award of Joint Contracts. The Board may make and perform any agreement to join with any other major thoroughfare and bridge fee program joint powers agency, Mello-Roos Community Services District or any other agency, district, authority, city or county, in the planning, designing, financing, construction and operation of such major thoroughfares and bridges. The Agency may agree to provide services to or obtain services from such other agencies, districts, authorities, cities or counties upon the approval of the Board, pursuant to a written agreement. In the event the Agency joins with the San Joaquin Hills Agency to award a contract jointly, the Chief Executive Officer shall recommend to the Boards of the Agencies the apportionment of costs of the contract.

## ARTICLE VI. BUDGETS, REPORTS, INVESTMENTS AND DISBURSEMENTS

6.1 Annual Budget. Each year no later than June 30<sup>th</sup>, the Board shall adopt by motion the Annual Budget(s) for the ensuing fiscal year. Approval of not less than two-thirds (2/3) of the Board Members shall be required for adoption of the Budget and any amendments thereto.

6.2 Project Budgets. In addition to the Annual Budget, the Board may by motion establish Project Budgets at any time for the study, implementation or construction of the Foothill/Eastern Corridors project or any portion thereof. Each project budget shall include all project costs specifically defined other than those administrative expenses referred to in Government Code Section 66484.3, as amended from time to time, payable from fees pursuant to an ordinance adopted pursuant to Section 66484.3(c) of the Government Code and other revenues including but not limited to the following:

(a) estimated administrative expenses (in excess of those budgeted in the Annual Budget) allocated to the project during planning and construction;

(b) estimated costs of studies and planning for the project;

(c) estimated costs of the engineering and construction of the project;

and

(d) estimated costs of annual maintenance and operating expenses, pending transfer of the project to the State of California.

6.3 Disbursements. The Controller shall draw checks upon the approval and written order of the Board, or the Chief Executive Officer when authority for approval of checks has been delegated to the Chief Executive Officer by the Board, or as otherwise provided herein.

6.4 Books of Accounts. Full books and accounts shall be maintained by the Agency in accordance with practices established by, or consistent with, those utilized by the Controller or the State of California for like public entities. In particular, the Controller and Chief Financial Officer shall comply with the requirements of the statute governing joint powers agencies, Chapter 5, Division 7, Title 1 of the Government Code, commencing at Section 6500.

6.5 Expenditures. The Board's approval of an annual budget shall be deemed approval of any expenditures made in accordance with the approved budget. Any increases to the approved annual budget shall be made only upon the approval of not less than two-thirds (2/3) of the Board Members. Expenditures for travel, conference and business-related activities and reimbursement of Board Members and Agency employees for such expenditures shall be governed by the Travel, Conference and Business Expense Policy attached to this Code as Appendix A.

6.6 Reports and Audits. The Controller and Chief Financial Officer shall cause to be prepared by an independent auditor as provided in Section 3.1 (e) (v) hereof, and shall submit to the Board the annual audit reports required by Government Code Section 6505, the quarterly reports required by Section 6505.5, and any other financial reports requested by the Board. The annual reports shall be filed with the County Auditor-Controller, State Controller, and each Party no later than fifteen (15) days after receipt of the audit by the Board, and the quarterly reports required by Section 6505.5 shall be delivered to the Parties on or before the last day of each quarter with respect to the prior quarter's receipts and expenditures.

6.7 Investment of Funds. All funds of the Agency will be invested in the manner and upon the conditions set forth in Government Code Section 53601, and the receipt, transfer or disbursement of such funds during the term of the Agreement shall be accounted for in accordance with generally accepted accounting principles applicable to governmental entities.

There shall be strict accountability of all funds, and all revenues and expenditures shall be reported to the Board.

## ARTICLE VII. DEVELOPER FEES

### 7.1 Annual Review of Developer Fee Schedule.

(a) On July 1 of each year, the fee schedule for the Major Thoroughfare and Bridge Fee Program shall increase in accordance with the terms of Resolution S97-05, adopted June 1997, and shall be imposed by each Party effective July 1. The Board may, upon approval of not less than two-thirds of the Board Members, modify the fee schedules to be imposed by the Parties. If an alternate fee schedule is approved by the Board, each Party shall impose said revised fee within sixty days of its adoption by the Board and shall continue to impose and collect said fees in accordance with the Agreement and any applicable bond trust indentures.

### 7.2 Disputed Assessments.

(a) In the event that any person who has paid fees wishes to dispute the amount of fees assessed under the fee program, such person may, within ten (10) days following the date on which the Fee is required to be paid, submit a letter to the Chief Executive Officer setting forth in detail the factual and legal basis for the dispute. The Party disputing the Fee and the Chief Executive Officer, or the Chief Executive Officer's designee shall attempt to reach a resolution of the dispute. If a resolution is reached, it shall be set forth in a written agreement between the person disputing the Fee, the Agency and the Party imposing the Fee. If no resolution is reached within thirty (30) days following submittal of the disputing person's letter to the Chief Executive Officer, the Chief Executive Officer shall communicate to the disputing Party, in

writing, a decision on the dispute. If the person who disputes the Fee wishes to appeal the decision of the Chief Executive Officer, such appeal shall be presented to the Board in accordance with the provisions of Section 7.2(b) through (f).

(b) An appeal of the Chief Executive Officer's decision must be presented in writing to the Board not later than thirty (30) days following issuance of the Chief Executive Officer's decision, and may only be presented if the Fee at issue has been paid in full. If a written appeal is not timely presented, the Chief Executive Officer's decision shall be final. An appeal shall be presented by filing with the Board, at the Agency's principal place of business, an original and thirteen (13) copies of a detailed statement of the factual and legal basis for the appeal, together with any supporting documentation. The appeal shall be signed by the person disputing the Fee or some person on its behalf setting forth their authority to sign. No appeal shall be accepted which does not comply with these rules unless the Chair of the Board directs otherwise in writing.

(c) Preliminary matters such as setting a date for hearing, granting continuances, approving petitions for filing, allowing amendments and other preliminary rulings not determinative of the merits of a case may be made by the Chair of the Board without a hearing or meeting of the Board and without notice. The hearing date shall not be more than thirty (30) days after the appeal is filed unless no quorum of the Board can be secured within such time, in which case the hearing shall be held as soon as possible after the filing of the petition. When the hearing date is set, the Clerk of the Board shall mail or deliver a notice to the person disputing the Fee and the Party that imposed the fee being disputed, showing the date, time and place of the hearing.



(d) The staff of the Party which imposed the Fee being disputed and the Chief Executive Officer, or the Chief Executive Officer's designee, may submit a response to the appeal, with a copy to the person disputing the Fee, not less than five calendar days before the hearing, which document shall be served in the same manner as the petitions.

(e) The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of business affairs, regardless of the existence of any common law or statutory rule which may make admission improper. Oral evidence shall be taken only on oath of affirmation. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions. The rules of privilege shall be effective to the same extent that they are recognized in civil actions, and irrelevant and unduly repetitious evidence shall be excluded. The Board may take administrative notice of any matters which may be judicially noticed by the courts of this state.

(f) A quorum of the Board shall be required for a hearing. A decision of the Board shall require the concurring vote of a majority of the members present and qualified to vote. In the event that a majority of such members cannot agree, the appeal shall be denied. Board decisions shall be made in writing within ten (10) calendar days after the conclusion of the hearing. Each decision shall contain a brief statement of facts found to be true, the determination of issues presented, findings and the order of the Board. A copy shall be promptly mailed or delivered to the person disputing the Fee and to the Party which imposed the Fee being disputed and shall be made available to the public upon request. The Chair of the Board may, in his or her discretion, enter into an agreement with the Party disputing the Fee, extending the time for an

action to attack, review, set aside, void or annul the imposition of the Fee under Government Code Section 66020(d)(2), in order to allow the appeal process to be completed.

7.3 Approval of Developer Fee Credits.

(a) Prior to the application of any developer fee credits against developer fees assessed by a Party pursuant to the Major Thoroughfare and Bridge Fee Program, the calculation of the credits shall be submitted to the Chief Executive Officer for review and approval.

(b) In the event the Chief Executive Officer disapproves the calculation of any developer fee credits submitted for approval, or in the event the person entitled to the developer fee credits wishes to dispute the calculation of the credits, the matter shall be referred to the Board for review and a determination of the correct calculation of the credits. The procedures for consideration of calculation of the developer fee credits by the Board, shall be conducted in accordance with the procedures for disputed assessments set forth in Section 7.2 above.

ARTICLE VIII. CONFLICTS OF INTEREST

8.1 Incorporation of Model Code Regarding Conflict of Interest. The Political Reform Act (Government Code Sections 81000 et seq.) requires state and local government agencies to adopt Conflict of Interest Codes. Pursuant to the Political Reform Act, the Fair Political Practices Commission has promulgated a regulation, (2 Cal. Admin. Code Section 18730) which sets forth a standard Conflict of Interest Code. The standard Conflict of Interest Code may be incorporated by reference by local agencies and may be amended from time to time by the Fair Political Practices Commission to conform to amendments to the Political Reform Act.

The standard Conflict of Interest Code as set forth in 2 Cal. Admin. Code Section 18730, and any amendments thereto duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with Appendix “E” and Appendix “F”, in which positions are designated and the disclosure categories are set forth, constitute the Conflict of Interest Code of the Agency. Pursuant to Section 4 of the standard Code, designated employees shall file statements of economic interests with the Agency filing official, who will make the statements available for public inspection and reproduction (Cal. Gov. Code § 82008). The Agency filing official will retain the originals for all Agency officers and designated employees.

8.2 Agency Code of Conduct. The Agency’s Code of Conduct is attached hereto as Appendix G.

#### ARTICLE IX. TERMINATION AND DISPOSITION OF ASSETS

9.1 Termination. Upon termination of the Agreement the Board shall continue to exist for the purposes of disposing of all claims, payment of debt service with respect to bonds which have been issued or which have been authorized for issuance and satisfaction of other covenants contained in the resolution and trust indenture relating to said bonds, reimbursement owed to financial institutions which have secured such bonds or other parties advancing funds to the Agency and satisfaction of other covenants contained in reimbursement agreements with such financial institutions, establishment and collection of tolls and development fees, the maintenance of toll collection facilities and the Foothill/Eastern Transportation Corridors in accordance with the California Department of Transportation agreements, distribution of assets and all other

functions necessary to conclude the affairs of the Agency, as required by Section 10.1 of the Agreement.

9.2 Distribution of Property and Funds. In the event of the termination of the Agreement:

(a) Any property interest remaining in the Agency following the discharge of all obligations shall be disposed of as the Board shall determine with the objective of returning to each Party or former Party a proportionate share of the contributions made of such properties by such Parties, provided however that said property interests also shall be utilized to construct major arterial transportation facilities which accomplish the purposes of the Foothill/Eastern Transportation Corridors, to the extent legally possible.

(b) Any funds remaining following the discharge of all obligations shall be disposed of by returning to each Party (excluding withdrawn Parties as provided in the Agreement) a proportionate share of such funds equal to the percentage of the contribution made by each Party, less each Party's proportionate share of previous distributions, if any, provided that such funds shall be expended to construct major arterial transportation facilities which accomplish the purposes of the Foothill/Eastern Transportation Corridors, to the extent legally possible.

9.3 Code Requirements. All distributions under this Article IX shall be subject to the requirements of Section 6512 of the Government Code to the extent applicable.

ARTICLE X. PROCEDURES FOR IMPLEMENTING THE CALIFORNIA  
ENVIRONMENTAL QUALITY ACT

10.1 Authority, Purpose and Implementation. The Agency's Procedures for Implementing the California Environmental Quality Act is attached hereto as Appendix H.

ARTICLE XII. MISCELLANEOUS

11.1 Votes of the Parties. The vote, assent, or approval of the Parties in any matter requiring such vote, assent or approval shall be evidenced by a certified copy of the action of the governing body of such Party filed with the Agency. It shall be the responsibility of the Chief Executive Officer to obtain certified copies of said actions.

11.2 Amendments. This Code may be amended with the approval of a majority of the Board Members.

11.3 Partial Invalidity. If any one or more of the terms, provisions or sections hereof shall to the extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions and sections shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

11.4 Interpretation of Sections That Are Based on Agreement Provisions. Sections of this Code that are based upon or that paraphrase provisions of the Agreement have been included herein for reference purposes only. In the event of conflict between the Agreement

and this Code, the Agreement shall in all events control, and no section of this Code shall be deemed to have changed the Agreement.

11.5 Procedures and Limitations. Except for those powers authorized by Section 6584 et seq. and Section 66484.3 of the Government Code, the Agency shall be subject to the restrictions upon the manner of exercising its powers of the City of Irvine, provided that in connection with the adoption of an ordinance by the Agency, a full reading of the ordinance at any meeting shall only be required if requested by a majority of the Board Members present and voting.

**APPENDIX A**  
**TO THE AGENCY ADMINISTRATIVE CODE**  
**TRAVEL, CONFERENCE, AND BUSINESS EXPENSE POLICY**

San Joaquin Hills Transportation Corridor Agency and  
Foothill/Eastern Transportation Corridor Agency

**PURPOSE**

This policy provides guidelines and establishes procedures for reimbursement of business travel and related expenses when traveling, attending conferences, or otherwise conducting business for the Transportation Corridor Agencies (“the Agency”). Although references in this policy are to employees, the same guidelines and procedures apply to Board Members and to individuals under contract to the Agency for which the approved contract provides for reimbursement of travel, conference, and business expenses.

Employees traveling on TCA business may be reimbursed for costs associated with transportation, hotel accommodation and services, as needed, which meet reasonable and adequate standards for convenience, safety and comfort. Employees are expected to use discretion and good judgment regarding expenses charged to TCA. While this policy does contain suggested expense limits, all employees should use professional judgment when incurring expenses on behalf of the Agency. The purpose of these guidelines is designed to accomplish the following:

- Ensure all employees have a clear and consistent understanding of policies and procedures for business travel, conference, entertainment and related expenses.
- Ensure employees are using economical and well documented procedures.
- Ensure employees are reimbursed for legitimate business travel and other business expenses and provide business travelers with a reasonable level of service and comfort at the lowest possible cost.
- Provide the appropriate level of accounting and business controls for the Agency to ensure that expenses are reviewed and approved in a consistent manner.

**POLICY**

The employee is responsible for reading and complying with this Travel, Conference, and Business Expense Policy, which includes completing a Travel Authorization Form and obtaining the appropriate approvals and signatures prior to the date of travel. The Travel Authorization Form must list the destination, purpose for the trip, departure and return dates, and the estimated costs for transportation, meals, lodging, conference registration and other expected expenses, as well as the amount of any travel advance requested.

Employees must file an itemized expense report using the Agency Travel and Expense Report, no later than thirty (30) days following the completion of a trip or of incurring the expense. Expenses not filed within the 30-day timeframe may not be reimbursed. The manager who approves and

signs the expense report is responsible for accurately reviewing the report and ensuring it complies with this policy.

The expense reporting and reimbursement procedure should not be used for expense items more appropriately purchased through a check request, purchase order or contract. Please refer to the Agency Contracts and Procurement Services Policies and Procedures (CAPS) Manual for requisition and purchasing policies for these items.

The Agency's annual budget includes amounts for anticipated travel. In the event travel is necessary in excess of the Board's approved budget(s), the Board Chair(s) may approve such travel, which will be presented for ratification to the Agency Board at the earliest possible date.

## **PROCEDURE**

### **Definitions**

- A. Local Area Travel – travel within Orange County and the adjacent areas of Los Angeles County, San Bernardino County, Riverside County, and San Diego County, which does not require air travel or an overnight stay.
- B. Out of Area Travel – all travel outside of the Local Area and/or requiring air travel or an overnight stay.
  - i. North American Travel – Out of Area Travel within the United States, Canada and Mexico
  - ii. International Travel – Out of Area Travel outside of North America

### **Travel Authorization**

Local Area Travel shall be approved by the Chief Executive Officer (CEO), Executive Team member, or Designee.

Regardless of the level of the employee, Out of Area Travel requires completion and approval of a Travel Authorization Form prior to making travel arrangements. The Travel Authorization Form must be approved and signed as specified below.

- A. Staff and manager level employees - employee's direct manager and the department Executive or CEO must approve travel.
- B. Executive Team Members – CEO must approve travel.
- C. CEO - must obtain approval for travel from both Chairs of the Boards unless travel is only to be charged to one of the Agencies. If unexpected travel occurs, the Chairs of the Boards may approve afterwards for the CEO, but reimbursement of expenses cannot be guaranteed.
- D. Board members - must obtain approval from their respective Board Chair. Board Chairs will obtain approval from their respective Vice Chair.



For any North American Travel outside of the United States, approval must be obtained from the Chair of each Board unless travel is only to be charged to one of the Agencies. For International Travel, approval must be obtained from both Boards, unless travel is only to be charged to one of the Agencies. Reimbursement for travel outside the United States will be calculated at the exchange rate incurred for each transaction.

In limited circumstances (such as when the employee must expend substantial funds or spend his own funds well in advance of when the trip will be completed), the employee may request a travel advance. Travel advances must be requested timely, and approved through the Accounts Payable check request process. Travel advances will not be less than \$100 nor more than the estimated expenses listed on the approved Travel Authorization Form that the employee will pay out-of-pocket (i.e., non-TCA credit card expenses). A copy of the approved Travel Authorization Form must be included in this request. Any excess advance payment that exceeds the cost of travel must be returned to TCA when the employee submits the related expense report. Only those charges incurred above and beyond the amount of the travel advance used will be reimbursed. The amount of the travel advance provided should be included when the employee submits their expense report. Travel advances must be refunded immediately if an authorized trip is canceled or indefinitely postponed.

Requests for prepayment of conference/seminar fees should be submitted timely. Alternatively, employees may personally pay registration fees and seek reimbursement as indicated below.

If the total cost of a trip exceeds the amount listed on the Travel Authorization Form, justification and documentation of the excess cost must be approved by the CEO or designee. In the absence of a satisfactory explanation and approval thereof, any amount in excess of the estimated cost approved on the Travel Authorization Form will not be allowed. For Board Members, review and approval of excess costs will be completed by the Clerk of the Board (COB). For the CEO, review and approval of excess costs will be completed by the Chief Financial Officer (CFO).

### Expense Reporting

All expenses of more than \$25 must be accompanied by an original receipt. All expense documentation, including for those charges less than \$25, must include:

- The business reason for the expense
- Date and location of the expense
- Provider of the expense
- Any and all participants related to this expense

At a minimum, employees must provide the following documentation in order to be reimbursed for any business-related expense:

- Air – passenger receipt.
- Hotel- hotel folio plus credit card receipt or other proof of payment.
- Car Rental – credit card receipt or rental agency invoice showing payment in full.
- Meals – credit card receipt for expenses of \$25.00 or more with detailed receipt.

When a receipt is not available, a full explanation of the expense and the reason for the missing receipt is required. No reimbursement will be made for an unsubstantiated expense over \$25. To facilitate accurate reimbursement and to stay within this guideline, expenses for tips to porters, doormen, bell hops, etc. that typically are not accompanied by a receipt should be reported on the expense reimbursement form on the approximate day that they occurred rather than as a lump sum over a time period.

As a general rule, credit card statements are not accepted as receipts, except in a case where there is no other reasonable method to obtain a receipt (e.g., ACH payments, lost original receipts, etc.). Electronically delivered receipts (fax, email, Internet) will be accepted as long as the receipt indicates valid vendor information, date(s) and types of services provided or product(s) purchased and evidence that the employee paid the invoiced amount.

All expense reports should be submitted using the TCA Travel and Expense Report. The report must be filed no later than thirty (30) days following the completion of a trip or of incurring the expense. Expenses not filed within the 30-day timeframe may not be reimbursed. The approved Travel Authorization Form should be submitted with the TCA Travel and Expense Report.

A report should be filed for each trip and contain all expenses associated with that trip, including any credit card payments made using a TCA credit card, any travel advances or other TCA cost so that the report provides a complete record of expenses. This will facilitate calculating the total cost for the trip (e.g., expenses reimbursable to the employee + credit card charges paid by TCA). Credit card receipts should be filed with the Travel and Expense report. The Executive Team member (ET) for the employee's department must approve all expense reports and is responsible for verifying:

- Appropriate business purpose for each expense
- Correct totals in each column and row
- Supporting documentation and receipts is appropriate to the expense and in accordance with this policy
- Overall compliance with this policy

The CFO will approve expense reports for the CEO and the Clerk of the Board will approve expense reports for Board Members.

## Use of Agency Credit Cards

The Agencies have two credit card accounts intended for convenience and efficiency in booking airfare and other travel expenses. The accounts also can be used to pay other incidental expenses, as appropriate. One card is administered by the Finance department for staff members and one card is assigned to the CEO. The credit cards are to be used only to acquire goods and services which are appropriate for the conduct of the Agencies' business.

Prior to using the Finance card account, a Credit Card Purchase Request form must be completed and approved. Approvals include the originator, department Director, Budget Manager, Controller, Executive (if over \$2,500) and CEO (if over \$10,000). The Controller retains the Finance credit card. Once a valid approved request is received, the Controller will provide the card to the employee for the designated use. After the purchase is made, the card must be returned to the Controller.

The CEO credit card is retained by the CEO and use of the CEO card is normally reserved for the CEO and the CEO's Administrative Assistant for Agency business. Prior to using the CEO credit card for purchases made in advance of travel, a Credit Card Purchase Request form should be completed by the purchaser and approved by the CEO.

Any item appearing on the list of non-reimbursable expenses below also is prohibited from being purchased using an Agency credit card. Any purchases made using an Agency credit card must follow the same Contracts and Procurement Services (CAPS) Manual authorization requirements that would apply if the purchase were being paid through a check request, purchase order or contract.

## General Expectations

Employees are expected to use sound judgment in selecting choices for travel, including airfare, hotels, restaurants, etc. Expenses considered unreasonable or excessive will be questioned and may not qualify for reimbursement.

In certain cases, an employee may combine a vacation or other personal element within a trip conducted primarily for TCA business purposes. Care should be taken to segregate personal expenses and exclude them from the request for reimbursement of the expenses required for TCA business. For example, if an employee is accompanied on a business trip by a spouse, he/she should be careful to exclude any incremental costs that would not have been incurred if traveling alone. Reimbursement will only be made for single occupancy room rates.

Frequent flyer or hotel affinity program benefits may be earned in connection with TCA travel and retained by the employee but should not be the basis for selection of an air carrier, hotel accommodation or car rental unless the choice is less than or equal in cost to the lowest acceptable alternative. Further, the employee may elect to utilize upgrades available through these programs, but should ensure that there is no additional reimbursement required by TCA as a result. TCA will not purchase frequent flyer miles or affinity program points from employees or reimburse them for travel purchased with these items.

## Air Travel

Employees are expected to use the lowest reasonable airfare available, consistent with business efficiency and safety. Airline tickets should be booked in advance whenever possible in order to take advantage of lower airfare and any discounts. Employees are expected to use non-direct flights when the savings are substantial.

Tickets must generally be purchased in Coach/Economy Class. For airline flights greater than four hours (excluding connection times) or based on seat availability, premium economy class accommodations may be acceptable, but should be preapproved through the travel authorization process discussed above. The cost of upgrades to First class or other premium level tickets will be at the expense of the employee, unless business circumstances dictate otherwise.

The Agency will reimburse airline surcharges such as checked or excess baggage fees, change fees, seat selection fees, priority boarding fees, and choice seats when the expense is reasonable and necessary to accommodate traveler physical needs or comfort. Whenever possible, these fees should be included on the travel authorization form and be preapproved. Airline surcharges not on the approved travel authorization form may not be reimbursed depending upon the circumstances of travel.

Travel extended to save airfare cost (i.e. Saturday night stay) may be reimbursed when the cost of the airfare plus additional expenses associated with the extended stay (i.e. additional lodging, meals) is equal or less than the cost of the airfare had the employee not extended the trip. A justification statement documenting these savings must be attached to the expense report.

For electronic tickets, employees should obtain a receipt when obtaining a boarding pass. When using a kiosk or on-line check in, employees should request a receipt. For paper tickets, the passenger receipt is required. A substitute to the above is a copy of the reservation confirmation showing the price of the ticket from the internet booking and evidence of payment.

In the event an airfare ticket needs to be rescheduled, the employee must receive approval from their direct manager in order to be reimbursed for the additional cost. The employee must contact the ticket issuer prior to the flight departure time to preserve the value of the unused ticket. In the event an airfare ticket paid for by the Agency needs to be canceled and is non-refundable, the ticket, or a copy of the ticketing information if not a paper ticket, should be provided to their department Administrative Assistant for tracking purposes. Employees should inquire with their department Administrative Assistant about availability of unused airline tickets prior to making air travel reservations.

Charges resulting from failure to cancel reservations in accordance with the carrier's rules and time limits usually will not be reimbursed, unless it can be shown that such failure resulted from circumstances beyond the employee's control.

Unused tickets should be applied to future travel as soon as practical and prior to the ticket's expiration. Any employees terminating their employment with TCA, voluntarily or involuntarily, are responsible for ensuring that credits for unused tickets are appropriated back to TCA and must advise their manager of any such credits timely.

Transportation Security Administration (TSA) Pre-Check enrollment program fees are a reimbursable expense for Agency employees who take or anticipate taking four (4) or more Out of Area Travel trips per year. The CEO or CFO must pre-approve this expense.

### Car Rental /Other Ground Transportation

Employees may rent a car to get to their destination when driving is the most cost effective means of transportation and is less expensive than other transportation modes such as taxis, shuttles, ridesharing services or public transit. Whenever multiple employees are traveling together, every effort to carpool should be made. The size and type of rental car should be appropriate for the number of people and road conditions on which it will be used. A mid-sized car or smaller should be rented, unless business reasons dictate a larger vehicle.

For rentals within the United States and Canada, optional insurance coverage should be declined, as an employee traveling on TCA business and with a valid driver's license will be subject to coverage under TCA's insurance policy. Any accidents should be immediately reported to the local authorities as required, local rental car office, TCA Human Resources, and the employee's manager at TCA.

Every reasonable effort must be made to return the rental car (1) to the original rental city unless approved for a one-way rental, (2) intact (i.e., no bumps, scratches, or mechanical failures), (3) on time, to avoid additional hourly charges, and (4) with a full tank of gas. The tank should be filled at a gas station just prior to delivery. In lieu of this requirement, the employee may take out the gas option at the time of rental provided that the car is then turned in with a low tank of gas.

All reasonable and necessary limousine, taxi, shuttle, ridesharing, bus, subway and other public transportation will be reimbursed if for a business purpose. Employees should exercise judgment in determining the most reasonable cost alternative based on personal safety, the length of the stay and the geographic area. All rail transportation should be in economy class, when available.

From time to time, it may be necessary for an employee to utilize their personal vehicle for company business travel. TCA reimburses the current standard mileage rate as published by the Internal Revenue Service (IRS). Mileage incurred in connection with TCA business is reimbursable to the extent that it exceeds the employee's normal commuting mileage to/from his home to the TCA office where he normally works. The driver must carry liability insurance as required by the State of California. Property damage to an employee's vehicle when used for business purposes, which is not due to the fault of the employee, shall be compensated as follows:

1. Reimbursement for such property damage up to \$500, or the amount of the deductible on their auto insurance policy, whichever is the lesser amount, for each accident/incident.
2. The Agency will take an assignment of subrogation rights up to the amount reimbursed to the employee, for recovery of such sums from third parties, known or unknown, at the time of such payment.

Mileage reimbursement for Out of Area Travel trips shall not exceed the cost of the most economical direct airline fare to the same destination. Use of Agency vehicles shall be in accordance with the Agency Vehicle Policy Statement, as amended periodically.

### Parking/Tolls

Tolls, ferry, and parking fees incurred while on TCA business will generally be reimbursed. Employees are encouraged to utilize lots when parking personal vehicles while traveling on business. Airport long term parking should be used for travel exceeding 72 hours. TCA will reimburse the lesser of the parking cost for a personal auto left at the airport or the cost of a shuttle service or cab to and from the airport. Parking violations are not considered a reimbursable expense. Valet parking should not be used unless required for a business purpose.

### Lodging/Hotel

Hotel reservations should be made in such a manner as to secure the best available rate. Hotels of moderate and reasonable comfort should be sought, rather than deluxe or luxury hotels. Each employee should use their best judgment in selecting a location and hotel recognizing that their health and safety are of paramount importance. The Federal Per Diem Rate (GSA) authorized for lodging at that location should be used as a benchmark for what constitutes reasonable cost. Lodging costs exceeding the GSA benchmarks should include an explanation on the receipt or expense report for the additional cost.

Whenever possible, the employee or whoever is making the reservation should request the government rate. In cities where TCA has contracted with a specific hotel or where TCA is affiliated with an organization that has contracted with a specific hotel, reservations at that contracted hotel should be the employee's first choice.

In room movie and mini-bar expenses will not be reimbursed. Likewise, additional costs for use of hotel gym, spa or health club is not reimbursable. Laundry or dry cleaning will only be reimbursed for stays of more than five days. Charges for personal toiletries also will not be reimbursed. Hotel valet parking generally will not be reimbursed, unless this is the only parking available. Charges for in-room internet services may be reimbursable if there is a legitimate business need.

### Meals

The Agency will reimburse the reasonable and actual costs of meals, including gratuities while on business. The Federal Per Diem Rate (GSA) authorized for meals at that location should be used as a benchmark for what constitutes reasonable cost. Meal costs exceeding the GSA benchmarks should include an explanation on the receipt or expense report for the additional cost. Receipts should be requested for all meals and are required for meals costing over \$25.00 including tip. Receipts submitted should be itemized to show what was ordered. Submitting only a credit card receipt with the total amount is not adequate. Employees should avoid meals that appear lavish, even if their total daily meal expense stays within the GSA daily benchmark amount. The daily

guideline amount for meals is not cumulative from one day to the next. For example, if the guideline daily amount is \$60 and only \$40 is used on Day 1, then \$20 cannot be applied to meals on Day 2.

Business related meals, including meals of business guests who are not employees of TCA, may be reimbursed; however, receipts indicating names of guests, their business relationship and the business purpose of the meal must be included on the receipt. Reimbursement for employee meals in the Local Area must be approved by the CEO or Executive Team member, as appropriate.

### Tips

Tips are a reimbursable expense and should be appropriate to the location and service level. If a tip is paid in cash, explanation of the business reason and date and location must be provided on the expense report. Tips should be reasonable and based on the service received. Tips in excess of 20% for meals are not allowed.

### Non-Reimbursable Expenses

The following items do not generally qualify for reimbursement:

- Alcoholic beverages
- The personal portion of any trip
- Expenditures contrary to any policy, statute, contract, or regulation applicable to the Agency
- Hotel gym/spa/health club fees
- In room movie and mini-bar expenses
- Travel Insurance
- Upgrades to First class or other premium level tickets
- Excess baggage charges that are not for a valid business reason
- Golf fees not related to TCA business
- Non-mileage automobile expenses, including repairs, traffic citations, insurance or fuel
- Cigarettes and other tobacco products
- Laundry/Dry cleaning for stays of five days or less
- Lost baggage
- Magazines, books, and newspapers
- Parking, traffic, or toll road violations
- Personal tolls
- Personal toiletries/Shoe care



**Transportation Corridor Agencies™**

**NAME:** \_\_\_\_\_

**DESTINATION:** \_\_\_\_\_

**DEPARTURE DATE:** \_\_\_\_\_

**RETURN DATE:** \_\_\_\_\_

**PURPOSE OF TRIP:** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**ESTIMATED EXPENSES:**

**AIRFARE:** \$ \_\_\_\_\_

**HOTEL & PARKING:** \$ \_\_\_\_\_

**MEALS:** \$ \_\_\_\_\_

**MISCELLANEOUS:** \$ \_\_\_\_\_

**REGISTRATION:** \$ \_\_\_\_\_

**ESTIMATED TOTAL:** \$ \_\_\_\_\_

**TRAVEL ADVANCE  
REQUESTED** \$ \_\_\_\_\_

\*\*\*\*\*

**APPROVALS:**

\_\_\_\_\_  
Manager / Date

\_\_\_\_\_  
Executive Team Member / Date







**Transportation Corridor Agencies™**

**Credit Card  
Purchase Request**

Date: \_\_\_\_\_

Vendor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Item No.	Qty.	Services or Product	Unit Price	Total Amount
			Subtotal	
			Tax	
			Total	

**Budget Information:**

Corridor: FTCN FTCS ETC SJHTC

G/L Code: \_\_\_\_\_

Budget/ Cashflow Description:  
\_\_\_\_\_

Funds Available in Budget:

Yes  No (If no, Budget Transfer required)

Budget Transfer Information:

From: \_\_\_\_\_

To: ( New Account)

\_\_\_\_\_

**Approvals:**

\_\_\_\_\_  
Originator/ Date

\_\_\_\_\_  
Department Director/ Date

\_\_\_\_\_  
Budget Manager/ Date

\_\_\_\_\_  
Controller/ Date

\_\_\_\_\_  
Executive Team Member/ Date (*over \$2,500*)

\_\_\_\_\_  
CEO/ Date (*over \$10,000*)

**APPENDIX B  
TO THE AGENCY ADMINISTRATIVE CODE  
PROCEDURES FOR BOARD MEETING  
BEST PRACTICES AND PROCEDURES**

San Joaquin Hills Transportation Corridor Agency and  
Foothill/Eastern Transportation Corridor Agency

**PURPOSE**

The purpose of this policy is to set forth rules of order and procedures relating to meetings of the San Joaquin Hills Transportation Corridor Agency (SJH) and the Foothill/Eastern Transportation Corridor Agency (F/E).

Develop updated best practices and procedures for SJH and F/E Board Meetings.

**REFERENCES**

- (1) SJH and F/E Administrative Code Section 2.4 Meetings and Appendix C Procedures for Simultaneous Board Meetings.
- (2) The Brown Act.
- (3) Robert's Rules of Order.

**PROCEDURE**

**I. Boards of Director Meeting Preparation**

**A. Placing an Item on the Agenda.** Matters to be placed on the agenda for any regular meeting shall be determined by the Chief Executive Officer, or his designee.

**B. Placing an Item on the Agenda by a Director for regular Board Meetings.** Matters may be placed on the agenda at the request of any Director, as long as said request is provided to the Clerk of the Board at least a minimum of (10) calendar days prior to the date of the meeting, and the Director making the request sits on the applicable Board.

**C. Posting of the Agenda.** The notice of an agenda for each regular meeting shall be prepared by the Chief Executive Officer, who shall cause copies to be transmitted electronically to Directors six (6) calendar days prior to the meeting (unless otherwise requested by a Director) and posted in accordance with applicable law.

**D. Agenda Posting Locations.** A copy of the Agencies Agenda shall be posted (1) on the outdoor bulletin board at Transportation Corridor Agencies (TCA), 125 Pacifica, Irvine, California 92618, (2) in the Board Room located on the second floor at TCA, and (3) on the TCA website.

**E. Delivery and Distribution of Agenda Packets.** TCA's Agenda packets are prepared by the Clerk of the Board. Barring unavoidable difficulties or holidays, the Agenda packets will be distributed to members of the Boards the Friday evening preceding the Thursday Board Meeting.

**F. Backup Material for Agenda Items.** Each Agenda item shall be composed of the Agencies Staff Report and all backup material needed for the Board or Boards to take an action.

## **II. Boards of Directors Meeting Order of Business**

**A. Order of Business.** Unless otherwise modified, the order of business for regular meetings of the Agencies shall be:

- Invocation
- Pledge of Allegiance
- Roll Call
- Special Calendar
- Public Comments
- San Joaquin Hills – Consent Calendar
- Foothill/Eastern – Consent Calendar
- Board Business
- Public Comments -Continued Part 2 – (If Needed)
- Chief Executive Officer' Report
- Director's Report and New Business
- Closed Session
- Adjournment

### III. Board of Directors Meeting Process and General Policies

**A. Reordering Agenda Items.** The Chair may reorder items on the Agenda to accommodate the public or to address other concerns.

**B. Minutes.** The written minutes shall be submitted for approval and/or correction on the Consent Calendar at a subsequent regular Boards Meeting. The purpose of the Meeting Minutes shall be to record the action taken by the Boards and the reason for a Director's vote if requested. To the extent the information is provided, the written Minutes shall also include a record of all persons addressing the Agencies by name, city of residence, and subject or position. The recorded video of the meeting shall be the official Minutes of the meeting. The minutes, once approved, are the official record, but in the event of any inconsistency between a set of minutes proposed for approval and the video, the video controls.

### IV. Board of Directors Meeting Rules of Order

**A. Obtaining the Floor.** Any Director wishing to speak must first obtain the floor by being recognized by the Chair. The Chair must recognize any Director who seeks the floor when that Director is appropriately entitled to do so.

**B. Consent Calendar.** Any Director can pull a joint item from the consent calendar. Joint Directors can pull any item on the Consent Calendar. F/E only and Joint Directors can pull any F/E consent item. SJH only and Joint Directors can pull any SJH consent items.

Board approval of the Consent Calendars are needed prior to voting for approval on each of the Consent Calendar items that has been pulled. A San Joaquin Hills (SJH) motion and a second must also be made by SJH Directors, and a Foothill/Eastern (F/E) motion and a second must be made by F/E Directors for approval of the Consent Calendars. Directors will be voting for the joint consent items and the consent items pertaining to their specific board(s).

**C. Board Business.** The Chair will introduce the item as Joint, F/E Only or SJH Only so that members follow the correct protocol for the item.

Approval of an F/E Only or SJH Only Board Business Item. A motion and second must be made by Directors from the appropriate Board for action on F/E or SJH Only items prior to voting. Discussion of items specific to only one board shall be limited to participation

by Directors who are a member of the specific Board to which the item applies. Directors for the Board to which the item applies will vote on the action for that F/E or SJH specific item. Directors from the non-involved Agency will not be permitted to vote.

Approval of the Joint Board Business Items: A motion and second must be made from each Board for action on Joint Items prior to voting. A F/E motion and a second must be made by F/E Directors for a joint item and a SJH motion and a second must also be made by SJH Directors. Approval of the joint item requires the appropriate majority or supermajority vote of each Board as specified in the Agency's Joint Powers Agreement (i.e. approval by the F/ETCA Board and approval by the SJHTCA Board). If the outcome of the joint item vote differs between the Boards, the Chair of the dissenting Board will introduce a motion to reconsider and reopen the discussion.

**D. Closed Session.** If needed, the Boards can adjourn to closed session. Closed session may be convened as a Joint Closed Session, a F/ETCA Closed Session or a SJHTCA Closed Session as appropriate.

**E. Motions.** The Chair or any member of the Board may call an action on any matter before the Board by making a motion. Before the motion can be considered or debated it must be seconded. Once the motion has been properly made and seconded, the Chair shall open the matter for debate offering the first opportunity to debate to the moving party and, thereafter, to any Director properly recognized by the Chair. Once the motion has been fully debated and the Chair calls for a vote, no further debate will be allowed. However, Directors may be allowed to explain their vote.

**F. Voting.**

- (1) All Directors present are encouraged to fully participate in the discussion of a matter pertaining to a joint item or their specific board, and shall vote for or against a motion, or shall abstain unless disqualified by conflict of interest or other legal reason. At the discretion of the Chair, Directors will be voting through voice vote, roll call or electronically for the action on the item.
- (2) If a Director chooses not to participate in the consideration of a matter, he or she shall leave the dais during the consideration of the matter; provided, however, that if the matter is being considered on the Consent Calendar and has not been pulled from Consent Calendar, the Director may remain on the dais and disclose the specific item and reason for not participating.

**G. Procedural Rules of Order.** Unless otherwise provided by the Agencies' Joint Powers Agreements, Administrative Codes (including this Appendix B), or applicable laws, the procedure for conducting meetings of the Boards and Committees of the Agencies shall be governed by Robert's Rules of Order.

**V. Public Participation in Board Meetings**

**A. Audience Decorum.** Members of the audience shall not engage in disorderly or boisterous conduct, including the utterance of loud, threatening, or abusive language; clapping; whistling; stamping; blocking others' view of the proceedings; or other acts that disturb, impede, or otherwise render the orderly conduct of the Agencies' meeting unfeasible or raise potential safety concerns. A member of the audience engaging in such conduct shall, at the discretion of the Chair or a majority of the Directors, be subject to removal from that meeting.

**B. Request to Speak Form.** No person shall address the Boards without first being recognized by the Chair. Any person wishing to speak, whether during Public Comments or on an agenda item, including items on the Consent Calendar, shall first submit a Public Comment/Request to Speak form to the Clerk of the Board before the Chair calls for Public Comments or calls the particular agenda item.

**C. Purpose.** The purpose of addressing the Board of Directors is to communicate formally with the Directors regarding matters that relate to the Agencies business or citizen concerns within the subject matter jurisdiction of the Agencies. Persons addressing the Board of Directors during the consideration of an agenda item shall confine their remarks to the matter under consideration by the Directors. Pursuant to Government Code 54954.2(b), State law prohibits the Board of Directors from taking action on any item not listed on the Agenda unless the Board(s) makes a determination that an emergency exists or that the need to take immediate action on the item arose subsequent to the final posting of the Agenda.

**D. Speaker Decorum.** Each person addressing the Board of Directors shall do so in an orderly manner and shall not engage in conduct that disrupts, or otherwise impedes the orderly conduct of the Agencies' meeting. Any person who so disrupts the meeting shall, at the discretion of the Chair or a majority of the Board of Directors, be subject to removal from that meeting.

**E. Time Limit.** In the interest of fairness to other persons wishing to speak and to other individuals or groups having business before the Board of Directors, each individual shall be limited to three (3) minutes, unless different time limits are set by the Chair or by a motion adopted by a majority of the Board members present and voting.

**F. Public Comment Placement on Agenda and Overall Time Limit.** Unless otherwise modified by the Chair or a majority of the Board, Public Comment will be heard at the beginning of the meeting for one (1) hour, and after “Board Business” during “Public Comments (Continued Part 2)” if needed.

**G. Speak Only Once.** Each member of the public may speak only once at a Board meeting. Thus, a member of the public must choose to speak either during the Public Comment portion of a Board meeting or during a particular agenda item, but not both. If a member of the public chooses to speak during the Public Comment portion of a Board meeting, the member will be able to address any item of interest to the public that is within the subject matter jurisdiction of the legislative body, including any agenda item. Notwithstanding the above, a member of the public will be given an additional opportunity to speak if it is determined that such an opportunity is mandated by federal, state or local law, or in order to respond to a specific question from the Chair or a Director recognized by the Chair. Whether speaking during the Public Comment portion of a Board meeting or during a particular agenda item, each individual will generally be limited to a total of three (3) minutes for comment. However, the Chair may determine, in its discretion, based on the number of speakers and the need for conducting Board business, that the time period for comment should be further reduced or extended.

**H. Addressing the Board of Directors.** All comment and testimony are to be directed to the Chair. After being recognized by the Chair, a Director or Staff may briefly respond to statements made or questions posed by inquiries from citizens at the lectern. In addition, after being recognized by the Chair, a Director or Staff may ask a question for clarification.

**I. Yielding of Time.** It is understood that a person making a request to speak does so on his own behalf. For this reason and to guarantee all persons an ample opportunity to be heard, all speakers will be recognized for the same amount of time. No speaker will be allowed to yield part or all of his time to another, and no speaker will be credited with time requested but not used by another.



**J. Violation of the Rules of Decorum.** Upon violation of the rules of decorum established in Items A or D above, the procedure to enforce the rules shall be as follows:

(1) **Warning.** The Chair shall first request that person/persons who is/are violating the rules cease such conduct. If, after receiving a request from the Chair, the person or group of persons persist in violating the rules so as to inhibit the orderly conduct of the meeting, the Chair shall order a recess. The Sergeant at Arms present at the meeting when the violation occurs shall be authorized to warn the person or group of persons that their conduct is violating the rules and that he or she is requested to cease such conduct. If upon resumption of the meeting the violation persists and renders the orderly conduct of such meeting unfeasible, the Chair shall order another recess, whereupon the Chair shall have the authority to ask the Sergeant at Arms to remove the person or group of persons from the meeting and/or to cite the person or group of persons as being in violation of Penal Code Section 403.

(2) **Clearing the Room.** Pursuant to Government Code Section 54957.9, in the event that any meeting is willfully interrupted by a person or groups of persons so as to render the orderly conduct of such meeting unfeasible, and order cannot be restored by the removal of the individuals who are willfully interrupting the meeting, the Chair may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to Government Code Section 54957.9.

(3) **Violation of the California Penal Code.** A person or persons who substantially impair(s) the conduct of a Board of Directors meeting by knowingly and intentionally violating these rules of decorum may be prosecuted under Penal Code Section 403 for disturbing a public meeting. Every person who violates Penal Code Section 403 is guilty of a misdemeanor.

**K. Submittal of Information by Members of the Public for Dissemination or Presentation at Public Meetings.** Members of the public may submit information in hard copy form, or present information in electronic form or visual media to supplement their testimony before the Board of Directors.

(1) To ensure that staff can facilitate the use of electronic and visual media materials in a timely and efficient manner, to provide staff with sufficient time to check for viruses, broadcast quality and compatibility, and to ensure that the

materials do not contain inappropriate content (e.g., depictions prohibited by law), the information must be submitted consistent with the parameters set forth below.

(2) All supplemental agenda related materials, including but not limited to PowerPoint presentations, videos, photographs, e-mails, writings and hard copy documents presented by members of the public prior to or at a public meeting shall become part of the public record and will be kept on file by the Clerk of the Board according to the Agencies' document retention schedules.

(3) The deadlines noted below do not preclude members of the public from submitting agenda related information in hard copy form prior to a meeting date. The Clerk of the Board will ensure that the Directors receive a copy of the information during consideration of the item.

(4) Agency policy is to limit public testimony, whether during the Public Comment portion or during a specific agenda item, to three (3) minutes per speaker (unless extended by the Chair or by a motion adopted by a majority of the Board members present and voting) which includes the presentation of any electronic, visual information or hard copy information. Unless specifically authorized by the Chair, the utilization of visual aids shall not result in an extension of the allowable time for the speaker's presentation, and no video display may exceed the time allowable for a single speaker.

(5) Members of the public are encouraged to arrive at the public meeting early and check in with the Clerk of the Board to finalize the details of their presentation and to complete a speaker's card.

(6) No unauthorized laptop computers or other media devices will be connected to the Agency's media system.

(7) Written Materials/handouts. Any member of the public who desires to submit documentation in hard copy form may do so prior to the meeting or at the time he/she addresses the Boards. Please provide twenty-seven (27) copies of the information to be submitted and file with the Clerk of the Board at the time of arrival to the meeting. This information will be disseminated to the Board of Directors at the time testimony is given.

(8) Large Displays/Maps/Renderings. Any member of the public who desires to display freestanding large displays or renderings in conjunction with their public testimony is asked to notify the Clerk of the Board no later than twenty-four (24)

hours prior of the scheduled meeting so that an easel can be made available if necessary.

(9) Electronic Documents/Visuals: Any member of the public who desires to display information electronically in conjunction with their public testimony is asked to submit the information to the Clerk of the Board no later than twenty-four (24) hours prior to the scheduled meeting. Information must be provided on CD, DVD, memory stick, or can be emailed to [clerkoftheboard@thetollroads.com](mailto:clerkoftheboard@thetollroads.com) no later than twenty-four (24) hours prior to the scheduled meeting. Members of the public will be asked to provide their name, identify the meeting and, if applicable, the agenda item to be addressed, and a daytime phone number. To facilitate your request, contact the Clerk of the Board at (949) 754-3402.

(10) Electronic presentations shall be limited to visual media, without pre-recorded audio narration, that augment a live verbal presentation addressed to the Board. The display of visual media shall be ancillary to, and not presented in place of, verbal narration.

(11) Agency staff will preload and queue the electronic information in the Agency's media system and display it when the public member is called upon to speak. The Clerk of the Board will notify the person submitting the information as soon as possible prior to the meeting if the information cannot be accessed, if the version provided is incompatible with the Agency's system, or if the content is deemed inappropriate (e.g., depictions prohibited by law).

(12) Visual presentations must be provided to the Clerk of the Board in a display-ready format. In no case shall staff be required to develop a presentation for public use. This prohibition includes, but is not limited to, compiling of Agency records, downloading data from websites, or gathering or modifying data provided by the public.

(13) Nothing in this Policy is intended to warrant or otherwise guarantee that electronic presentation will successfully display at a Board meeting. Members of the public are urged to have hard copies of their presentations available at Board meetings in the event a media system malfunction occurs.

(14) Consent and Authorization: If a child is depicted in a presentation, evidence of consent will need to be provided from the parent or guardian of each child depicted. The evidence of consent should allow Staff to correlate the consent with each child depicted. For example, if only one child is depicted on a photograph

or slide, this correlation can be accomplished by identifying the photograph or slide. If multiple children are depicted on a photograph or slide, this correlation can be accomplished by identifying the photograph or slide and a particular item of clothing or the child's position in the photograph or slide. The consent should also include a written authorization for the transmission and dissemination of the child's image as a result of individuals viewing the image at the Board meeting, via live stream of the Board meeting, inclusion of the image as part of the public record and therefore subject to disclosure to any third party upon request, inclusion of the image in the video recording of the Board meeting that will be posted to the TCA's publicly available website, and/or any other lawful purpose. This authorization can be accomplished by having the parent or guardian state the following: "I hereby consent and authorize the transmission and dissemination of my child's image to the public for any legal purpose, including as a result of individuals viewing the image at the Board meeting, via live stream of the Board meeting, inclusion of the image as part of the public record and therefore subject to disclosure to any third party upon request, and/or inclusion of the image in the video recording of the Board meeting that will be posted to the TCA's publicly available website."

## **VI. Board of Directors Powers**

### **A. Role of the Chair.**

- (1) The Chair shall, if present, preside at all meetings of the Board and shall exercise and perform such other powers and duties as may from time to time be assigned to him/her by the Board or as prescribed herein.
- (2) Meeting Chair will alternate monthly between F/ETCA and SJHTCA.
- (3) All comments should be directed to the Chair. Cross talk between Directors should be ruled out of order by the Chair.

### **B. Role of the Vice-Chair.**

- (1) The Vice Chair shall perform the duties of the Chair in his/her absence and, when so acting, shall have all the powers of and be subject to all the restrictions enacted upon the Chair and shall exercise and perform such other powers and duties as may from time to time be assigned his/her by the Board.

**C. Role of the Chair Pro Tempore.**

(1) In the event of the absence, or inability to act, of the Chair and Vice Chair, the Board Members present at any meeting of the Board, by resolution entered in the minutes, shall select one of their members to act as Chair Pro Tempore, who, while so acting, shall have all of the authority of the Chair.

**VII. Boards of Directors Authority.**

The Boards of Directors shall have the authority to waive provisions of the procedures established by this policy unless the procedure is required by State or Federal Law. Failure of the Director to follow these procedures shall not invalidate or otherwise affect any action of the Board.

**APPENDIX C**  
**TO THE AGENCY ADMINISTRATIVE CODE**  
**PROCEDURES FOR SIMULTANEOUS BOARD MEETINGS**

San Joaquin Hills Transportation Corridor Agency and  
Foothill/Eastern Transportation Corridor Agency

**DIRECTORS**

Foothill/Eastern Transportation Corridor Agency (F/ETCA): 15 members (Anaheim, Dana Point, Irvine, Lake Forest, Mission Viejo, Orange, Rancho Santa Margarita, San Clemente, San Juan Capistrano, Santa Ana, Tustin, Yorba Linda, County of Orange 3<sup>rd</sup>, 4<sup>th</sup> & 5<sup>th</sup> Districts)

San Joaquin Hills Transportation Corridor Agency (SJHTCA): 14 members (Aliso Viejo, Costa Mesa, Dana Point, Irvine, Laguna Hills, Laguna Niguel, Laguna Woods, Mission Viejo, Newport Beach, San Clemente, San Juan Capistrano, Santa Ana, County of Orange 3<sup>rd</sup> & 5<sup>th</sup> Districts)

Board Members, including Directors serving on both Boards, shall receive one stipend only as compensation for attending a Simultaneous Board Meeting. (Per Attorney General Findings related to City of Bell Joint Agency meetings compensation practices)

**AGENDAS AND MINUTES**

The meeting agendas will be a single combined joint agenda containing joint items, F/ETCA only items and SJHTCA only items.

Meeting minutes will be kept and published as a single combined meeting minutes. Minutes will be approved as a joint item at the next regularly scheduled simultaneous board meetings, and the approved minutes will be retained in the records of both Agencies.

**CALL TO ORDER**

Meeting Chair will alternate monthly between F/ETCA and SJHTCA.

Robert's Rules of order shall govern the conduct of the Simultaneous Board Meetings and the presiding Chair's decision on any procedural question shall be final.

Roll call will be conducted for each Board at the discretion of the Chair. This can be accomplished through voice vote, roll call or electronically for the action on that joint item.

Each Board must individually establish a quorum for the purpose of the transaction of business for the Agency. Two-thirds of the Board Members constitute a quorum for each Board. Establishment of a quorum by each Board is required to convene a simultaneous meeting. If only one of the Boards fails to achieve a quorum, then the other Board which has established a quorum may

conduct a meeting of that Board and transact business on the agenda items relating to that Board only. For the Board having less than the number of Board Members present for a quorum, that Board may constitute themselves a “Committee of the Whole” for the purposes of discussing agenda matters or any matter of interest to the members present.

### **PUBLIC COMMENT**

The public comment period is joint, and members of the public may address either board at that time.

### **AGENDA ITEMS**

Agenda Items will be delineated as either Consent or Board Business items. Under each of these two categories, items will be identified as either Joint Items, F/ETCA Only Items or SJHTCA Only Items.

Examples of items that would be F/ETCA Only or SJHTCA Only Items:

- Election of Chair and Vice-Chair;
- Annual Budget;
- Toll Rates;
- Any item regarding debt service and financings;
- Capital projects specific to one agency;
- Right-of-way;
- Disposition of assets;
- Mitigation and/or resource agency permit obligations;
- Single agency specific agreements and/or resolutions;
- Development impact fee appeals specific to one agency.

### **CONSENT CALENDAR**

Any Director can pull a joint item from the consent calendar. Joint Directors can pull any item on the Consent Calendar. F/E only and Joint Directors can pull any F/E consent item. SJH only and Joint Directors can pull any SJH consent items.

Approval of the Consent Calendar. Motions and seconds from each Board for approval of the Consent Calendar are needed prior to voting for approval on the Consent Calendar items. A F/E motion and a second must be made by F/E Directors for approval of the Consent Calendar and a SJH motion and a second must also be made by SJH directors. Directors will be voting for the joint consent items and the consent items pertaining to their specific board(s). Approval of the Joint Consent Calendar requires a majority vote of those present for each Board (i.e. majority approval by F/ETCA Board and majority approval by the SJHTCA Board). If the outcome of the

Consent Calendar vote differs between the Boards, the Chair will automatically introduce a motion to reconsider and reopen the discussion.

### **BOARD BUSINESS**

The Chair will introduce the item as Joint, F/E Only or SJH Only so that members follow the correct protocol for the item.

Approval of the Joint Items. A motion and second must be made from each Board for action on Joint Items prior to voting. A F/E motion and a second must be made by F/E Directors for a joint item and a SJH motion and a second must also be made by SJH Directors. All Directors are encouraged to participate in the discussion for joint items. At the discretion of the Chair, Directors will be voting through voice vote, roll call or electronically for the action on that joint item. Approval of the joint item requires the appropriate majority or supermajority vote of each Board as specified in the Agency's Joint Powers Agreement (i.e. approval by the F/ETCA Board and approval by the SJHTCA Board). If the outcome of the joint item vote differs between the Boards, the Chair of the dissenting Board will introduce a motion to reconsider and reopen the discussion.

Approval of F/E Only or SJH Only Items. A motion and second must be made by Directors from the appropriate Board for action on F/E or SJH Only items prior to voting. Discussion of items specific to only one board shall be limited to participation by Board Members who are a member of the specific Board to which the item applies. Directors for the Agency to which the item applies will vote on the action for that F/E or SJH specific item. Directors from the non-involved Agency will not be permitted to vote. Approval of the F/E or SJH Only item requires the appropriate majority or supermajority vote as specified in the Agency's Joint Powers Agreement.

### **CLOSED SESSION**

If needed, the Boards can adjourn to closed session. Closed session may be convened as a Joint Closed Session, a F/ETCA Closed Session or a SJHTCA Closed Session as appropriate.



**APPENDIX D  
TO THE AGENCY ADMINISTRATIVE CODE  
AGENCY COMMITTEES**

San Joaquin Hills Transportation Corridor Agency and  
Foothill/Eastern Transportation Corridor Agency

**COMMITTEES:**

The Board may, as it deems appropriate, appoint committees to accomplish the purposes set forth herein. The Chairs may also, from time to time, create such ad hoc committees as it deems appropriate in accordance with applicable laws, including without limitation the Ralph M. Brown Act.

**San Joaquin Hills Operations and Finance Committee**

- Standing committee
- SJHTCA only
- Membership is made up of all SJHTCA Board Members
- Meets on an “as-needed” basis

**Purpose:**

- Meets on an “as-needed” basis to allow additional preparation and discussion of major items such as the annual budget.
- If appropriate, the SJHTCA and F/ETCA Operations & Finance Committee meetings can be scheduled simultaneously as a joint meeting.

**Foothill/Eastern Operations and Finance Committee**

- Standing committee
- F/ETCA only
- Membership is made up of all F/ETCA Board Members
- Meets on an “as-needed” basis

**Purpose:**

- Meets on an “as-needed” basis to allow additional preparation and discussion of major items such as the annual budget.
- If appropriate, the F/ETCA and SJHTCA Operations & Finance Committee meetings can be scheduled simultaneously as a joint meeting.

### **Joint Toll Operations Committee**

- Standing Committee
- Joint committee of both Boards
- Membership is selected by the Board Chairs.
- The number of Board Members serving on the committee is limited to no more than one member less than a majority of a full Board
- Typically meets every other month and more frequently “as-needed”

#### **Purpose:**

- Meets to discuss items related to toll operations (toll ordinances and policies; customer service; transaction and payment processing; intrastate and interstate interoperability; and toll compliance/enforcement).
- Toll operations contracts are reviewed through this committee prior to going to the full Boards for approval.
- Toll Operations Department annual contracts, projects and initiatives are reviewed through this committee as part of the annual budget process.

### **Joint Environmental Committee**

- Standing Committee
- Joint committee of both Boards
- Membership is selected by the Board Chairs.
- The number of Board Members serving on the committee is limited to no more than one member less than a majority of a full Board
- Typically meets quarterly and more frequently “as-needed”

#### **Purpose:**

- Meets to discuss issues related to the Agencies’ open space management and environmental programs.
- Contracts related to the Agencies’ open space, environmental programs, project level environmental planning and permitting items and issues are reviewed through this committee prior to bringing to the full Boards for approval.
- Environmental Planning Department annual contracts, projects and initiatives are reviewed through this committee as part of the annual budget process.

### **Joint External Affairs Committee**

- Standing Committee
- Joint committee of both Boards
- Membership is selected by the Board Chairs
- The number of Board members serving on the committee is limited to no more than one member less than a majority of a full Board
- Typically meets every other month and more frequently “as-needed”

#### **Purpose:**

- Meets to discuss specific items related to communications and legislative affairs at the local, state and federal levels.
- Communications and legislative/advocacy services contracts are reviewed through this committee prior to going to the full Boards for approval.
- External Affairs annual contracts, projects and initiatives are reviewed through this committee as part of the annual budget process.

### **Joint Finance and Investment Committee**

- Standing Committee
- Joint committee of both Boards
- Membership is selected by the Board Chairs
- The number of Board Members serving on the committee is limited to no more than one member less than a majority of a full Board
- Typically meets monthly and more frequently “as-needed”

#### **Purpose:**

- Meets to discuss issues related to the Agencies’ finances, investments, development impact fee (DIF) program and employee compensation.
- On a quarterly basis, the Agencies’ investment advisory firm would conduct a review of the Agencies’ investment portfolios.
- This committee would also discuss items related to the financing and credit ratings of the Agencies.
- Compensation, benefits and staffing for the annual budget process.
- Contracts, procurement policy and procedures.
- Finance & Administration Department annual contracts, projects and initiatives are reviewed through this committee as part of the annual budget process.

### **Joint Capital Program and Projects Committee**

- Standing Committee
- Joint committee of both Boards
- Membership is selected by the Board Chairs
- The number of Board Members serving on the committee is limited to no more than one member less than a majority of a full Board
- Typically meets quarterly and more frequently “as-needed”

#### **Purpose:**

- Meets to discuss issues related to the Agencies’ Capital Improvement Program (CIP), engineering design, construction, facilities right-of-way and real property acquisition activities.
- Engineering Department staffing, annual contracts, projects and initiatives are reviewed through this committee as part of the annual budget process.

### **Joint Strategic Planning Committee**

- Standing Committee
- Joint committee of both Boards
- Membership is selected by the Board Chairs
- The number of Board Members serving on the committee is limited to no more than one member less than a majority of a full Board
- Typically meets every other month and more frequently “as-needed”

#### **Purpose:**

- Meets to discuss and develop new major policies for the Agencies.
- Areas of ideas and concept topic include:
  - Review and facilitate revisions to the Agencies’ Administrative Code.
  - Review the Agencies’ strategic planning goals and objectives.
  - Review and facilitate implementation of short-term and long-term planning initiatives.

**APPENDIX E  
TO THE AGENCY ADMINISTRATIVE CODE  
CONFLICT OF INTEREST CODE  
DESIGNATED POSITIONS**

San Joaquin Hills Transportation Corridor Agency and  
Foothill/Eastern Transportation Corridor Agency

<b>DESIGNATED POSITIONS</b>	<b>DISCLOSURE</b>
Board Members and Alternates	1,2
Chief Executive Officer	1,2
Chief Financial Officer	1,2
Chief Strategy Officer	1,2
Chief Toll Operations Officer	1,2
Chief Engineer	1,2
Chief Communications Officer	1,2
Chief Environmental Planning Officer	1,2
General Counsel	1,2
Director of Design and Construction	1,2
Director of Finance	1,2
Director of Contracts and Procurement	1,2
Director of Government and Legislative Affairs	1,2
Manager of Treasury Operations	1,2
Manager of Contracts and Procurement	1,2
Director of Human Resources	2
Director of Information Technology	2
Manager of Information Technology	2
Director of Customer Service	2
Director of Tolling & Customer Information Systems	2
Controller	2
Manager of Design Corridor	2
Manager of Facilities	2
Manager of Marketing	2
Manager of Media Relations	2
Manager of Right of Way	2
Manager of Government & Legislative Affairs	2
Manager of Internal Audit	2
Manager of Human Resources	2
Manager, Environmental	2
Program Manager, Violation & Processing Toll Compliance	2
Consultant	*

\*Consultants to Agency shall be subject to disclosure under Category 1 disclosures, subject to the following limitation:

Agency may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements of Category 1. In such cases, the Chief Executive Officer may designate a different disclosure requirement. Such designation must be made in writing and shall include a description of the consultant's or new position's duties and based upon that description, a statement of the extent of the disclosure requirements. The Agency's designation must be filed, in advance of disclosure by the consultant, with the Agency's conflict of interest code and must be delivered to the consultant along with a copy of the conflict-of-interest code and the manual and forms for disclosure (FPPC Form 700). The designation is a public record and shall be retained for public in the same manner and location as this conflict-of-interest code. (Cal. Gov. Code § 81008.)

### **OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

It has been determined that the positions listed below manage public investments and will file a Statement of Economic Interests pursuant to Government Code Section 87200 et seq.

Chief Executive Officer  
Chief Financial Officer  
Director of Finance  
Manager, Treasury Operations

**APPENDIX F  
TO THE AGENCY ADMINISTRATIVE CODE  
CONFLICT OF INTEREST CODE  
DISCLOSURE CATEGORIES**

San Joaquin Hills Transportation Corridor Agency and  
Foothill/Eastern Transportation Corridor Agency

**CATEGORY 1**

All interests in real property in Orange County, as well as investments, business positions, and sources of income (including gifts, loans and travel payments).

**CATEGORY 2**

All investments, business positions and sources of income (including gifts, loans and travel payments).

The Political Reform Act (Government Code Sections 81000, et seq.) requires state and local government agencies to adopt Conflict of Interest Codes. Pursuant to the Political Reform Act, the Fair Political Practices Commission has promulgated a regulation, (2 Cal. Admin. Code Section 18730) which sets forth a standard Conflict of Interest Code. The standard Conflict of Interest Code may be incorporated by reference by local agencies and may be amended from time to time by the Fair Political Practices Commission to conform to amendments to the Political Reform Act.

Pursuant to Section 4 of the standard Code, designated employees shall file statements of economic interests with the Agency filing official, who will make the statements available for public inspection and reproduction (Cal. Gov. Code § 82008). The Agency filing official will retain the originals for all filing Agency officers and designated employees.

**APPENDIX G  
TO THE AGENCY ADMINISTRATIVE CODE  
CODE OF CONDUCT**

San Joaquin Hills Transportation Corridor Agency and  
Foothill/Eastern Transportation Corridor Agency

**VALUES**

The San Joaquin Hills Transportation Corridor Agency and Foothill/Eastern Transportation Corridor Agency (Agency or Agencies) are public agencies that shall conduct their business with integrity in an honest and ethical manner. Agency employees, agents and members of the Boards of Directors shall comply with the letter and spirit of this policy and the law. Any attempt to evade or circumvent any requirements of this policy or of any rules or laws applicable to the Agencies and their employees is improper.

**BUSINESS CONDUCT**

Agency employees, agents and members of the Boards of Directors shall conduct the Agencies' business in compliance with the law, regulations, Agency policies, and good judgment based on the Agencies' values and goals. Agency employees, agents and members of the Boards of Directors shall avoid speech or behavior that is likely to create an appearance of impropriety.

**PROFESSIONALISM**

It is up to each Agency employee, agent and member of the Boards of Directors to maintain a professional, safe, and productive work environment. Agency employees, agents and members of the Boards of Directors shall treat each other professionally and with courtesy at all times. Differences of opinion on work issues should be expressed in a constructive manner that promotes sharing ideas and effective teamwork to resolve problems to meet the challenges of the Agencies.

**NONDISCRIMINATION**

No person shall be discriminated against in employment because of race, color, creed, religion, sex, ancestry, age, national origin, marital status, sexual orientation, veteran status, physical or mental disability or any other status protected by applicable federal or state statutes, except where a bona fide occupational qualification applies.

**WORKPLACE HARASSMENT**

- A. No Agency employee, agent or member of the Boards of Directors or person associated with the Agencies shall engage in sexual harassment. Sexual harassment includes any sexual advances or requests for sexual favors which are unwelcome or where submission to or rejection of such conduct is used as the basis for employment or business decisions.



Sexual harassment also includes verbal, visual and/or physical conduct of a sexual nature, which creates an intimidating, hostile or offensive working environment.

- B. No Agency employee, agent or member of the Boards of Directors or person associated with the Agencies shall engage in harassment based on race, color, creed, religion, sex, ancestry, age, national origin, marital status, sexual orientation, veteran status, physical or mental disability or any other status protected by applicable federal or state statutes. Harassment includes verbal, visual and/or physical conduct. Such conduct constitutes harassment when the submission to the conduct is made an explicit or implicit condition of employment, submission to or rejection of the conduct is used as the basis for an employment decision, or the harassment interferes with an employee's work performance or creates an intimidating, hostile or offensive work environment.

### **RELATIONSHIPS WITH CONTRACTORS**

Agency business shall be conducted in a manner above reproach, with impartiality, and without bias. Particularly in relationships with contractors and potential contractors, Agency employees, agents and members of the Boards of Directors must avoid any actual or perceived conflict of interest or impropriety. Agency employees, agents and members of the Boards of Directors have a duty to safeguard their ability to make independent, objective, fair and impartial judgements.

Members of the Boards of Directors, their Alternates and Officers employed by the Agency may not, within one year after leaving their office or employment at the Agency, act as agent or attorney for, or otherwise represent, for compensation, any other person, by making any formal or informal appearance before, or by making any oral or written communication to, the Agency, or any Committee or present member of the Board of Directors, Officer or employee of the Agency, if the appearance or communication is made for the purpose of influencing any action or proceeding involving, the issuance, amendment, awarding, or revocation of a permit, license, grant, or contract, or the sale or purchase of goods or property.

Further, the Agency shall, where appropriate to avoid any actual or apparent conflicts of interest, require that contracts with the Agency include a provision prohibiting any member of the Boards of Directors, their Alternates, and any Officer employed by the Agency from having any involvement in the contract on contractor's behalf during their service to, or employment by, the Agency, and for one year following the termination of such service or employment, and further providing that violation of the prohibition shall constitute a material breach of the contract by contractor.

### **USE OF AGENCY ASSETS**

- A. Agency employees, agents and members of the Boards of Directors shall not use any Agency assets for personal gain or for any purpose other than Agency business. Agency

assets include, but are not limited to, time, facilities, equipment, stationery, records, mailing lists, supplies, badges, vehicles, prestige or influence.

- B. Agency telephones, computers, e-mail, and internet access are provided for the purpose of conducting Agency business. Subject to the restrictions in this section and if permitted by the employee's supervisor, some occasional and limited personal use is allowed so long as it does not interfere with the performance of the employee's Agency duties and does not result in any additional expense to the Agencies. However, Agency telephones, computers, e-mail or internet access shall not be used for e-mail chain letters, for religious or political advocacy, for excessive personal communications, for personal financial gain, to seek outside employment, for any purpose that could reasonably be viewed as abusive, harassing, hostile or intimidating to Agency customers or employees, to access entertainment or sexually explicit sites, or for any use otherwise prohibited by law. The Agencies reserve the right to monitor and review all records of usage by Agency employees, agents and members of the Boards of Directors of any Agency assets. No use of Agency telephones, computers, e-mail or internet access, or use of any other Agency asset shall be private to the employee, and no Agency employee, agents and members of the Boards of Directors shall be given any basis for an expectation of privacy in any such use.

### **CONFIDENTIAL INFORMATION**

Agency employees, agents and members of the Boards of Directors shall maintain the confidentiality of any confidential information in relation to contracts, customers, construction, procurement, litigation strategy, personnel files, Agency employee medical information or other proprietary information to which they have access through their employment or Board membership with the Agencies. Such confidentiality shall be maintained during and after employment with the Agencies. Agency employees, agents and members of the Boards of Directors shall not use confidential information for any purpose other than in the performance of their job for the benefit of the Agencies. Confidential information shall only be disclosed to authorized persons, as defined by the Chief Executive Officer and Agency Counsel.

### **INFORMATION PROVIDED TO AGENCY BOARD MEMBERS**

Upon request by any Agency Board Member for any document(s) or item of information regarding Agency business as to which the Board Member is entitled to access, Agency employees, agents and members of the Boards of Directors shall provide such document(s) or information to the Board Member within a reasonable time frame following the request.

In the event the Chief Executive Officer determines that any requested document(s) contain information of a confidential or sensitive nature or would otherwise be exempt from disclosure under the California Public Records Act or the Freedom of Information Act, or in the case of

documents distributed to Members of the Board in connection with a closed session, the document(s) shall promptly be made available for review using the CapLinked workspace established by the Agency. The information accessed on the CapLinked workspace is only to be viewed by Board Members. It is to be kept strictly confidential, and not to be disclosed to any other person or entity. Under California Government Code section 54963, it is unlawful to disclose, to any person not entitled to receive it, confidential information that has been acquired by being present in a closed session of the Board, including information accessed on the CapLinked workspace in connection with a closed session, without express authorization from the Board. In order to ensure confidentiality of information accessed on this site, each Board Member's access to information on the CapLinked workspace is monitored, and a record is kept of such access.

On a monthly basis, the Clerk of the Board will provide a report of any document(s) or information regarding Agency business that has been requested by a Board Member. The report will note whether the response is in progress or is completed and will note the date(s) on which such documents or information was provided. If the documents are voluminous, Board Members shall be notified of the opportunity to view documents at the Agencies' offices or receive a copy of the documents, at their election.

### **GIFTS**

- A. Agency employees, agents and members of the Boards of Directors or immediate family members shall neither solicit nor accept gifts, gratuities, favors or anything of monetary value, except unsolicited items of nominal intrinsic value, from any Agency contractor, subcontractor, bidder or proposer for an Agency contract which is federally funded. A bidder/proposer is a party which has submitted a bid or proposal for an active procurement which has not been awarded or otherwise concluded.
- B. Designated Agency employees, agents and members of the Boards of Directors (i.e., those who are required to file a Statement of Economic Interest under the Agency's Conflict of Interest Code) may not accept gifts totaling more than \$420, or such amount allowed pursuant to Government Code Sections 89502 and 89503 as adjusted biennially, in a calendar year from a single source other than one identified in paragraph A above, or paragraph C, below. Designated employees must report such gifts totaling fifty dollars (\$50.00) or more from a single source, in a calendar year on their annual Statements of Economic Interests according to state law.
- C. No Designated Agency Employee, agent or member of the Boards of Directors shall solicit or accept any gift from any person whom he or she knows, or has reason to know, is doing business with the Agency, when such employee, agent or member by virtue of his or her employment or position, could make a governmental decision, or use his or her official position to influence a governmental decision regarding the pending business of the donor, or has done any of the above during the twelve (12) months preceding the gift.

- D. For purposes of this Code, a gift shall have the meaning it is defined to have in the California Political Reform Act and the regulations issued pursuant to the Act
- E. For the purposes of this Code, "doing business with the Agency" means:
- (1) Seeking the award of a contract or grant from the Agency; or
  - (2) Having sought the award of a contract or grant from the Agency in the past twelve (12) months; or
  - (3) Being engaged as a lobbyist or lobbying firm in connection with the award of a contract, grant, license, permit or other entitlement for use from the time of such engagement until twelve (12) months after the award of the contract, grant, license, permit or other entitlement for use, which was the subject of the engagement; or
  - (4) Having an existing contractual relationship with the Agency, until twelve (12) months after the contractual obligations of all parties have been completed; or
  - (5) Seeking, actively supporting, or actively opposing the issuance, by the Agency, of a discretionary license, discretionary permit, or other discretionary entitlement for use, or having done any of these things within the past twelve (12) months.
- F. For the purposes of this code, a lobbyist is any individual who receives compensation of \$500.00 or more in any calendar month for engaging in lobbying activities, or who is employed by his or her employer and receives compensation of \$500.00 or more in any calendar month for engaging in lobbying activities. A lobbying firm is any corporation, partnership, limited liability company, labor organization, labor union, or any other business entity that employs or is controlled or managed by a lobbyist. For the purpose of this article, lobbying activities shall include influencing or attempting to influence the award of a contract, grant, license, permit or other entitlement for use.

### **LOBBY REGISTRATION**

Within ten (10) days of qualifying as a lobbyist, as defined in this Code, any lobbyist or lobbying firm who engages in lobbying activities in communicating with Agency officials or staff must register with the Orange County Campaign Finance and Ethics Commission and thereafter file lobby reports on the same schedule and with the same forms as Orange County lobbyists. Such registration and reporting will be administered by the Orange County Campaign Finance and Ethics Commission, notwithstanding that the Agency is the filing official for lobbyists and lobbying firms.

## **RETENTION OF LOBBYISTS AND LOBBYIST CODE OF CONDUCT**

The Agencies will from time to time retain lobbyists or lobbying firms (as defined by the Political Reform Act) to support or oppose legislation that has been deemed to be beneficial or detrimental to the Agencies. Lobbyists and lobbying firms retained by the Agencies shall adhere to the highest ethical standards when representing Agency interests and shall comply with all applicable conflict of interest requirements of this Code.

## **CONFLICTS OF INTEREST**

- A. A conflict of interest, or at least an appearance of impropriety, exists when the interests, investments, outside employment or personal enterprises of the employee or a member of his or her immediate family could compromise the employee's duty of loyalty, or otherwise conflict with, or appear to conflict with his or her job performance, objectivity, impartiality or ability to make fair business decisions in the best interest of the Agencies. A conflict of interest may arise in any situation in which an Agency employee, agent or member of the Boards of Directors is in a position where he or she could use his or her contacts or position in the Agencies to advance the private business or financial interests of the employee or his or her immediate family, whether or not at the expense of the Agencies. An Agency employee, agents and members of the Boards of Directors may also have a conflict of interest if called upon to make a decision concerning a person or entity that the employee, agent or member worked for during the previous twelve months.
  
- B. An Agency employee, agent or member of the Boards of Directors who has a conflict of interest shall not participate in the making of any decision or contract in which the Agency employee, agent or member has a financial interest. Any Agency employee, agent or member of the Boards of Directors with such a conflict of interest must disqualify himself or herself from making, participating in the making, or in any way attempting to use his or her official position to influence the Agency decision in which he or she knows, or has reason to know, that he or she has a financial interest. An Agency employee, agent or member of the Boards of Directors should also disqualify himself or herself from participating in an Agency decision where the Agency employee, agent or member of the Boards of Directors does not have a disqualifying financial interest, but where the making of the decision will have some other significant effect on the employee, agent or member, or a member of his or her immediate family.
  
- C. Any Agency employee, agent or member of the Boards of Directors who may have a conflict of interest as described in paragraphs A or B relative to a prospective contractor, subcontractor, bidder or contract, or any other Agency decision or issue, at the earliest possible time, must advise his or her supervisor of the possible conflict of interest.

- D. Upon request, the Agencies' General Counsel shall advise the CEO or designee whether it is appropriate for the Agency employee, agent or member of the Boards of Directors to participate in a decision involving a possible conflict of interest. Whether a conflict of interest exists will be determined in accordance with applicable state, federal and local laws and regulations.

### **INCOMPATIBLE ACTIVITIES**

No Agency employee, **agent or member** of the Boards of Directors shall engage in any outside activity that is inconsistent, incompatible, or that interferes with his or her ability to efficiently and effectively carry out his or her Agency duties. Incompatible activities include, but are not limited to, any of the following:

- A. The use for private gain or advantage of the employee's Agency time, facilities, equipment or supplies, prestige or influence of the employee's Agency employment.
- B. Receipt or acceptance by the employee of any money or other consideration from anyone other than the Agency for the performance of an act which the employee, if not performing such act, would be required or expected to render in the regular course or hours of Agency employment or as part of the employee's duties.
- C. Time demands from outside activities that would interfere with the ability of the Agency employee, agent or member of the Boards of Directors to devote his or her full work time, attention, and efforts to his or her Agency duties.

### **DUTY TO REPORT**

Each Agency employee, **agent or member** of the Boards of Directors is obligated to report to his or her supervisor, the Manager of Internal Audit, Manager of Human Resources and Administration, the Chief Executive Officer or the General Counsel any facts made known to the employee, **agent or member** which show that an Agency contractor or Agency employee, **agent or member** of the Boards of Directors has engaged in business practices regarding an Agency matter which appear to be unethical, or which may violate this policy or any applicable state or federal law.

### **WHISTLEBLOWER PROTECTION**

The Agencies are committed to fair treatment of all their employees and recognize their responsibility under state and federal law to protect from punishment and harassment any person who reports a potential ethics issue, whether or not the allegation is found to have merit. The report may be made anonymously. The Agencies shall not take any action or threaten any action against any Agency employee, agent or member of the Boards of Directors as a reprisal for making a report under this Code of Conduct unless the report was made or the information was disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

## **ETHICS HOTLINE**

The Agencies shall maintain a telephone Ethics Hotline number for any employee, vendor or member of the public to anonymously report any suspected fraud, waste, abuse, illegal or unethical behavior. The report shall be confidential. Reports to the Ethics Hotline will be administered by internal audit for review and investigation by the appropriate department.

## **COMPLIANCE AND ENFORCEMENT**

- A. All Agency employees, agents and members of the Boards of Directors have a responsibility to conduct the Agencies' business in compliance with this policy. The General Counsel shall investigate alleged violations of this policy. In the event the General Counsel determines that a violation has occurred then the General Counsel's findings shall be reported to the Chief Executive Officer who shall take such action, which may include notification to the Boards of Directors, as is appropriate under circumstances. If the alleged violation involves the Chief Executive Officer, the report shall be made to the Chairs of the Boards of Directors. Any violation of a provision of this policy which is based upon a state or federal law may also be enforced by any appropriate enforcement agency.
- B. A violation of this policy by an Agency employee may result in the imposition of discipline, up to and including dismissal. The appropriate discipline will be determined by the employee's supervisor in consultation with the Manager of Human Resources and Administration. The discipline imposed will depend upon the severity of the violation and may be progressive unless the violation is determined to be so serious as to warrant more severe action initially. The imposition of discipline by the Agencies for a violation of this policy, when such violation is also a violation of state or federal law, shall not affect the ability of any appropriate prosecutorial agency to seek the imposition of any penalty allowed by law for such violation.

## **ACKNOWLEDGEMENT OF RECEIPT OF CODE CONDUCT**

Each new Agency employee, **agent** and **member** of the Boards of Directors shall receive a copy of this policy upon commencement of employment and shall sign an acknowledgement of receipt. Thereafter, the employee, **agent or member** shall receive a copy of this policy once every two (2) years and the employee, **agent or member** shall sign an acknowledgement.

## **ADMINISTRATION OF CODE CONDUCT**

The Chief Executive Officer, or his designee shall be responsible for the administration of this Code of Conduct and maintenance of acknowledgements of receipt.

**APPENDIX H  
TO THE AGENCY ADMINISTRATIVE CODE  
PROCEDURES FOR IMPLEMENTING THE CALIFORNIA  
ENVIRONMENTAL QUALITY ACT**

San Joaquin Hills Transportation Corridor Agency and  
Foothill/Eastern Transportation Corridor Agency

**AUTHORITY AND MANDATE**

- (a) This Appendix H is adopted pursuant to the California Environmental Quality Act (“CEQA”), Public Resources Code Sections 21000 and following, as amended; and pursuant to the Guidelines for Implementation of the California Environmental Quality Act, as amended, appearing as Title 14, Division 6, Chapter 3 of the California Code of Regulations (“CEQA Guidelines”).
- (b)
- (c) Any amendments to CEQA or the CEQA Guidelines that may be inconsistent with this Appendix H shall govern.

**INCORPORATION BY REFERENCE**

The provisions of the CEQA Guidelines are not repeated here but are expressly incorporated herein by reference as though fully set forth herein. The following sections are limited to those that are necessary to tailor provisions of the CEQA Guidelines to the Agency.

**RESPONSIBILITY**

The administrative actions required by CEQA with respect to the preparation of environmental documents, giving of notice and completing other procedural activities shall be performed by staff of the Agency or by consultants under the direction of the Agency staff. Except where an action is required by this Appendix H to be taken by the Agency Board, the actions of the Agency may be carried out by Agency staff under the direction of the Chief Executive Officer. The actions to be carried out by Agency staff may include, but are not limited to:

- (a) Preparing any necessary forms, checklists and processing guidelines to implement CEQA.
- (b) Determining excluded and exempt activities which are not subject to CEQA.
- (c) Determining when a negative declaration or environmental impact report (“EIR”) is required when acting as lead agency or as is otherwise required by CEQA.
- (d) Consulting with agencies and other interested parties during the CEQA process when acting as a lead agency or as is otherwise required by CEQA.



- (e) Preparing environmental documents and notices when acting as a lead agency, a responsible agency or as is otherwise required by CEQA.
- (f) Filing and publishing any notices.
- (g) Consulting, providing comments, and attending hearings as necessary on behalf of the Agency when it acts as a responsible agency under CEQA.
- (h) Coordinating with federal lead and responsible agencies when project review is required under both CEQA and the National Environmental Policy Act (“NEPA”); and
- (i) After the Board’s approval of a project, determining whether additional environmental review of the project is required by CEQA.

### **LIST OF MINISTERIAL PROJECTS**

The Agency may maintain a list of types of ministerial projects and other actions excluded from CEQA. Such lists may be modified over time as the status of types of projects may change under applicable laws, ordinances, rules and regulations. This list shall not be considered totally inclusive and may at times require refinement or interpretation on a case-by-case basis.

### **CATEGORICAL EXEMPTIONS**

The Agency may maintain a list of the types of projects which are categorically exempt from CEQA.

### **INITIAL EVALUATION OF PROJECTS**

- (a) For projects that are not statutorily excluded or categorically exempt from CEQA, an initial study may be prepared to establish whether a negative declaration or an Environmental Impact Report (“EIR”) is required prior to the decision as to whether to carry out or approve the project. If it is clear at the outset that an EIR is required, however, the Chief Executive Officer may determine that no initial study is required.
- (b) Each initial study should meet the requirements of CEQA with respect to contents and consultation with Responsible and Trustee Agencies. During preparation of the initial study, the Agency may consult with any person having knowledge or interest concerning the project.
- (c) Based on the analysis and conclusions in the initial study, the Chief Executive Officer may determine that the Agency will prepare an EIR or a negative declaration.

## **NEGATIVE DECLARATIONS OR MITIGATED NEGATIVE DECLARATIONS**

- (a) When a negative declaration is required, it shall be prepared by or at the direction of the Agency.
- (b) The Board shall review and consider the information contained in the final negative declaration, together with any comments received during the public review process, and, upon making the findings as provided in CEQA, shall adopt the negative declaration, prior to approving the project. If the Board adopts a mitigated negative declaration, it shall also adopt a program for reporting on or monitoring the changes which it has either required for the project or made a condition of approval to mitigate or avoid significant environmental effects.

## **DRAFT ENVIRONMENTAL IMPACT REPORTS**

- (a) If it is determined that a project may have a significant effect on the environment and that an EIR is required, the Agency shall prepare a Notice of Preparation and shall provide for notice and circulation of the Notice of Preparation as required by CEQA.
- (b) The EIR shall be prepared by or under the direction of the Agency.
- (c) When the draft EIR has been prepared, the Agency shall file a Notice of Completion and shall provide public notice of the draft EIR, as required by CEQA. The comment period on draft EIRs shall comply with applicable CEQA requirements. The draft EIR shall be made available to the public upon filing of the Notice of Completion.
- (d) Public participation, both formal and informal, shall be encouraged at all stages of the review, and written comments shall be accepted at any time up to the conclusion of the public comment period. The Agency may give public notice at any formal stage of the review process, in any manner it may deem appropriate.

## **FINAL ENVIRONMENTAL IMPACT REPORTS**

- (a) A final EIR shall be prepared in accordance with CEQA by, or at the direction of, the Agency based upon the draft EIR, the consultations and comments received during the review process, and additional information developed by or provided to the Agency during the CEQA process.
- (b) If in the judgment of the Board the final EIR complies with CEQA, the Board may certify the final EIR. The certification shall contain a finding as to whether the project as proposed will, or will not, have a significant effect on the environment.

## **ACTIONS ON PROJECT**

- (a) Before making its decision whether to carry out or approve the project, the Board shall review and consider the information contained in the environmental document and shall make the applicable findings as required by CEQA.
- (b) After the Board has decided to carry out or approve a project, the Agency shall file a Notice of Determination with the county clerk of the county or counties in which the project is to be located and as required by CEQA. If required by CEQA, the Notice of Determination shall also be filed with the California Governor's Office of Planning and Research.

## **ADDITIONAL ENVIRONMENTAL REVIEW**

If the Agency determines that additional environmental review is required by CEQA, or if modifications to a project require additional environmental review, such review will be conducted as provided by CEQA.

## **SEVERABILITY**

- (a) If any article, section, subsection, paragraph, sentence, clause or phrase of this Appendix H, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, or other competent agency, such decision shall not affect the validity or effectiveness of the remaining portions. The Board hereby declares that it would have passed each article, section, subsection, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more articles, sections, subsections, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective.
- (b) If the application of any provision or provisions of this Appendix H to any person, property or circumstances is found to be unconstitutional or invalid or ineffective in whole or in part by any court of competent jurisdiction, or other competent agency, the effect of such decision shall be limited to the person, property or circumstances immediately involved in the controversy, and the application of any such provision to other persons, properties and circumstances shall not be affected.
- (c) These severability provisions shall apply to this Appendix H as it now exists and as it may exist in the future, including all modifications thereof and additions and amendments thereto.