

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office *CAF*

BOARD AGENDA # B-5

Urgent

Routine

AGENDA DATE April 1, 2008

CEO Concurs with Recommendation YES NO

4/5 Vote Required YES NO

(Information Attached)

SUBJECT:

Approval to Enter Into a Joint Exercise of Powers Agreement with the Cities of Modesto, Oakdale and Riverbank for Route Adoption of the North County Corridor Transportation Expressway

STAFF RECOMMENDATIONS:

1. Approve entering into a Joint Exercise of Powers Agreement with the Cities of Modesto, Oakdale and Riverbank for Route Adoption of the North County Corridor Transportation Expressway.
2. Authorize the Chairman of the Board of Supervisors to sign the Agreement.

FISCAL IMPACT:

The Joint Powers Agreement (JPA) will create a "North County Corridor Transportation Expressway Authority". Under the terms of the Agreement, the County will be responsible for 40% of the Project activities and expenses and each participating city will be responsible for 20%. The Agreement requires that within 60 days of the execution of the Agreement, the Authority shall adopt a budget to operate the Authority until June 30, 2009. By March 1, 2009, and each year thereafter, the Authority shall adopt a budget for the coming fiscal year and transmit each Participant their coming fiscal year obligation.

- CONTINUED -

BOARD ACTION AS FOLLOWS:

No. 2008-238

On motion of Supervisor O'Brien, Seconded by Supervisor Grover
and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, Monteith, DeMartini, and Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

The Chairman appointed Supervisors O'Brien and Grover to this Joint Powers Agency.

C-1-A-21
C-6-I-11
C-7-B-2

ATTEST: Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

File No. BD-83-01

Approval to Enter Into a Joint Exercise of Powers Agreement with the Cities of Modesto, Oakdale and Riverbank for Route Adoption of the North County Corridor Transportation Expressway

FISCAL IMPACT Continued:

The purpose of the JPA will be to complete Project Approval and Environmental Documentation (PA/ED) which will develop a preferred alternative that will be used to establish a precise alignment. The exact costs associated with completing the project approval and environmental certification are not known at this time and will be established after completion of the currently funded Project Study Report (PSR) and circulation of a Request for Proposals for the PA/ED stage. It is anticipated that Stanislaus County's share of costs will be met through a combination of funds from the State Transportation Improvement Program (STIP) and Public Facilities Fees (PFF). The draft Expenditure Plan for the proposed Transportation Sales Tax also identifies this critical corridor for funding.

Under the terms of the Agreement, the County Public Works Director will be designated as the Authority's Manager. In addition, the Auditor-Controller of the County will be designated as controller of the Authority and the Treasurer of the County designated as treasurer of the Authority. Reasonable costs, as determined by the Board of Supervisors, will be charged against the Authority for their services.

DISCUSSION:

East and west traffic congestion in northern Stanislaus County has increased dramatically in recent years. To identify potential solutions to address this issue, the StanCOG Policy Board contracted with Nolte and Associates to complete a Feasibility Study of a potential northern transportation corridor in this area. It describes and analyzes existing conditions and addresses anticipated constraints, such as environmental, and evaluates future 2030 traffic operations and their effect on the parallel roadways. The draft study has identified several alternative alignments to assist in alleviating traffic congestion in this portion of the County. These alignments are northerly and southerly of Kiernan/Claribel Roads; extending easterly from State Route 99 and terminating south and easterly of the City of Oakdale. A future expressway in this area would help address Stanislaus County's needs for an east-west connector.

The North County Corridor has also been identified as a priority corridor by the County and the Cities of Modesto, Oakdale and Riverbank. In November 2007, each of these entities, along with the Stanislaus Council of Governments (StanCOG), agreed to contribute \$30,000 each to the completion of a Project Study Report (PSR). A PSR is Caltrans' standard mechanism to initiate a project in order to determine basic scope, cost and schedule as required by the California Transportation Commission (CTC). It will provide more conceptual design and planning to program the project for funding possibilities. The PSR will present three alternatives, one of which will be "No-Build". Subsequent to the PSR, the Project Report and Environmental Document (PA/ED) will provide an even more comprehensive design to solicit additional public input and recommend a "Preferred Alternative".

The County and Cities of Modesto, Oakdale and Riverbank have also been meeting and discussing the best approach to develop a precise alignment for the Corridor. It was determined

Approval to Enter Into a Joint Exercise of Powers Agreement with the Cities of Modesto, Oakdale and Riverbank for Route Adoption of the North County Corridor Transportation Expressway

that the formation of a Joint Powers Authority (JPA) would be the best mechanism to complete the PA/ED stage. This stage, which would commence upon completion of the PSR, will develop the preferred alternative that will be used to establish the precise alignment. Upon selection of a precise alignment, the participating entities can decide whether to amend the Agreement to include the construction stage of the project. The JPA is structured after a similar partnership formed by Contra Costa County with the Cities of Antioch, Oakley and Brentwood, to construct the State Route 4 Bypass project. Caltrans is also a member of the State Route 4 JPA, and could assist the North County Corridor JPA as well.

The North County Corridor Project will provide approximately 24 miles of roadway on new alignment to enhance local traffic circulation and provide regional connectivity. The primary intent of the project is to provide a high capacity/high speed east-west roadway to accommodate anticipated traffic growth in the area, to alleviate traffic on parallel roadways, and to accommodate multi-modal travel.

The proposed roadway would be built in unincorporated Stanislaus County and is not anticipated to cross any current city boundaries, though portions of it may travel less than one mile south of Riverbank and Oakdale, and less than one mile north of Modesto. A portion of the project would also traverse the designated sphere of influence for Modesto and future spheres for Riverbank and Oakdale.

Under the terms of the Joint Powers Agreement, the Authority will be responsible to prepare and develop studies and plans for the corridor, complete environmental documentation, conduct public hearings and adopt a precise alignment. The JPA Board of Directors will be comprised of two directors appointed by the County and one director from each of the three participating cities. The Stanislaus County Public Works Director is designated the Authority's Manager; the Treasurer of the County is designated as treasurer of the Authority; and, the Auditor-Controller of the County is designated as controller of the Authority.

POLICY ISSUE:

Article 1 of Chapter 5 of Division 7 of Title 1 of the California Government Code authorizes the County to join in with cities to create a joint exercise of powers entity. The Board of Supervisors is asked to determine whether entering into the Joint Exercise of Powers Agreement for route adoption of the North County Corridor Transportation Expressway furthers their priority of a Well-Planned Infrastructure.

STAFFING IMPACTS:

If approved, existing staff from Public Works, Auditor-Controller, Treasurer Tax Collector and the Chief Executive Office will all be involved in providing support to the Authority. No additional staffing resources are requested or anticipated at this time.

**JOINT EXERCISE OF POWERS AGREEMENT
FOR ROUTE ADOPTION OF THE NORTH COUNTY CORRIDOR
TRANSPORTATION EXPRESSWAY**

THIS AGREEMENT, dated April 1, 2008, by and between the County of Stanislaus, a political subdivision of the State of California organized and existing under the laws of the State of California (herein called-"County"), CITY OF MODESTO, a charter city and municipal corporation duly organized and existing under and by virtue of the laws of the State of California (herein called "Modesto"), and CITY OF OAKDALE, a municipal corporation duly organized and existing under and by virtue of the laws of the State of California (herein called "Oakdale"), and CITY OF RIVERBANK, a municipal corporation duly organized and existing under and by virtue of the laws of the State of California (herein called "Riverbank"),

WITNESSETH:

WHEREAS, Article 1 of Chapter 5 of Division 7 of Title 1 of the California Government Code authorizes the County, Modesto, Oakdale and Riverbank to create a joint exercise of powers entity (hereinafter called "North County Corridor Transportation Expressway Authority" or the "Authority") which has the power to jointly exercise certain powers common to the County, Modesto, Oakdale and Riverbank (herein collectively called "Participants").

WHEREAS, County, Modesto, Oakdale and Riverbank individually and in common have the power to study, discuss, plan, recommend, advocate and implement policies and programs pertaining to development of transportation corridors and expend funds relating to these matters, County, Modesto, Oakdale and Riverbank propose jointly to exercise some or all of the foregoing powers through the Authority matters relating to the project.

WHEREAS, County, Modesto, Oakdale and Riverbank agree that a need exists to improve the East/West traffic circulation in the County.

WHEREAS, County, Modesto, Oakdale and Riverbank have jointly participated in the discussion of alternatives for potential transportation expressway corridor east from Hammett Road/State Route 99 Interchange to a tie-in with State Route 108/120 East of Oakdale.

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C-1-A-21
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BD-03-1

WHEREAS, County, Modesto, Oakdale and Riverbank are very supportive of continuing a joint planning effort regarding the North County Corridor Transportation Expressway to accommodate projected traffic volumes and to plan for projected growth and enhance economic development efforts within Participants jurisdictions.

WHEREAS, due to the County's, Modesto's, Oakdale's and Riverbank's need and desire to advance the state of readiness to implement a North County Corridor Transportation Expressway alternative from State Route 99 to the east side of the County to State Route 108/120, east of Oakdale, participants agree to jointly participate in project development activities for the selected corridor.

WHEREAS, the Stanislaus Council of Governments has requested that the County, Modesto, Oakdale and Riverbank commit staff resources and funding to prepare a Project Study Report of a transportation expressway corridor.

WHEREAS, upon completion of the Project Approval and Environmental Document, it is anticipated that an environmental document for a preferred north county expressway corridor from Route 99 to connect with State Route 108/120 East of Oakdale will need to be certified.

WHEREAS, by this Agreement, County, Modesto, Oakdale and Riverbank desire to create and establish a North County Corridor Expressway Authority for the purpose set forth herein and to exercise the power described herein.

NOW, THEREFORE, County, Modesto, Oakdale and Riverbank propose to advance the state of readiness of the project. The purpose of this Agreement is to empower the Participants to jointly form a separate joint powers agency for the purpose of preparing, identifying and adopting a precise alignment subject to approval by each of the Participants, and preparing and certifying environmental documents;

NOW, THEREFORE, BE IT FURTHER RESOLVED, the County, Modesto, Oakdale and Riverbank for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

SECTION 1. DEFINITIONS

Unless the context otherwise requires, the terms defined in this Section 1 shall for all purposes of this Agreement have the meanings herein specified.

- A. "Agreement" means this Joint Exercise of Powers Agreement.
- B. "Authority" means the agency created by this Joint Exercise of Powers Agreement, also to be known as the "North County Corridor Transportation Expressway Authority."

- C. "Board" or "Board of Directors" means the governing body of this Authority.
- D. "Caltrans" means the State of California Department of Transportation.
- E. "Environmental clearance" means certification by the Authority of an environmental document that was prepared and processed pursuant to the requirements of the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA).
- F. "Lead agency" is defined in accordance with CEQA and the State CEQA Guidelines.
- G. "Participants" refers collectively to the County, Modesto, Oakdale and Riverbank. "Participant" refers to each individual party or participant.
- H. "Project" means the adoption by the Authority subject to approval by each of the participants of a precise alignment of the North County Corridor Transportation Expressway from Highway 99/Hammett Road Interchange through the east part of the County to a connection east of Oakdale on State Route 108/120.
- I. "Project management/administration" means the overall coordination and management of all activities associated with this Agreement and includes the activities defined in Appendix A (attached).
- J. "Responsible agency" is defined in accordance with CEQA and the State CEQA Guidelines.
- K. "State Route adoption" means a written resolution by the California Transportation Commission to adopt the alignment as part of the State Freeway and Expressway system.
- L. "North County Corridor Transportation Expressway" means a planned and proposed County/City limited access expressway whose purpose is to divert regional traffic from Highway 99/Hammett Road Interchange to the east side of the County to State Route 108/120.

SECTION 2. PURPOSE

This Agreement is made pursuant to Government Code section 6502 to provide for the joint exercise of powers common to the Participants for the purpose of exercising the powers referred to in the recitals hereof and described in Section 5 herein.

Each of the Participants desires to assist in the development of the North County Transportation Expressway, and, to accomplish that goal, is willing to assist in financing the Project. The legislative bodies of the Participants have determined that completion of the Project will allow each Participant to more effectively deliver local agency services to residential, commercial and industrial development within certain portions of the jurisdictions of the respective Participants; consequently, each Participant finds that completion of the Project is a matter of general interest to the residents within its jurisdiction and that financing or contributing to the cost of the Project is a public purpose.

Each Participant is empowered by the laws of the State of California to appropriate and expend monies on and enter into contracts for municipal functions and the planning of public capital improvements, including development of environmental studies and design of streets and highways benefiting its residents. Each Participant enters into this Agreement and forms the Authority in order to benefit from demonstrable savings in the cost of financing its respective portion of the Project.

SECTION 3. TERM

This Agreement shall expire upon completion of the Project Report, environmental certification and adoption of a precise alignment by the Authority and each participant's respective agency and after all payments and reimbursements are made by and to each party. Participation by any party to this Agreement may be terminated upon thirty (30) days written notice to the others; provided, however, that upon execution of a contract with any consultants, each party shall remain responsible for payment for completion of work pursuant to the terms of the contract, notwithstanding its termination. Notwithstanding the expiration or termination of this Agreement, the provisions of Section 13 shall remain in full force and effect unless and until modified or terminated by mutual written consent of the parties.

SECTION 4. AUTHORITY

A. Creation of Authority

There is hereby created pursuant to the law an agency and public entity to be known as "North County Corridor Transportation Expressway Authority." As provided in the law, the Authority shall be a public entity separate from the County, Modesto, Oakdale and Riverbank. The Participants determine and specify that other than as may hereafter be contracted for or otherwise assumed in writing, the debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of the County, Modesto, Oakdale or Riverbank.

Within thirty (30) days after the effective date of this Agreement or any amendment hereto, each of the signatories hereto agree to take whatever actions are

necessary to insure that the Authority causes a notice of this Agreement to be prepared and filed with the office of the Secretary of State in the manner set forth in Section 6503.5 of the California Government Code.

B. Government Board

The Authority shall be administered by a Board of Directors, the members of which shall be selected and serve as follows:

- a. Two directors shall be designated and appointed by the County, and one director shall be designated and appointed by each city within thirty (30) days after the effective date of this Agreement. All directors shall be current members of the legislative body which they represent.
- b. Alternate directors may be designated and appointed by each participant from the membership of its respective governing body. An alternate shall be authorized to act only in the absence of his or her corresponding director.
- c. All directors and their alternates shall serve until replaced by the respective appointing jurisdiction.
- d. The officers of the Authority shall consist of a Chairperson and a Vice Chairperson selected from the Board by a majority vote of the directors. The length of office shall be determined by the Authority.
- e. To enhance communication and coordination with other affected jurisdictions, the Board will include two ex-officio, non-voting members, one from StanCOG and Caltrans.

Each director shall have a single vote on matters coming before the Board. Members of the Board shall not receive any compensation for serving as such.

C. Meetings of Board

(1) Regular Meetings. The Board shall hold at least one regular meeting each year, and, by resolution, may provide for the holding of regular meetings at more frequent intervals. At its first meeting, the Board, by resolution, shall appoint a Chairperson, and Vice Chairperson, establish any necessary rules of procedure and establish a procedure for calling meetings, which includes the fixing of a date, time and place for regular meetings.

(2) Legal Notice. All meetings of the Board shall be called, noticed, held and conducted subject to the provisions 'of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the California Government Code (Sections 5495054961)) or any successor legislation hereinafter enacted. Board members shall file Fair Political Practices Commission Form 700 on an annual basis.

(3) Meetings. The secretary of the Authority shall cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the clerk of the legislative body of each of the Participants.

To facilitate the objectives and purpose of this Agreement, a summary of each meeting of the Authority and their actions will be transmitted to the Participant's individual Council members and Supervisors.

(4) Quorum. A majority of the voting members of the Board or their alternates shall constitute a quorum for the transaction of business

D. Officers, Duties, and Bonds

(1) The Board shall elect a chairperson and a vice-chairperson of the Authority from among its members.

(2) The Treasurer of the County is hereby designated as treasurer of the Authority. Subject to the applicable provisions of any indenture of resolution providing for a trustee or other fiscal agent, the treasurer is designated as the depository of the Authority to have custody of all money of the Authority, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the California Government Code.

(3) The Auditor-Controller of the County is hereby designated as controller of the Authority, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the California Government Code. He or she shall draw checks or warrants to pay demands against the Authority when the demands have been approved by the Authority.

(4) The Board of Supervisors of the County shall determine the reasonable charges to be made against the Authority for the services of the treasurer and controller.

(5) The treasurer and controller of the Authority are designated as the public officers or persons who have charge of, handle, or have access to any property of the Authority, and each such officer shall file an official bond in the amount of \$25,000 as required by Section 6505.1 of the California Government Code. The Authority shall provide appropriate liability insurance for Directors.

(6) The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

SECTION 5. POWERS

The Authority shall have the power to cause the planning and preliminary engineering of the Project and to finance such Project through deposits by the Participants, subject to the conditions and restrictions contained in this Agreement.

The Authority is authorized, in its own name, to do all acts necessary for the exercise of said powers for said purpose, including but not limited to any or all of the following: to make and enter into contracts; to employ agents and employees; to meet as necessary and discuss issues affecting the Project; to serve as a vehicle for the parties to work cohesively together in advocating the Project and developing strategies to move the Project forward and work collectively with other local, state and federal agencies; to apply for grants, incur debts; and to sue and be sued in its own name. Subject to the requirements of Section 11, the debts, liabilities and obligations of the Authority shall belong to the Authority, and not to the Participants.

Such power shall be executed subject only to such restrictions upon the manner of exercising such power as are imposed upon each of the participants in the exercise of similar powers, as provided in Section 6509 of the California Government Code.

SECTION 6. SPECIFIC POWERS

The Authority is hereby empowered to:

- A. Prepare and develop studies and plans for a precise alignment on its preferred alignment of the Project.
- B. Conduct public hearings.
- C. Authorize the necessary level of engineering for a precise alignment.
- D. As lead agency, certify an environmental document on the project.
- E. Adopt a precise alignment for the North County Corridor Transportation Expressway.
- F. Represent the interests of the Project in accordance with applicable law.

SECTION 7. SCOPE OF WORK

The Authority will undertake the following scope of work:

Project Approval and Environmental Document.

This phase outlines the steps for project approval and environmental certification. Tasks include preparation and circulation of environmental studies and public outreach. The Project Report and environmental analysis will develop a preferred alternative, which will be used to establish a precise alignment. Participants, in accordance with applicable laws, shall utilize the precise alignment to define the right of way that needs to be acquired or preserved in order to protect or develop the corridor. The task shall be prepared in accordance with Caltrans' Project Development Procedures, as applicable.

The "Authority" is designated the Lead Agency in the preparation and processing of the environmental document, unless it is determined under CEQA that another entity would be the Lead Agency. Each participant agency for this project is considered a Responsible Agency for review of the environmental document pursuant to CEQA. Certification of the environmental document and adoption of the precise alignment will require a majority vote by the Board of Directors and each participant's legislative body's approval of the portion of the alignment located within that respective jurisdiction or sphere of influence, or General Plan as amended. Upon certification of the environmental document, each participant agency shall amend their General Plans to be consistent with the adopted precise alignment.

SECTION 8. COMMITTEES

The Board shall establish a Technical Advisory Committee composed of key staff members from County, Modesto, Oakdale, Riverbank and StanCOG.

The Board may establish other advisory committees as it deems appropriate to advise the Authority on matters related to this Agreement, provided that the purpose and function of any such committee shall be specified by the Board. The Advisory committees shall provide periodic reports to the Board.

SECTION 9. RESPONSIBILITIES

The County Public Works Director is designated the Authority's Manager. The Manager, who may act through authorized deputies and employees has the following powers and duties;

- A. To be responsible to the Board for proper administration of all affairs of the Authority. This includes the preparation of periodic progress and financial

reports to the Board and Technical Advisory Committee on expenditures for work associated with this Agreement.

- B. To supervise and direct the preparation of the annual Authority budget for adoption by the Board and be responsible for its administration after adoption.
- C. To attend all meetings of the Board and act as the secretary of the Board.
- D. Cause the filing of a notice of this Agreement to be made as described in section 4A of this Agreement.

It is the intent to use staff resources available to each party as well as resources available from other public agencies to the maximum extent feasible to complete the objectives of this Agreement. When approved by the Board, in-kind services reflected in the Authority Budget that may be provided by an individual party may be credited towards that party's commitment as outlined in Section 11 provided that the in-kind service is directly connected with the tasks outlined in Section 7. Credit to an individual party's commitment for in-kind services will be based upon the participant's actual cost of work computed using a charge out rate recognized by the participant and approved in advance by the Board. Staff participation in meetings such as the Board of Directors and Technical Advisory Committee are not considered an in-kind service eligible for credit towards the party's commitment and thus is not included within Section 11, except when County or designated city staff or their agents act as direct staff to the Authority.

SECTION 10. BUDGET

Within 60 days of the execution of this Agreement, the Authority by unanimous consent shall adopt a budget to operate the Authority until June 30, 2009. By March 1, 2009, and each year thereafter, the Authority shall adopt a budget for the coming fiscal year and transmit to each Participant their coming fiscal year obligation.

SECTION 11. COST SHARING

By mutual consent, the parties to this Agreement agree to commit the level of resources in this Section 11 and 12 to support the Authority's activities. The financial obligation for Project activities and expenses are based on the following percentages:

County: 40%

Modesto: 20%

Oakdale: 20%

Riverbank: 20%

The above division of costs is strictly and only applicable to work outlined in this Agreement. Subsequent project development, detailed design and construction costs are not part of this Agreement and are subject to further negotiation. Participation in this Agreement at the above level under no circumstances obligates any of the parties to participate in future related activity at the same level.

SECTION 12. DEPOSITS, DISBURSEMENT, AND MONTHLY BILLINGS

The fiscal year for the Authority shall be from July 1 to June 30, except for the first fiscal year which shall be the period from the date of this Agreement to the following June 30.

It is necessary to ensure that working capital is in the fund at all times. Within 60 days of the adoption of this Agreement, the Authority shall adopt a proposed budget for that fiscal year. Within 30 days after the Board's approval of the budget, each party shall advance, pay or render to the Authority its share of the first year's budget. By March 1 of each subsequent fiscal year, the Manager will prepare and the Authority shall adopt an annual budget for that fiscal year. By July 1 of the fiscal year, each party shall advance, pay or render to the Authority the first 50 percent of its share of the annual budget. Within thirty (30) days of the end of the first six-month period, each party shall advance, pay or render to the Authority the remaining 50 percent of its share of the annual budget. The Manager regularly shall monitor the incurred costs to determine if they are within the estimated budget and shall advise the Board on such matters. The second semi-annual deposit may be adjusted to reflect actual costs incurred.

Expenses incurred will be strictly accounted for on a monthly basis by the Manager. At the completion of the work outlined in this agreement, the Manager shall prepare a final report detailing all appropriate costs associated with this agreement. The report shall include the amounts disbursed for each item of work, the amount credited towards any individual party commitment, as outlined in Section 9 for eligible in-kind services, and the amount of deposit to be returned to or additional payments to be made by the parties.

SECTION 13. HOLD HARMLESS

Each party to this agreement shall defend, hold harmless and indemnify the other parties, their officers, agents and employees against any and all claims, demands, damages, costs, expenses or liability arising out of, or in connection with, any work performed under this agreement and caused by the negligence or willful misconduct of its officers, agents or employees. However, each party to this agreement shall assume full responsibility for claims, demands, damages, costs, expenses, and liability relating to the alignment, design, construction, operation or maintenance of that portion of the corridor located within the party's jurisdiction, and

shall defend, hold harmless and indemnify the other parties, their officers, agents and employees against the same. The provisions of this section are not intended to and shall not limit the indemnification or insurance provided by the consultants hired under Section 9 above. Nothing in this agreement is intended, or shall be construed, to affect the legal liability of any party to third parties by imposing a standard of care different from that imposed by law.

SECTION 14. TERMINATION OF POWERS

The Authority shall continue to exercise the powers herein conferred upon it until the termination of the Agreement or until the County, Modesto, Oakdale and Riverbank shall have mutually rescinded this Agreement.

SECTION 15. DISPOSITION OF ASSETS

At the end of the term hereof or upon the earlier termination of this Agreement, as set forth in Section 6 hereof, all assets of the Authority shall be distributed to the respective grantors or assignors thereof, in the amounts and at the time or times as may be determined by the Board, provided that upon completion of the purposes of this Agreement, any surplus money on hand shall be returned to the parties hereto in proportion to the contributions made to the Authority and the Project.

SECTION 16. AGREEMENT NOT EXCLUSIVE

This Agreement shall not be exclusive and shall not be deemed to amend or alter the terms of other agreements between or among the County, Modesto, Oakdale and Riverbank, except as the terms of this Agreement shall conflict therewith, in which case the terms of this Agreement shall prevail.

SECTION 17. ACCOUNTS AND REPORTS

The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice and provide for strict accountability of all funds and report of all receipts and disbursements as provided in Section 6505 of the California Government Code. The books and records of the Authority shall be open to inspection at all reasonable times by the Participants and their duly authorized representatives for such purpose.

To the extent required by Section 6505 of the California Government Code, the controller of the Authority shall either make or contract with a certified public accountant or public accountant to make an audit of the accounts and records of the Authority. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 2609 of the California Government Code and shall conform to generally accepted auditing

standards. When such an audit of an account and records is made by a certified public accountant, a report therefore shall be filed as a public record with the County, Modesto, Oakdale and Riverbank and with the auditor of the County. Such reports shall be filed within twelve months of the end of the fiscal year or years under examination.

Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants, in making an audit pursuant to this section shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for the purpose.

SECTION 18. BREACH

If default shall be made by the County, Modesto, Oakdale or Riverbank in any covenant contained in this Agreement, such default shall not excuse the County, Modesto, Oakdale or Riverbank from fulfilling the respective obligations under this Agreement, and the County, Modesto, Oakdale or Riverbank shall continue to be liable for the performance as specified in Section 3 herein contained. The County, Modesto, Oakdale and Riverbank hereby declare that this Agreement is entered into for the benefit of the Authority created hereby and the County, Modesto, Oakdale and Riverbank hereby grant to the Authority the right to enforce it by whatever lawful means the Authority deems appropriate.

SECTION 19. SEVERABILITY

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

SECTION 20. SUCCESSORS: ASSIGNMENTS

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties. Except to the extent expressly provided herein, none of the parties may assign any right or obligation hereunder without the unanimous consent of the others.

SECTION 21. AMENDMENT OF AGREEMENT

This Agreement may be amended by supplemental written agreement duly authorized and executed by or on behalf of the County, Modesto, Oakdale and Riverbank at any time.

SECTION 22. FORM OF APPROVALS

Whenever an approval is required in this Agreement, unless the context specifies otherwise, it shall be given by resolution duly and regularly adopted by the legislative body of each of the Participants.

SECTION 23. GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the Constitution and laws of the State of California.

SECTION 24. NOTICES

All notices or communicates herein required or permitted shall be given in writing, and if to any of the entities described below, to the address shown or such other address as may be filed with the Secretary of the Authority for such purpose:

Authority:	Secretary of North County Corridor Expressway Authority c/o Stanislaus County Public Works Department 1010 Tenth Street, Suite 3500' Modesto, California 95354
County:	Richard Robinson, Chief Executive Officer County of Stanislaus 1010 Tenth Street, Suite 6800 Modesto, California 95354
Modesto:	James E. Niskanen, Interim City Manager City of Modesto 1010 Tenth Street, Suite 6100 Modesto, California 95354
Oakdale:	Steve Hallam, City Manager 280 N. Third Avenue Oakdale, California 95361
Riverbank:	Richard P. Holmer, City Manager 6707 Third Street Riverbank, California 95367

SECTION 25. SECTION HEADINGS

All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

SECTION 26. COUNTERPARTS

This Agreement and any supplement or amendment hereto may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

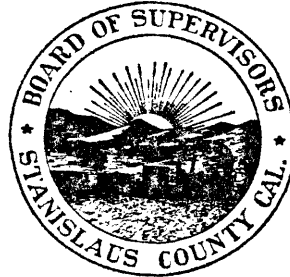
IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

JOINT EXERCISE OF POWERS AGREEMENT

For Route Adoption of the North County Corridor Transportation Expressway Authority

STANISLAUS COUNTY
a political subdivision of the
State of California


By: *Thomas W Mayfield*
Thomas W Mayfield, Chairman of the
Board of Supervisors, County of
Stanislaus, State of California



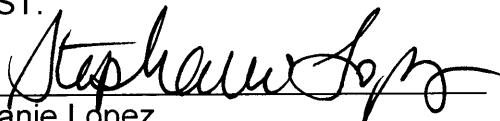
ATTEST:

By: *Christine Ferraro Tallman*
Christine Ferraro Tallman, Clerk of
the Board of Supervisors

CITY OF MODESTO
A charter city and municipal corporation

By: 
Jim Ridenour, Mayor

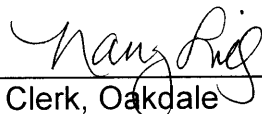
ATTEST:

By: 
Stephanie Lopez
Acting City Clerk, Modesto

CITY OF OAKDALE
A municipal corporation

By: 
Farrell Jackson
Mayor of the City of Oakdale

ATTEST:

By: 
City Clerk, Oakdale

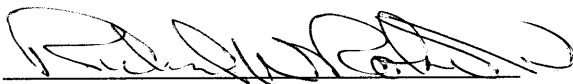
CITY OF RIVERBANK
A municipal corporation

By: 
Chris Crifasi
Mayor of the City of Riverbank

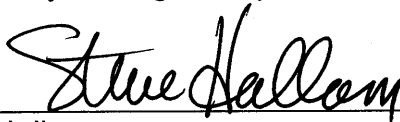
ATTEST:

By: 
Deputy City Clerk, Riverbank

RECOMMENDED FOR APPROVAL:

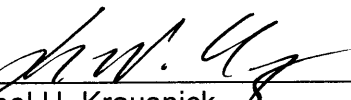
By: 
Richard W. Robinson
Chief Executive Officer, Stanislaus County

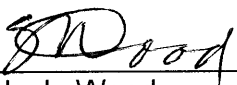
By: 
James E. Niskanen
Interim City Manager, City of Modesto

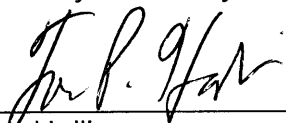
By: 
Steve Hallam
City Manager, City of Oakdale

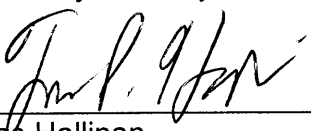
By: 
Rich Holmer
City Manager, Riverbank

APPROVED AS TO FORM:

600 By: 
Michael H. Krausnick
Stanislaus County Counsel

By: 
Susana Alcala Wood
City Attorney of the City of Modesto

By: 
Thomas Hallinan
Oakdale City Attorney

By: 
Thomas Hallinan
Riverbank City Attorney

APPENDIX A

MANAGER RESPONSIBILITIES

1. Develop Organization and Procedures
 - Project organization chart for approval
 - Develop written procedure, if no standards available to expedite work
 - Develop project scope of work
2. Inter-Agency Coordination
 - Assure information moves agency to agency
 - Monitor agency activities
 - Develop communication matrix
3. Cost Control
 - Prepare budgets for all phases of project
 - Prepare budget cash flow
 - Monitor budget cash flow
 - Prepare analysis of actual cash flow
 - Periodic reports
4. Schedule Control
 - Develop project schedule
 - Monitor progress of all participants
 - Suggest method to keep project on schedule
 - Develop periodic reports on progress and % complete
5. Technical Coordination
 - Develop Request for Qualifications (RFQ)
 - Develop Request for Proposals (RFP)
 - Coordinate technical activities performed by agencies and consultant
 - Recommend selection of consultant
 - Prepare bid summary and analysis of consultant proposals
 - Review and recommend approval of all technical documents
 - Expedite consultant requests for information
 - Monitor agency and consultant activity
 - Review plans and reports
 - Develop format for RFP's, RFQ's, and technical agreements
 - Negotiate terms of agreements or contracts
6. Contract Administration
 - Issue notice to proceed for agreements and contracts

- Review qualifications of consultant personnel
- "Approve consultant project manager
- Monitor progress
- Review and recommend payment for interim billings
- Review and approve cash flow projections of consultant
- Review monthly progress reports of consultant
- Prepare monthly progress report for all project activities
- Coordinate requests for information from consultant

7. Communications

- Establish and operate correspondence distribution system
- Prepare media releases
- Set agendas for public, inter-agency and project meetings
- Set meeting place and assure necessary equipment is available
- Assist Board of Directors in public hearings
- Prepare exhibits