

**NORTH COUNTY TRANSIT DISTRICT
RULES OF PROCEDURE
(Revised December 16, 2010)**

These Rules of Procedure have been adopted pursuant to the provisions of the North County Transit District Act (Public Utility Code Sections 125000) as set forth in Division 11.5 of the Public Utilities Code of the State of California.

Offices and Location

The name of this District shall be the North County Transit District (NCTD). The general administration office mailing address shall be 810 Mission Avenue, Oceanside, CA 92054.

Mission and Vision Statements

The mission is to deliver safe, convenient, reliable, and user-friendly public transportation services.

The vision is to provide an integrated transit system that enables our customers to travel easily and efficiently throughout the region.

Board Members and Election of Officers

The Board of Directors ("Board") is comprised of one (1) member of each of the city councils of the cities of Carlsbad, Del Mar, Encinitas, Escondido, Oceanside, Solana Beach, San Marcos and Vista and one (1) member from the San Diego County Board of Supervisors. The Board of Supervisors member is appointed by their Board and represents the largest portion of the county under jurisdiction of NCTD.

The Board chairperson shall preside at all Board Meetings and the Board vice-chairperson shall preside in his/her absence. In the event of their absence, or inability to act, the members present shall select one of their members to act as Board chairperson pro tem who shall have all of the authority of the Board chairperson.

The Board chairperson and Board vice-chairperson shall be nominated by the Board at its November meeting based on the recommendations of a three-person Nominating Committee appointed by the Board chairperson in October with the concurrence of the full Board at that meeting. The Board chairperson and Board vice-chairperson shall be subsequently elected by the Board at the January meeting of the Board of Directors.

If the position of Board chairperson is vacated for any reason prior to the conclusion of the term, the Board vice-chairperson shall become the new Board chairperson to serve the remainder of the term. The Board shall elect a new Board vice-chairperson at the next regularly scheduled meeting to serve the remainder of the term.

Board Alternates

Each city and the county represented on the Board appoints (1) one alternate member to serve on the Board when the regular member is not available. The alternate shall be subject to the same restrictions and shall have the same powers, when serving on the Board, as the member. However, the alternate members may not be compensated to attend non-Board meetings and conferences and may not travel at the expense of North County Transit District.

Board External Committees

The Board is authorized to designate members and alternates to represent the Board at specified meetings of other governmental entities and public agencies including meetings of other transit related organizations (Board Resolution No. 97-11). In the event that the Board designated primary appointee(s) and alternate(s) are not available to attend a specified meeting, the Board authorizes the Board Chair to select, at his or her discretion, a Board member to attend the specified meeting as the duly appointed representative of NCTD.

Board Member Responsibilities

- Attend Board and Committee meetings and functions, such as special events, to promote transit. When not able to participate, encourage the alternate to attend and brief him/her.
- Be informed about the organization's mission, services, policies and programs.
- Review agenda and supporting materials prior to Board and Committee meetings.
- Be knowledgeable about the legislative process and issues affecting the Board.
- Serve on Committees or Task Forces and offer to take on special assignments, including representing North County Transit District on external Committees.
- Inform others about North County Transit District.
- Keep up-to-date on developments in the transportation field.
- Follow conflict of interest and confidentiality policies of the District.
- Assist the Board in carrying out its fiduciary responsibilities, such as reviewing the organization's quarterly and annual financial statements, operating budget and capital improvement program.

Board Member Characteristics

- Ability to listen, analyze, make thoughtful decisions by thinking clearly and creatively, and work well with people individually and in a group.
- Willing to prepare for and attend Board and Committee meetings, ask questions, take responsibility and follow through on a given assignment.
- Willing to advocate for transit within the community, support the policies and actions of the Board, evaluate oneself, and develop certain skills if you do not already possess them; such as, to read and understand financial statements.

Governing Mission Statement

The Board of Directors is responsible for representing the citizens of North San Diego County in providing strategic and policy level leadership to ensure that the District meets the public transportation needs of the region in a full, safe, timely and cost effective manner.

Board Committee Structure Adopted by Board Resolution No. 02-06

The Committees are:

- a) The Marketing, Service Planning, and Business Development Committee ("Service Planning and Business Development Committee")
- b) The Performance, Administration and Finance Committee ("Performance Committee"); and
- c) The Executive Committee.

The Executive Committee is comprised of four members, consisting of the Board chairperson and Board vice-chair, the chairperson of the Service Planning and Business Development Committee, and the vice-chairperson of the Performance Committee. The Board chairperson and Board vice-chairperson shall serve as the chairperson and vice-chair person, respectively, of the Executive Committee.

Both the Service Planning and Business Development Committee and the Performance Committee are comprised of four members of the Board of Directors. The Board vice-chairperson shall be a member of and shall be chairperson of the Performance Committee.

After hearing (and approving) the Nominating Committee's Board chairperson and Board vice-chairperson nominations at the November meeting, the other members of the Board shall state their preference at the December meeting as to which Committee they would prefer to serve in the following term. Should more than four (4) Board Members request to be on the Service Planning and Business Development Committee and more than three (3) Board Members (excepting the Board vice-chairperson) request to be on the Performance Committee, the Board chairperson, with concurrence of the Board, will appoint the appropriate number of Board Members to each committee. As needed, the Board chairperson shall continue to appoint Board Members of the Committees with the consent of the Board of Directors, consistent with the aforementioned requirement that the Board vice-chairperson is required to serve as the chairperson the Performance Committee and is also a member of the Executive Committee.

At their first Committee meeting in the new calendar year, the members of the Service Planning and Business Development Committee shall elect its chairperson and vice-chairperson. At their first Committee meeting in January, the members of the Performance Committee shall elect its vice-chairperson.

The Committees operate as standing Committees for the purpose of the Brown Act so that all meetings are properly noticed and accessible to the public. The public has an opportunity to speak at each meeting under public comment as well as on each agenda item. Board Members have the opportunity to attend meetings of the Committee on which they are not a member and participate as members of the public. They cannot vote, be compensated or attend closed sessions of the Committee of which they are not a member. A quorum of a Committee is three members. If a Committee member cannot attend one of their Committee meetings, the Board Chair is designated to attend the Committee meeting in the member's place.

The Executive Director will designate a primary staff liaison for the Service Planning and Business Development and Performance Committees, respectively. The Executive Director will serve as the primary liaison for the meetings of the Executive Committee.

Committee Meeting Dates and Times

The Executive Committee shall meet consistent with its adopted annual meeting calendar, at a mutually agreed upon time by the Executive Committee. In general, the Executive Committee will endeavor to meet on a monthly basis.

The Performance Committee and Service Planning and Business Development Committee shall each meet in January on at least an annual basis to adopt a work plan and meeting calendar, including day and time of meetings. The number and frequency of meetings held by each of these Committees can vary depending upon the needs established by the Committee with guidance from their staff liaison. It is preferable that meetings of the Performance Committee and Service Planning and Business Development Committee be scheduled to occur in advance of meetings of the Executive Committee to support the development and placement of agenda items for the upcoming regular meeting of the Board of Directors.

All Committee meetings will be held at the NCTD offices located at 810 Mission Avenue, Oceanside, CA.

Subject Matter of Each Committee

Executive Committee: Responsible to provide oversight to each Committee, ensure that the Board of Directors protects the public, and provides oversight and guidance to the District in the achievement of its goals. Following are examples of the subject matters addressed by the Executive Committee:

- Determine the Board agendas and annually review and recommend amendments to the Rules and Procedures;
- Develop District policy recommendations pertaining to strategic planning, values, ethics, and issues referred to the Committee by the full Board;
- When authorized in advance by the Board of Directors, act for the full Board of Directors between meetings;
- Oversee each Committee; ensure that work is effectively coordinated across Committees and that communication between Committees and with staff is clear, timely, and effective;
- Recommend selection and provide oversight of Corporate Attorney(s);
- Actively support and nurture the Executive Director, evaluate the Executive Director annually; develop recommendations for full Board approval on Executive Director selection; compensation and employment of the Executive Director.

Performance Committee: Responsible to ensure that the District follows sound financial practices, complies with all financial reporting requirements, and reviews critical performance indicators to ensure the goals and objectives of the District are achieved. Following are examples of the subject matters addressed by this Committee:

- Oversee the preparation of an annual budget for the District; present annual budget to the full Board for approval;
- Monitor budget implementation and financial procedures;
- Review and recommend for approval significant changes to the budget (e.g. suggested new programs, funding reductions), and make recommendations to the full Board;
- Oversee the assets of the District and manage investments;
- Receive performance reports that capture the major performance indicators across all business areas of the District and present to the full Board along with recommendations for improvement, when necessary.

Service Planning and Business Development Committee: Responsible to ensure that the District is formulating and executing strategies that support increasing ridership and revenues within the resources allocated through the budget process. Following are examples of the subject matters addressed by this Committee:

- Development and implementation of a marketing and communications plan;
- Development and modification of Service Plans across all modes;
- Development of strategies and plans to diversify and increase revenue through strategic partnerships;
- Development of annual Service Implementation Plan required for submittal to SANDAG.

Agenda items that pass through one of these committees may be forwarded to the full Board for formal action. No formal action is taken at the committee meetings.

Ad Hoc Committees

Ad Hoc specialized subcommittees may be appointed by the Board if the need arises to accomplish specific tasks. Upon completion of its assignment, each Ad Hoc subcommittee shall disband.

Regular and Special Meetings and Public Hearings

- Regular Meetings (requires a 72-hour notice)

The Board of Directors conducts its regular meeting on the third Thursday of the month at 2:00 p.m. at NCTD's Administrative offices or the location identified in the public notice of the meeting. Closed Session is held as a Special Meeting before the regular meeting at the start time set forth in the 72-hour notice and on the Agenda. The start time of the Special Meeting is dependent upon the number of items to be discussed in Closed Session that day; typically 1:00-1:30 p.m. The notice of the meetings must be posted 72 hours before the start of the meetings. At the last regular meeting of the Board in December of each year, the Board shall adopt a schedule of its meetings for the coming year.

- Special Meetings (requires a 24-hour notice)

The Chairperson of the Board may within his/her discretion, or upon the request of any two Board Members with concurrence of the chairperson, call a special meeting for the purpose of transacting any business so specified in a published meeting notice. In addition, a special meeting may be called by a majority of the members of the Board by delivering, personally or by mail, written notice to each member of the Board twenty-four (24) hours before the time of the special meeting. The meeting notice shall be provided to whatever local newspaper publishes regular meetings of the Board. The notice shall specify the time and place of the special meeting together with the business to be transacted. No other business shall be conducted by the Board except that so specified in the notice.

- Emergency Meetings (24-hour notice waived)

An emergency meeting may be called for:

- Any activity that severely impairs public health, safety, or both as determined by a majority of the members of the Board;

- A crippling disaster, mass destruction, terrorist act, or threatened terrorist activity of significance that poses immediate peril.

Any meeting of the Board however called and noticed shall be a valid meeting if a quorum is present and each of the Board Members not present signs a written waiver of notice or an approval of the minutes of the special meeting. All waivers or approvals shall be made a part of the minutes of the meeting to which they relate.

- Quorum

A majority of the Board Members shall constitute a quorum for the transaction of business and all official acts of the Board shall require the affirmative vote of a majority of the members of the Board. When necessary, a Board Member may attend a Board Meeting by teleconference in accordance with the provisions of the Ralph M. Brown Act.

- Closed Session

All regular, standing committee and special meetings of the Board shall be open to the public; provided, however, that the Board may hold closed sessions during these meetings from which the public may be excluded for the purpose of considering certain matters as authorized and noted in the published meeting agenda.

No member of the Board, employee of the Board, or any other person present during a Closed Session shall disclose to any person the content or substance of any discussion which took place during the session unless the Board authorizes the disclosure by majority vote. No Board Member shall report the content or substance of any discussion which took place in the Session to that Board Member's City Council unless the Board authorizes the disclosure by a majority vote.

- Workshop Sessions (*requires a 72-hour notice*)

The Board may elect to meet in study/workshop sessions. The purpose of such sessions shall be for hearing reports from the staff and reviewing, discussing and debating matters of interest to the Board. No official action shall be taken at a Workshop Session. Such sessions shall be noticed and conducted as Board Meetings which shall be open to the general public and shall meet the same requirements as regular Board Meetings.

- Public Hearings

A Public Hearing is required for the adoption of North County Transit District's annual budget and public transportation service changes in accordance with the District's Policy on Public Comment Process for Changes in Fares and Service Levels. The Hearings require a 30-day notice.

The Hearing shall be held in accordance with the schedule on the agenda or as soon thereafter as practical.

Speakers are limited to three minutes to speak on an item listed on the agenda. The speakers may receive one donation of three minutes, for a maximum of six minutes. A written request to speak is not required during Public Hearings.

Public Hearings Procedure

The presiding officer shall open the Public Hearing as scheduled on the Agenda.

Prior to all Board Public Hearings, copies of the Board's Agenda with attachments, inclusive of any Staff Report, shall be available at the office of the Clerk of the Board at least seventy-two hours prior to the commencement of the Public Hearing; provided, however, the Board may allow in its discretion the filing of supplemental reports which shall be made public at the commencement of the Hearing in accordance with the Ralph M. Brown Act.

The order of the Hearing shall be as follows unless otherwise required by law:

1. Presentation of Staff Report
2. Questions from the Board
3. Testimony of people in favor/in opposition

The presiding officer may, dependent upon the necessity for ensuring adequate presentation of testimony and evidence to provide a fair Hearing, set longer time limits than otherwise allowed. The decision of the presiding officer may be appealed to the Board.

Public Hearings' Closure

When neither the public nor the District staff has further evidence to produce, or the presiding officer or majority of the Board believes sufficient evidence has been presented, the presiding officer shall order the Public Hearing closed. Once closed, no further evidence, either oral or in writing, will be accepted by the Board; provided, however, that the presiding officer, where it appears that good cause exists to hear further evidence concerning the matter which is the subject of the Public Hearing, may reopen the Public Hearing.

- Adjourned Meetings

All meetings may be adjourned to a time, place and date certain, but not beyond the next regular meeting. Once adjourned, the meeting may not be reconvened. Meetings may be adjourned by the chairperson by a simple declaration in the absence of a protest by any Board Member. Meetings may also be adjourned upon the making and seconding of such a motion in accordance with the specified procedures on motions. If a quorum is not present, less than a quorum may so adjourn a meeting. If all members of the Board are absent, the Clerk of the Board shall declare the meeting adjourned to a stated time and place and notice the adjournment following the same procedure given for special meetings. When any meeting is adjourned, the Clerk shall post notice of such adjournment in the District Headquarters Lobby within twenty-four (24) hours after the time of the adjournment.

Board Agenda for Board of Director's Meeting

In order to facilitate the orderly conduct of business of the Board, an Agenda shall be prepared containing the specific items of business to be transacted, a general description of each item, and the order in which to be heard. Items of business shall be placed on the Agenda at the direction of the Executive Committee. These suggested agenda items shall have been reviewed and discussed at a meeting of a Standing Committee before being placed on the Agenda. In addition, the Executive Director, with the approval of the Chair, may add an item to the Agenda. Agenda items, including ordinances, resolutions, contracts, staff reports or other matters to be submitted to the Board, shall be delivered to the Clerk of the Board not later than 2:00 p.m. on the Thursday preceding the regular meeting. The Clerk shall prepare the Agenda under the direction of the Executive Director or his/her designee. Whenever feasible, each item on the Agenda shall contain a staff recommendation and the specific action requested to be taken by the Board. The Agenda shall be mailed to the Board Members on the Friday preceding the regular meeting. The Agenda shall be posted by the Clerk of the Board at least 72 hours before each regular meeting in a location that is freely accessible to members of the public. The Clerk shall maintain a list of those to whom copies of the Agenda shall be distributed.

Before presentation to the Board, all contract documents shall have been approved as to form and legality by General Counsel or his/her authorized representative, and shall have been examined and approved for administration by the Executive Director or his/her authorized representative where there are substantive matters of administration involved.

No matters other than those listed on the Agenda shall be acted upon by the Board, unless voted by the Board to be added to the Agenda in accordance with the Ralph M. Brown Act.

The order of business established in the Agenda shall be followed unless the chairperson permits a matter to be taken out of the regular Agenda order.

Board Meeting Order of Business for Regular Board of Directors Meetings

The business of the Board shall be taken up for consideration and disposition in the following order unless the order is changed by approval of a majority of the Board Members:

- Call to Order (Opening of Meeting)
- Roll Call
- Closed Session
- Pledge of Allegiance
- Changes to the Agenda
- Special Presentations
- Public Communications (15 minute total time limit at beginning of meeting)
- Approval of Minutes
- Agenda Items
 - Consent Calendar (items pulled from consent will be moved to the end of the agenda)
 - Public Hearings (if any)
 - Report of the Committees
- Information Items
- Executive Director's Report
- Correspondence, Board Member Comments and Board Member Reports on External Meetings
- Remaining Public Communications (no total time limit for end of the meeting)
- Adjournment

Call to Order – Presiding Officer

The chairperson, or in his/her absence the vice-chairperson, shall take the chair at the hour appointed for the meeting and shall call the Board to order. In the absence of the chairperson and the vice-chairperson, the Clerk of the Board shall call the Board to order, after which the temporary presiding officer shall be the Chair of the Service Planning and Business Development Committee, or the Vice-Chair of the Performance Committee, or any Board member (in this specific order) elected by the Board Members present. Upon the arrival of the chairperson or the vice-chairperson, the temporary presiding officer shall relinquish the chair at the conclusion of the business then before the Board.

The presiding officer may move, second, debate, and vote as the Chair. He/she shall not be deprived of any of the rights and privileges of a Board Member by reason of acting as presiding officer. The presiding officer, or such person as he/she may designate, may verbally restate each question immediately prior to calling for the vote. Following the vote, the presiding officer shall announce whether the question carried or was defeated. The presiding officer shall be responsible for the maintenance of order and decorum at all meetings. He/she shall decide all questions of order and procedure subject to an appeal to the Board, in which case the matter shall be determined by majority vote of the Board. The presiding officer shall sign all ordinances, resolutions, contracts and other documents necessitating his/her signature which were adopted in his/her presence, unless he/she is unavailable, in which case an alternate presiding officer may sign such documents.

Minutes

Unless the reading of the Minutes of a Board meeting is requested by a Board Member, the Minutes may be approved without reading if the Clerk of the Board has previously furnished each Board Member with a copy.

The Clerk of the Board may tape record Board meetings as an aid in the preparation of the Minutes. If tape recordings are made, they shall be retained by the Clerk until such time as the Minutes have been approved by the Board or in accordance with the North County Transit District's most current Records Retention Policy.

While the Clerk of the Board has the tape recordings in her possession, members of the public may hear tape recordings of the Board meetings during office hours when it will not inconvenience the ordinary operation of the Clerk's office.

The transcribed Minutes of the Board shall be kept by the Clerk of the Board and, after approval by the Board and signed by the Chairperson, shall be filed in a book kept for that purpose. An index of all Board agenda items recorded in the Minutes shall be maintained by the Clerk. A record shall be made in the Minutes of the names and city of residence of persons addressing the Board and the subject matter.

The Minutes shall be distributed with the Agenda for the next meeting of the Board and approved at that meeting.

Consent Calendar

All matters listed under the Consent Calendar are considered by the Board to be routine and may be enacted by one motion. There will be no separate discussion on these items prior to the time the Board votes on the motion, unless members of the Board, the Executive Director, or

members of the public request specific items to be discussed and/or removed from the Consent Calendar for separate action.

A request from the public to discuss an item must be filed with the Clerk of the Board on a "Request to Speak" form before the item is called. The forms will be available at the meeting. Speakers turning in slips after discussion begins on an item will be heard at the end of the meeting under agenda item "Remaining Public Communications".

Request to Address the Board on Items Other than Listed on Public Hearings

It is the policy of the Board to permit presentations by members of the public on non-Public Hearing agenda items.

Any person, or group of persons, desiring to address the Board on a non-Public Hearing matter must file a written "Request to Speak" form with the Clerk of the Board before the meeting is called to order. The forms will be available at the meeting.

Each person desiring to address the Board shall state the subject they wish to discuss and state who they are representing if they represent an organization or other persons. Unless further time is granted by a majority vote of the Board, the speaker's remarks are limited to three minutes if they are speaking on an item not listed on the agenda. If the speaker is speaking on an item listed on the agenda, he/she may be donated three minutes by another speaker for a maximum time of speaking of six minutes. All remarks shall be addressed to the Board as a whole and not to any Board Member specifically. No questions shall be asked of a Board Member or a member of the staff without obtaining permission of the presiding officer.

After a motion has been made, no member of the public shall address the Board from the audience on the matter under consideration without first securing permission to do so by a majority vote of the Board.

Motions

A motion is a formal statement of a proposal or question to the Board for consideration and action. Every Board Member has the right to present a motion. A motion is generally not to be considered as a legislative action of the Board but is in the nature of direction or instruction; however, a motion will usually suffice unless a resolution is specifically called for by law or unless there is some reason for desiring the particular action formalized by separate instrument.

If the motion contains two or more divisible propositions, the presiding officer may divide the same.

If a motion is properly made, the presiding officer shall call for a second. No further action is required on a motion which does not receive a second.

When a motion is made and seconded, it shall be restated by the chairperson before a vote. Once a motion is before the Board, it may not be withdrawn by the one who made the motion without the consent of the one that seconded it.

Resolutions

In most cases, a resolution is little more than a formal motion set forth in a formal document. A resolution should be required under any circumstances where it is desirable that the action be

formally recorded in the office of the Clerk of the Board as a numbered document which can be used for future reference.

Where a particular resolution has been prepared and is before the Board, it shall be adopted by motion, second, discussion and vote. Where a particular resolution has not been prepared, a motion to direct the General Counsel to prepare the document and return it to the Board is in order.

Where necessary, a resolution may be presented verbally in motion form together with instructions for written preparation. Upon execution of such a resolution, it shall become an official action of the Board.

Ordinances

Certain legislation of a permanent nature which is to remain in force until amended or repealed, which establishes rights and obligations and the failure to comply with which may result in a penalty, may be enacted by ordinance.

An ordinance shall be introduced by motion after a reading of the title. If adopted, the ordinance shall be effective on the date of adoption, or on the date stated in the ordinance.

Reading of Ordinances and Resolutions

At the time of introduction or adoption of an ordinance or a resolution, the same shall not be read in full unless, after the reading of the title, further reading is requested by a Board Member. If any Board Member so requests, the ordinance or resolution shall be read in full.

Motion to Renew

Within ten days following a vote on an action item at a Board Meeting, any Board Member may request the Clerk of the Board to place the item on a future Board agenda to renew the motion. Upon receipt of a timely request, the Clerk of the Board will place two items on the next available agenda as follows:

1. Consideration of whether to vote on a motion to renew [the subject motion]; and
2. Motion to renew [the subject motion].

At the Board Meeting, the Board shall debate and vote upon whether to permit a motion to renew. If the Board votes to permit a motion to renew upon the making of such a motion, the Board shall debate and vote upon the motion.

Such a request to consider a motion to renew shall not be made, nor shall the subject motion be reconsidered within twelve calendar months of action by the Board on the original motion at issue.

Correction of Documents

Occasionally, documents are submitted in draft form or on the spot amendments and/or errors are found which necessitate reprocessing of the document. When a redraft is properly executed, it shall become the original document to be effective and to be retained in the files of the Clerk of the Board.

Ralph M. Brown Act

All meetings of the Board shall be conducted in the manner prescribed by the Ralph M. Brown Act.

Robert's Rules of Order

If a matter arises at a Board Meeting which is not covered by these Rules of Procedure or applicable provisions of Federal or State law, the procedures of the Board shall be governed by the latest revised edition of Robert's Rules of Order.

Failure to Observe Procedures

These provisions are adopted to expedite the transaction of the business of the Board in an orderly fashion and are deemed to be procedural only. The failure to strictly observe such rules shall not affect the jurisdiction of the Board or invalidate any action taken at a meeting that is otherwise held in conformity with law.

Board and Alternate Member Compensation

Meetings of the Board

Members of the Board of Directors or their Alternates shall be entitled to receive a stipend of \$75 for attendance at each meeting of the Board of Directors. Each Director or Alternate may receive a total amount in stipends not to exceed \$300 in any month.

Meetings of Other Governmental Entities and Public Agencies.

Each Director who has been designated by the Board of Directors to represent the District at meetings of "other governmental entities and public agencies" which are designated below shall be entitled to receive a stipend in the amount of \$75. Each Director may receive a total amount in stipends for representing the District at the meetings of designated governmental entities and public agencies not to exceed \$300 in any calendar month. The Board Member attending two meetings in one day of the approved compensated meetings shall be paid for each meeting.

Governmental Entities and Public Agencies Designated for Board Member Compensation

Directors who are appointed to represent the District shall be entitled to stipend and expenses for attending Board and Committee meetings of the following governmental entities and public agencies:

- (i) Joint Committee on Regional Transit ("JCRT");
- (ii) Meetings and Committee meetings of SANDAG;
- (iii) Meetings and Committee meetings of LOSSAN.

Any change in the compensation for Board Members or in the method of deriving an amount of compensation to them must involve an amendment to Section 125107 of the Public Utilities Code.

Passes

Board Members and Alternates receive a pass to ride public transportation.

Reimbursement for Actual and Necessary Expenses

General

Whenever a Director or Alternate attends a meeting or conference, they shall be reimbursed according to the rules set forth in this section.

Attendance at Meetings and Conferences

Board Members are encouraged to take advantage of transit related development opportunities. It is desirable and beneficial to NCTD, and to constituents it represents, that Board Members actively participate in State and National transit related association activities. Board Members may attend meetings and conferences of organizations listed below and receive reimbursement for actual and necessary expenses for such attendance with the approval of the Board Chair. The Board Vice-Chair will approve the Chair's travel requests and expenses. After the Chairs' or Vice-Chair's approval, as applicable, District travel arrangements shall be made through NCTD's Executive Administrator/Clerk of the Board.

- American Public Transportation Association (APTA)
- California Transportation Association (CTA)
- LOSSAN

In addition to the travel described above, reimbursement for expenses will be provided to any Board Member who is active on any approved transit-related Committee for expenses related to Committee meetings attended by the Board Member. This would include meetings such as those of the California Transportation Commission or legislative meetings at the State and Federal Legislatures.

In the event the Board of Directors seeks additional representation at LOSSAN, it may appoint a member of the public to attend the meetings and represent the Board in the capacity as Special Advisor. In that event, that member of the public shall be entitled to per diem for attending the meetings and travel expenses, as provided herein.

Transportation

(1) Board Meetings and Governmental Entities in Southern California

Each Director and each Alternate shall be entitled to receive a reimbursement for mileage to and from meetings of the Board of Directors, meetings of Committees of the Board, and designated governmental entities and public agencies while representing the District in an amount equal to the number of miles driven times the amount permitted to be deducted as a business expense by the United States Internal Revenue Service. If a Director or an Alternate receives mileage expense from another entity, including the city represented by the Director or Alternate, the Director or Alternate shall not be entitled to mileage reimbursement from North County Transit District.

(2) Reimbursement for Travel Beyond Southern California

If the distance to the function is 500 miles or less, air or automobile travel may be used, at the option of the traveler. If travel is by automobile, the Director shall be entitled to receive a reimbursement for mileage to and from the occurrence, at an amount equal to the number of miles driven, times the amount permitted to be deducted as a business expense by the United States Internal Revenue Service.

If the distance to the occurrence is greater than 500 miles, air travel or train travel shall be used, unless rejected due to physical or other reason, approved by the Board Chair or Vice-Chair as applicable,. If automobile travel is used, the transportation expense to be paid by the District will be limited to the total related costs for duration of travel and ground transportation at the destination that would have resulted had air or train travel been used, including, but not limited to, fare, transportation to and from airports or train stations and parking.

(3) Travel Procedures

The guidelines used to arrange the trip and other procedures for the traveler are listed below and should be considered by the traveler when making travel requests:

(a) Air Travel:

Air travel is to be Coach Class for the most direct route. When possible, travel will be arranged in order to take advantage of the minimum fourteen-day advance ticket pricing. NCTD will cover the cost if it is more cost effective to include a Saturday stay, and travelers should consider this option, when practical.

(b) Ground Transportation:

Whenever possible, in using surface transportation to the airport and business-related trips at the trip location, the most practical and least expensive alternative should be utilized (such as airport bus or commuter train rather than a taxi).

(c) Parking:

NCTD will reimburse the lesser of the parking cost for a personal auto left at the airport or the cost of a shuttle to and from the airport.

(d) Rental Car:

Use of rental cars is discouraged and must be pre-approved by the Board's Chair or Vice-Chair as applicable. In the event a rental car is required, NCTD will only make arrangements for the least expensive compact-sized automobile and will pay for rental car insurance coverage or damage waivers.

Lodging

Whenever required to spend the night away from home, Board Members shall engage a room at a good commercial hotel or motel. If accompanied on the trip by another person who is not on District business, and the room is shared, the District shall be charged only for that portion of the room charge which would have been made for single occupancy. A receipted bill stating occupants and length of stay shall be submitted with the claim for expense reimbursement. If a room is occupied by more than one person, the rate for single occupancy shall be noted on the receipted statement.

Lodging expense for attending a conference or organized educational activity shall not exceed the maximum group rate published by the conference or activity sponsor. If the group rate is not available, reimbursement shall be for comparable lodging, so long as it is consistent with the District's policy. Board Members shall use Government and group rates offered by a provider of transportation and lodging services when available.

The hotel rooms will be held for one night with an NCTD credit card. The traveler will need to use his or her personal credit card when checking into and out of the hotel and be reimbursed for business-related hotel charges described in this Policy.

Meals and Incidental Expenses

Expense allowance while attending authorized functions shall include, in addition to transportation and lodging, all meals, tips, telephone expense, stenographic expense and other disbursements on behalf of the District. No reimbursement shall be made of expenditures for personal services or needs. Expenditures for meals and incidental expenses chargeable to the District shall be those which would have resulted had air transportation been used.

Meals, including tip, will be reimbursed according to the meal receipts presented with the Expense Report. Business meals (reasonable and involving outside persons for the purpose of conducting NCTD-related business) are permitted for reimbursement. These meals must be itemized separately and justified on the Expense Report.

Travel Companion

If the traveler has a companion traveling with him/her, the District's travel planner may make their travel arrangements also, but their airfare and any other personal costs incurred and covered by the District must be reimbursed to the District before the expense report process is completed by attaching a personal check made payable to NCTD to the Expense Report.

Registration

Board Members requesting to attend a conference or training which requires registration fees should do so in sufficient time for NCTD to take advantage of any discounts. Registration will be paid before the conference by an NCTD credit card.

Travel Request and Expense Report

When a Board Member is interested in attending a conference or other occurrence, he/she should ask the Executive Administrator/Clerk of the Board for an Overnight Travel Request Form. The top portion (request portion) of the Form should be completed and returned to the Executive Administrator/Clerk of the Board. Once the request has been approved by the Board Chairperson or Vice-Chairperson, as applicable, the travel arrangements will be made. The Request to Travel Form will be returned to the traveler with a complete trip itinerary. The bottom portion (Expense Report) of the Form will then be used to record expenses.

Board Members shall submit the Expense Report of all expenses incurred by them while acting in the interest of the District, to which will be attached the associated vouchers and/or receipts. Each expenditure item shall include a detailed description of the function and the nature of the District business conducted. The statement shall also indicate the credits for expenses apportioned to personal needs, services, or expenses incurred for the convenience of others, and the net amount due or to be refunded to the District. After the Expense Report has been completed, it should be given to the Executive Administrator/Clerk of the Board. If money is owed to NCTD, a check made payable to NCTD should be attached to the Form. If money is owed to the Board Member, this Form will be used to request reimbursement from NCTD's Accounts Payable Department.

Board Member Financial Responsibility

If a Board Member must change travel plans and NCTD has incurred non-refundable expenses (e.g., registration fee, airfare, hotel deposit), the traveler shall be responsible to share 50 percent of these costs unless the change is for a valid medical reason or personal emergency as approved by the Board Chairperson.

Stipends and Reimbursement Disclosure

A detailed quarterly report of all stipends paid to Members of the Board and travel expenses paid to both the Board of Directors and staff members shall be made available for public inspection by calling the Clerk of the Board.

Ethics Training

On October 10, 2005 AB 1234 was approved by the State which imposed ethics training and compensation and reimbursement requirements on cities, counties and special districts. This legislation took effect January 1, 2006.

NORTH COUNTY TRANSIT DISTRICT'S ETHICS TRAINING POLICY

Members of the Board of Directors and employees who are designated by the Board of Directors, shall receive at least two hours of ethics training every two years, pursuant to the provisions of Government Code Section 53234, et seq.

Ethics training shall be provided by an agency, an association of local agencies, or other entity, in accordance with criteria approved by the Fair Political Practices Commission and the Attorney General.

NCTD's Audit and Financial Analyst shall provide Members of the Board of Directors and the designated employees, information on the training available to meet these requirements.

Each Director and designated employee who is in service as of January 1, 2006, shall receive the required training before January 2007, except those officials whose term of office ends before January 1, 2007.

Each Director and designated employee who commences service with the District after January 1, 2006, shall receive the required training one year from the first date of service with the District. Thereafter, said Directors and designated employees shall receive training at least once every two years.

Directors who serve a local agency other than the District are only required to satisfy the requirements of this Policy once every two years regardless of the number of agencies they serve.

All Directors and designated employees shall provide a certificate to the Audit and Financial Analyst, indicating the dates upon which they attended ethics training sessions to satisfy requirements. The certificate shall also include the entity which provided the training. The Audit and Financial Analyst shall maintain the records, indicating the dates that each of the Members of the Board of Directors and designated employees satisfied their requirements and the entity which provided the training. These records shall be maintained for at least five years after the training and are subject to disclosure under the Public Records Act.

The employees who are designated by the Board to receive ethics training in accordance with this policy are those that are required to submit a Statement of Economic Interest (Form 700) each year.