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TITLE 7.10. SAN FRANCISCO BAY AREA WATER EMERGENCY TRANSPORTATION RESPONSE AND DISASTER RECOVERY ACT [66540 - 66540.69] (Title 7.10 repealed and added by Stats. 2007, Ch. 734, Sec. 2.)

CHAPTER 5. Duties and Powers [66540.255 - 66540.68] (Chapter 5 added by Stats. 2007, Ch. 734, Sec. 2.)

ARTICLE 4. Funding [66540.41 - 66540.54] (Article 4 added by Stats. 2007, Ch. 734, Sec. 2.)

66540.41. The authority shall prepare and implement annual operating budgets for the operation of the San Francisco Bay Area water transportation services system, associated terminals, and related feeder transportation and support services.

(Added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.42. The authority shall set fares for travel on the water transportation services system that it operates, and define and set other fares and fees for services related to the water transportation system.

(Repealed and added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.43. (a) The authority may issue bonds, from time to time, payable from revenue of any facility or enterprise operated, acquired, or constructed by the authority, for any of the purposes authorized by this title in accordance with the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5), excluding Article 3 (commencing with Section 54380) of Chapter 6 of Part 1 of Division 2 of Title 5 and the limitations set forth in subdivision (b) of Section 54402 which shall not apply to the issuance and sale of bonds pursuant to this section.

(b) The authority is a local agency within the meaning of Section 54307. The water transportation services system or any or all facilities and all additions and improvements that the authority's governing board authorizes to be acquired or constructed and any purpose, operation, facility, system, improvement, or undertaking of the authority from which revenues are derived or otherwise allocable, which revenues are, or may by resolution or ordinance be, required to be separately accounted for from other revenues of the authority, shall constitute an enterprise within the meaning of Section 54309.

(c) The board shall authorize the issuance of bonds pursuant to this section by resolution, which resolution shall be adopted by a majority vote and shall specify all of the following:

(1) The purposes for which the bonds are to be issued, which may include one or more purposes permitted by this title.

(2) The maximum principal amount of bonds.

(3) The maximum term of bonds.

(4) The maximum rate of interest, fixed or variable, to be payable upon the bonds.

(5) The maximum discount or premium payable on sale of the bonds.

(d) For purposes of the issuance and sale of bonds pursuant to this section, the following definitions shall be applicable to the Revenue Bond Law of 1941:

(1) "Fiscal agent" means any fiscal agent, trustee, paying agent, depository, or other fiduciary provided for in the resolution providing the terms and conditions for the issuance of the bonds, which fiscal agent may be located within or without the state.

(2) "Resolution" means, unless the context otherwise requires, the instrument providing the terms and conditions for the issuance of bonds, which instrument may be an indenture, trust agreement, installment sale agreement, lease, ordinance, or other instrument in writing.

(e) Each resolution shall provide for the issuance of bonds in the amounts as may be necessary, until the full amount of bonds authorized has been issued. The full amount of bonds may be divided into two or more series with different dates of payment fixed for bonds of each series. A bond need not mature on its anniversary date.

(f) The authority may issue refunding bonds to redeem or retire any bonds issued by the authority upon the terms, at the times, and in the manner which the authority's governing body determines by resolution. Refunding bonds may be issued in a principal amount sufficient to pay all, or any part of, the principal of the outstanding bonds, the premium, if any due upon call redemption thereof prior to maturity, all expenses of redemption, and either of the following:

(1) The interest upon the refunding bonds from the date of sale thereof to the date of payment of the bonds to be refunded out of the sale of the refunding bonds or to the date upon which the bonds to be refunded will be paid pursuant to call or agreement with the holders of the bonds.

(2) The interest upon the bonds to be refunded from the date of sale of the refunding bonds to the date of payment of the bonds to be refunded or to the date upon which the bonds to be refunded will be paid pursuant to call or agreement with the holders of the bonds.

(g) The authority may enter into any liquidity or credit agreement it may deem necessary in connection with the issuance of bonds authorized by this section.

(h) This section provides a complete, additional, and alternative method of performing the acts authorized by this article, and the issuance of bonds, including refunding bonds, need not comply with any other law applicable to borrowing or the issuance of bonds. Any provision of the Revenue Bond Law of 1941 which is inconsistent with this section or this title shall not be applicable.

(i) Nothing in this section prohibits the authority from availing itself of any procedure provided in this article for the issuance of bonds of any type or character for any of the authorized water transportation facilities. All bond proceedings may be carried on simultaneously or, in the alternative, as the authority may determine.

(Amended by Stats. 2008, Ch. 387, Sec. 10. Effective January 1, 2009.)

66540.44. The authority may levy special benefit assessments consistent with the requirements of Article XIII D of the California Constitution for operating expenses and to finance capital improvements, including, but not limited to, special benefit assessments levied pursuant to any of the following:

(a) The Improvement Act of 1911 (Division 7 (commencing with Section 5000) of the Streets and Highways Code).

(b) The Improvement Bond Act of 1915 (Division 15 (commencing with Section 8500) of the Streets and Highways Code).

(c) The Municipal Improvement Act of 1913 (Division 12 (commencing with Section 10000) of the Streets and Highways Code).

(d) The Landscaping and Lighting Act of 1972 (Part 2 (commencing with Section 22500) of Division 15 of the Streets and Highways Code).

(Repealed and added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.45. The authority may borrow money in accordance with Article 7 (commencing with Section 53820) of, Article 7.6 (commencing with Section 53850) of, or Article 7.7 (commencing with Section 53859) of, Chapter 4 of Part 1 of Division 2 of Title 5.

(Added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.46. (a) The authority may borrow money in anticipation of the sale of any bonds that have been authorized to be issued, but have not been sold and delivered, and may issue negotiable bond anticipation notes therefor, and may renew the bond anticipation notes from time to time, but the maximum maturity of any bond anticipation notes, including the renewals thereof, may not exceed five years from the date of delivery of the original bond anticipation notes. The bond anticipation notes may be paid from any money of the authority available therefor and not otherwise pledged.

(b) If not previously otherwise paid, the bond anticipation notes shall be paid from the proceeds of the next sale of the bonds of the authority in anticipation of which they were issued. The bond anticipation notes may not be issued in any amount in excess of the aggregate amount of bonds that the authority has been authorized to issue, less the amount of any bonds of the authorized issue previously sold, and also less the amount of other bond anticipation notes therefore issued and then outstanding. The bond anticipation notes shall be issued and sold in the same manner as the bonds. The bond anticipation notes and the resolution or resolutions authorizing them may contain any provisions, conditions, or limitations that a resolution of the authority authorizing the issuance of bonds may contain.

(c) Exclusively for the purpose of securing financing or refinancing for any of the purposes permitted by this title through the issuance of bonds, notes, or other obligations, including certificates of participation, by a joint powers authority, and, notwithstanding any other provision contained in this title or any other law, the authority may borrow money or purchase or lease property from a joint powers authority and, in connection therewith, may sell or lease property to the joint powers authority, in each case at the interest

rate or rates, maturity date or dates, installment payment or rental provisions, security, pledge of revenues and other assets, covenants to increase rates and charges, default, remedy, and other terms or provisions as may be specified in the installment sale, lease, loan, loan purchase, or other agreement or agreements between the authority and the joint powers authority. The authority may enter into any liquidity or credit agreement it may deem necessary or appropriate in connection with any financing or refinancing authorized by this section. This section provides a complete, additional, and alternative method of performing the acts authorized by this section, and the borrowing of money, incurring indebtedness, sale, purchase, or lease of property from or to a joint powers authority, and any agreement for liquidity or credit enhancement entered into in connection therewith, pursuant to this section, need not comply with the requirements of any other law applicable to borrowing, incurring indebtedness, sale, purchase, lease, or credit except for compliance with this section.

(Repealed and added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.47. The authority may bring an action to determine the validity of any of its bonds, equipment trust certificates, warrants, notes, or other evidences of indebtedness or any of its revenues, rates, or charges pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

(Added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.48. (a) Notwithstanding any other provisions of this title or any other law, the provisions of all ordinances, resolutions, and other proceedings in the issuance by the authority of any bonds, bonds with a pledge of revenues, bonds for improvement districts, revenue bonds, equipment trust certificates, notes, or any and all evidences of indebtedness or liability constitute a contract between the authority and the holders of the bonds, equipment trust certificates, notes, or evidences of indebtedness or liability, and the provisions thereof are enforceable against the authority or any or all of its successors or assigns, by mandamus or any other appropriate suit, action, or proceeding in law or in equity in any court of competent jurisdiction.

(b) Nothing in this title or in any other law shall be held to relieve the authority or the territory included within it from any bonded or other debt or liability contracted by the authority.

(c) Upon dissolution of the authority or upon withdrawal of territory therefrom, that territory formerly included within the authority, or withdrawn therefrom, shall continue to be liable for the payment of all bonded and other indebtedness or liabilities outstanding at the time of the dissolution or withdrawal as if the authority had not been so dissolved nor the territory withdrawn therefrom, and it shall be the duty of the successors or assigns to provide for the payment of the bonded and other indebtedness and liabilities.

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

(Repealed and added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.49. The authority may apply for and receive grants from any and all state and federal agencies.

(Added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.50. The authority may deposit or invest any moneys of the authority in banks or financial institutions in the state in accordance with state law.

(Repealed and added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.51. The authority may insure against any accident to or destruction of the public transportation ferry system or any part thereof.

(Added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.52. The authority may insure against loss of revenues from any cause whatsoever.

(Repealed and added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.53. The authority may insure against public liability or property damage, or both. It may provide in the proceedings authorizing the issuance of any bonds for the carrying of such or any other insurance, in such amount and of such character as may be specified, and for the payment of the premiums thereon.

(Added by Stats. 2007, Ch. 734, Sec. 2. Effective January 1, 2008.)

66540.54. (a) The authority shall maintain accounting records and shall report accounting transactions in accordance with generally accepted accounting principles as adopted by the Governmental Accounting Standards Board (GASB) of the Financial Accounting Foundation for both public reporting purposes and for reporting of activities to the Controller.

(b) The authority shall contract with an independent certified public accountant for an annual audit of the financial records, books, and performance of the authority. The accountant shall submit a report of the audit to the board and the board shall make copies of the report available to the public and the appropriate policy and fiscal committees of the Legislature.

(Amended by Stats. 2008, Ch. 179, Sec. 122. Effective January 1, 2009.)