

This Contract, Number 07-110, is approved for recordation pursuant to Resolutions Number 06-65, recorded on August 29, 2006 in Book 741, Pages 991-993, Reception number 30443.

SOUTH CENTRAL REGIONAL TRANSIT DISTRICT INTERGOVERNMENTAL CONTRACT

**by and among
City of Alamogordo
City of Las Cruces
City of Socorro
City of Sunland Park
City of Truth or Consequences
City of Elephant Butte
Doña Ana County
Sierra County
Town of Mesilla
Village of Hatch
Village of Williamsburg**

Dated as of NOVEMBER 30, 2006

providing for the creation of

**the "South Central Regional Transit District" as a Regional Transit District
pursuant to the New Mexico Regional Transit District Act,
Chapter 73, Article 25, Sections 1-18, NMSA 1978 (2003)**

**SOUTH CENTRAL REGIONAL TRANSIT DISTRICT
INTERGOVERNMENTAL CONTRACT**

THIS SOUTH CENTRAL REGIONAL TRANSIT DISTRICT INTERGOVERNMENTAL CONTRACT (hereinafter, this "Contract") is entered into as of NOVEMBER 30, 2006 by and among the City of Alamogordo, City of Las Cruces, City of Socorro, City of Sunland Park, City of Truth or Consequences, City of Elephant Butte, Doña Ana County, Sierra County, Town of Mesilla, Village of Hatch, and Village of Williamsburg (hereinafter, the "Initial Members").

RECITALS

WHEREAS, pursuant to the Regional Transit District Act, Chapter 73, Article 25, Sections 1-18, NMSA 1978, (hereinafter the "Act"), New Mexico governmental units are authorized to establish, by contract, regional transit districts, which, upon the satisfaction of the conditions set forth in Article II hereof, are authorized to finance, construct, operate, maintain, and promote regional transit systems; and

WHEREAS, governmental units may contract with one another to provide any function, service, or facility lawfully authorized to each of the contracting units and any such contract may provide for the joint exercise of the function, service, or facility, including the establishment of a separate legal entity to do so; and

WHEREAS, the Initial Members are governmental units located in South Central New Mexico, which desire to form a Regional Transit District pursuant to the Act for the purpose of financing, constructing, operating, maintaining, and promoting regional transit systems; and

WHEREAS, transit services promote independent living for the frail, the elderly, the disabled, and those without access to automobiles by providing essential links to a variety of medical, social, and other services, and the region recognizes the need to improve mobility options for this growing segment of the population; and

WHEREAS, the Initial Members began working together on the goal of forming a Regional Transit District in the Fall of 2005; and

WHEREAS, the Initial Members formed a working group in December 2005, which has met regularly to consider the interests of the Initial Members; and

WHEREAS, the working group has specified the terms of this Contract and other necessary documents based on comments received from and extensive discussions with the Governing Bodies of each of the Initial Members.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants set forth below, the Initial Members hereby agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.01. Definitions from the Act. The following terms shall, when capitalized, have the meanings assigned to them in Section 73-25-3 of the Act:

"Board" means the board of directors of a District;

"Bond" means a revenue bond;

"Combination" means two or more governmental units that exercise joint authority;

"Commission" means the New Mexico State Transportation Commission;

"*Construct*", "*Constructing*", or "*Construction*" means the planning, designing, engineering, acquisition, installation, construction, or reconstruction of a regional transit system;

"*District*" means a regional transit district that is a political subdivision of the state created pursuant to the Act;

"*Governmental Unit*" means the state, a county or a municipality of the state, or an Indian nation, tribe or pueblo located within the boundaries of the state;

"*Regional Transit System*" means a property, improvement, or system designed to be compatible with established state and local transportation plans that transports or conveys passengers within a region by means of a high-occupancy vehicle, including an automobile, truck, bus, van, or railcar; and

"*Revenues*" means tolls, fees, rates, charges, assessments, grants, contributions, or other income and revenues received by the District.

Section 1.02. Other Definitions. The following terms shall, when capitalized, have the following meanings:

"*Act*" is defined in the Recitals hereto.

"*Advisory Committee*" means two or more persons appointed by the Board, pursuant to Article VI hereof, for the purpose of providing advice to the Board and includes the Citizen Advisory Committee.

"*Alternate*" is an elected official appointed by a Member to serve on the Board in the absence of a Director, in accordance with Article VII hereof.

"*Boundaries*" means the boundaries of the District determined in accordance with Articles II and III hereof, as such boundaries may be amended from time-to-time in accordance with Article X hereof.

"*Citizen Advisory Committee*" means the special Advisory Committee described as such in Article VI, hereof.

"*Contract*" means this South Central Regional Transit District Intergovernmental Contract, as amended from time to time in accordance with the terms hereof.

"*Director*" means any person appointed as a Director pursuant to Article VI hereof. Whenever the person appointed as a Member's Director pursuant to Article VI hereof is absent from a Board meeting, the term "Director" shall mean the Official Designee, if any, appointed by such Member pursuant to Article VII hereof.

"*Governing Body*" means, when used with respect to a Member, the city council, board of trustees, board of commissioners, pueblo council, or other legislative body, as appropriate, of such Member.

"*Initial Boundaries*" means the Boundaries of the District on the date the District is originally certified pursuant to Article II hereof, as such Initial Boundaries are determined in accordance with Articles II and III hereof.

"*Initial Members*" means the initial signatories who become Members on the date on which the District is originally certified pursuant to Article II hereof.

"*Member*" means the Initial Members and any Governmental Unit that becomes a member of the District pursuant to Article X hereof.

"*SCRTD*" is defined in the Recitals hereto.

"*Officer*" means the Chair, Vice Chair, Secretary, or Treasurer of the District, and any subordinate officer or agent appointed and designated as an officer of the District by the Board.

"Official Designee" means any person appointed to serve on the Board in the absence of a Director, pursuant to Article VII hereof.

"Person" means any individual, partnership, joint venture, corporation, limited liability company, governmental entity, or other legal entity.

"Regional Transit Services" means the transit services described in the "South Central Regional Transit District Regional Mobility Concepts."

ARTICLE II

NAME AND PURPOSE OF THE DISTRICT AND THE REGIONAL TRANSIT SYSTEMS TO BE PROVIDED

Section 2.01. Name. The name of this transit district is the South Central Regional Transit District (hereinafter, "the District"), until such a time as the Board may change the name by a two thirds vote of the Board Membership.

Section 2.02. Purpose. The purpose of the District, being a multimodal public transit district formed pursuant to the Act, recognizes as its purpose to finance, Construct, operate, maintain, and promote an efficient, sustainable, and regional multi-modal transportation system subject to compliance with the Act.

Section 2.03. Initial Members. The following government bodies are Initial Members of the South Central Regional Transit District: City of Alamogordo, City of Las Cruces, City of Socorro, City of Sunland Park, City of Truth or Consequences, City of Elephant Butte, Doña Ana County, Sierra County, Town of Mesilla, Village of Hatch, and Village of Williamsburg. Members may be added or deleted pursuant to Section 73-25-17 of the Act and Article X hereof.

Section 2.04. Current Members. The following government bodies are Current Members of the South Central Regional Transit District: City of Alamogordo, City of Las Cruces, City of Socorro, City of Sunland Park, City of Truth or Consequences, City of Elephant Butte, Doña Ana County, Sierra County, Town of Mesilla, Village of Hatch, and Village of Williamsburg.

Section 2.05. Establishment. The South Central Regional Transit District shall be established as a separate political subdivision and body corporate of the State pursuant to the Act and as a separate legal entity created by a contract among the Initial Members, effective upon satisfaction of the following conditions:

(a) Each Initial Member has held at least one public hearing on the subject of this Contract in accordance with Section 73-25-4 of the Act including relevant attention to requirements for public notice; and

(b) Each Initial Member has executed this Contract.

Section 2.06. Regional Transit Services to Be Provided.

The South Central Regional Transit District will provide, but not be limited to, the type of regional transit services described in the document "Regional Transit Mobility Concept for the South Central Regional Transit District" as amended from time to time.

Section 2.07. Specific Responsibilities. In addition to the general powers described in Article V hereof, the District shall have the responsibilities described in this Section and shall have all powers necessary to carry out such responsibilities, subject to the availability of funds and, to the extent required by law, annual appropriation of funds by the Board. The description of specific responsibilities and powers in this Section shall not, however, limit the general powers of the District described in Article V hereof.

- (a) **Regional Transit Planning.** The District shall work in coordination with the New Mexico Department of Transportation (NMDOT), Regional Planning Organizations (RPOs), and Metropolitan Planning Organizations (MPOs) to provide regional transit planning services needed to plan and direct the Regional Transit Services of the District, to pursue state and federal funding, and to coordinate overall transportation policy within the area in which it provides Regional Transit Services.
- (b) **Regional Transit Services.** The District shall use its best efforts to provide the Regional Transit Services described in the "Regional Mobility Concept" and any other transit services deemed necessary or proper by the Board.
- (c) **Contract Transit Services.** The District may enter into contracts with any Member or other Person for the provision of transit services in the manner and subject to the terms of such contracts.
- (d) **Local Transit Service.** The District may fund Local Transit Services that serve the residents and businesses of a Member (as distinguished from regional services) but, except as otherwise specifically provided herein, only pursuant to an agreement in which such Member pays the District for the services provided on the same fully allocated cost basis used to determine costs of District services throughout the District's service area.

ARTICLE III BOUNDARIES

Section 3.01. Original Boundaries. The original boundaries of the South Central Regional Transit District are described in the South Central Regional Transit District Boundary Map dated November 30, 2006.

Section 3.02. Amendments to Boundaries. Membership in the District is open to Governmental Units, which means the State, a County or Municipality of the State, or an Indian Nation, Tribe, or Pueblo located within the boundaries of the State. The original boundaries of the South Central Regional Transit District may be amended according to the process described in Article X of this Contract.

ARTICLE IV CONTRACT

Section 4.01. Effective Date. The term of this Contract shall begin when the New Mexico State Transportation Commission has certified the creation of the District.

Section 4.02. Termination. The term of this Contract shall end when all the Current Members agree in writing to terminate this Contract; provided, however, that this Contract may not be terminated or rescinded so long as the District has any bond obligations outstanding.

Section 4.03. Amendments. This contract shall not be altered, changed, or amended except by written instrument duly signed by all Governmental Units that entered into this contract.

Section 4.04. Parties of Interest. Nothing expressed or implied herein is intended or shall be construed to confer upon any Person other than the Members any right, remedy or claim under or by reason of this Contract; this Contract being intended for the sole and exclusive benefit of the Members.

Section 4.05. No Personal Liability. No covenant or agreement contained in this Contract or any resolution or Bylaw issued by the Board shall be deemed to be the covenant or

agreement of an elected or appointed official, officer, agent, servant or employee of any Member in his or her individual capacity.

Section 4.06. Tort Claims. In accordance with the requirements and limitations of liability set forth in the New Mexico Tort Claims Act, NMSA 1978, Sections 41-4-1 through 41-4-27, the District shall cover every risk for which immunity has been waived under the provisions of the Tort Claims Act.

Section 4.07. Notices. Except as otherwise provided in this Contract, all notices, certificates, requests, requisitions, or other communications by the District, any Member, any Director, any Official Designee, any Officer, or any member of a Committee to any other such person pursuant to this Contract shall be in writing; shall be sufficiently given, and shall be deemed given when actually received:

- (a) In the case of the District and Officers of the District, at the last address designated by the District for such purpose; and
- (b) In the case of such other persons, at the last address specified by them in writing to the Secretary of the District.

Unless a certain number of days is specified, notice shall be given within a reasonable period of time.

Section 4.08. Assignment. None of the rights, benefits, duties, or obligations of any Member may be assigned or delegated without the express written consent of all the Members.

Section 4.09. Severability. If any clause, provision, subsection, Section, or Article of this Contract shall be held to be invalid, illegal, or unenforceable for any reason, the invalidity, illegality, or enforceability of such clause, provision, subsection, Section or Article shall not affect any of the remaining provisions of this Agreement.

Section 4.10. Interpretation. Subject only to the express limitations set forth herein, this Contract shall be liberally construed:

- (a) To permit the District and the Members to exercise all powers that may be exercised by a regional transit district pursuant to the Act and by a separate legal entity created by a contract among the Members;
- (b) To permit the Members to exercise all powers that may be exercised by them with respect to the subject matter of this Contract pursuant to the Act and other applicable law; and
- (c) To permit the Board to exercise all powers that may be exercised by the board of directors of a regional transit district pursuant to the Act and by the governing body of a separate legal entity created by a contract among the Members.

In the event of any conflict between the Act or any other law with respect to the exercise of any such power, the provision that permits the broadest exercise of the power consistent with the limitations set forth in this Contract shall govern.

Section 4.11. Governing Law. The laws of the State of New Mexico shall govern and construe the development and enforcement of this Contract. Venue shall be in Doña Ana County, New Mexico.

Section 4.12. Counterparts. This Contract may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute one and the same agreement.

ARTICLE V

POWERS OF THE DISTRICT

Section 5.01. Powers of the District. The District is a body politic and corporate. In addition to other powers granted to the District pursuant to the Act, the District may:

- (a) Have perpetual existence, except as otherwise provided in the Contract;
- (b) Finance, construct, operate, maintain, or promote regional transit systems within the boundaries of the District;
- (c) Enter into contracts and agreements affecting the affairs of the District;
- (d) Establish, collect, and increase or decrease fees, tolls, rates, or charges for the use of property of a regional transit system financed, constructed, operated, maintained, or promoted by the District; except that fees, tolls, rates, or charges imposed for the use of the Regional Transit System shall be fixed and adjusted to pay for bonds issued by the District;
- (e) Pass a resolution requiring any of its Member governments to hold a referendum on a gross receipts tax, in increments as small as 0.0625%, with the total not to exceed 0.5%, to be dedicated to the activities of the District.
- (f) Pledge all or a portion of the revenues to the payment of bonds of the District;
- (g) Provide transit services for its Members.
- (h) Purchase, trade, exchange, acquire, buy, sell, lease, lease with an option to purchase, dispose of, and encumber real or personal property and interest therein, including easements and rights of way;
- (i) Accept real or personal property for the use of the District and accept gifts and conveyances upon the terms and conditions as the Board may approve;
- (j) Use the streets, highways, rail rights-of-way, and other public ways and, with permission of the owner, to relocate or alter the construction of streets, highways, rail rights-of-way, other public ways, electric and telephone lines and properties, pipelines, conduits, and other properties, whether publicly or privately owned, if deemed necessary by the District in the construction, reconstruction, repair, maintenance, and operation of the Regional Transit System. Any damage that may occur to the property as a result of said District activities shall be borne by the District; and
- (k) Sue and be sued;

Section 5.02. Cooperative Powers. The District may cooperate with a person to:

- (a) Accept legitimate contributions or liens securing obligations of the District from the person with respect to the financing, construction, operation, or maintenance of the Regional Transit System and, in connection with a loan or advance, enter into contracts establishing the repayment terms;
- (b) Enter into contracts regarding the financing, construction, operation, or maintenance of the specified Regional Transit System;
- (c) Enter into joint operating contracts concerning the Regional Transit System;
- (d) Acquire easements or rights-of-way for the Regional Transit System;
- (e) Designate a Regional Transit System as part of the State highway system, a County highway system, or a Municipal highway system if the person with jurisdiction over the applicable highway system consents to the designation.

Section 5.03. Powers of Members. A Member, for the purpose of aiding the financing, construction, operation, or maintenance of the Regional Transit System, may:

- (a) Sell, lease, loan, donate, grant, convey, assign, transfer, and otherwise dispose of to the District real or personal property or interests therein;
- (b) Enter into agreements with a person for the joint financing, construction, operation, or maintenance of the Regional Transit System. Upon compliance with applicable constitutional or charter limitations, the Member may agree to make payments, without limitation as to amount except as set forth in the agreement, from revenues received from one or more fiscal years, to the District or a person to defray costs of financing, construction, operation, or maintenance of the Regional Transit System;
- (c) Transfer to the District a contract that may have been awarded by the Member for the construction, operation, or maintenance of a transit system, subject to approval by both the Board and the Member.

Section 5.04. Limitations on Powers of the District. The District shall be limited as follows:

- (e) The District may only finance, construct, operate, maintain, or promote Regional Transit Systems;
- (f) Advisory Committees may only be appointed and may only exercise the powers provided in Article VI hereof;
- (g) A notice of the imposition of or any change in any fee or the issuance of Bonds shall be sent to the Division of Local Government and shall be filed with the State Transportation Commission in accordance with the Act.

ARTICLE VI BOARD OF DIRECTORS

Section 6.01. Establishment and Powers. The District shall be governed by a Board of Directors (hereinafter, the "Board") as described in Section 73-25-5 of the Act. The Board shall exercise and perform all powers, privileges and duties vested in or imposed upon the District by the Act.

Section 6.02. Powers of the Board. The Board shall, subject to the limitations set forth herein and within relevant State law, have all powers that may be exercised by a board of directors of a regional transit district pursuant to the Act and all powers that may be exercised by the governing body of a separate legal entity created by a contract among the Members. Such powers shall include, but shall not be limited to:

- (a) Adopt Bylaws;
- (b) Fix the time and place of meetings and the method of notice of the meetings;
- (c) Make and pass orders and resolutions necessary for the government and management of the affairs of the District and the execution of the powers vested in the District;
- (d) Appoint, hire, or retain an Executive Director;
- (e) Adopt and use a seal;
- (f) Maintain offices at a place the Board may designate;
- (g) Prescribe, in accordance with the State Procurement Code, NMSA 1978, Section 13-1-28 through 13-1-199, methods for auditing and allowing or rejecting claims and demands for;
 - (1) The awarding of contracts for the construction of improvements, works, or structures;

- (2) The acquisition of equipment;
- (3) The performance or furnishing of labor, materials, or supplies as may be required for carrying out the purposes of the Act;
- (h) Adopt other policies as may be deemed necessary for the functioning of the District; and
- (i) Appoint advisory committees and define the duties of the committees.

Section 6.03. Delegation of Powers. Pursuant to Section 73-25-5 of the Act, the Board may delegate any of its lawfully delegated powers to the Executive Director, an Officer, Director, or agent of the District pursuant to written resolution. The following are exceptions to this general rule:

- (a) Adoption of Board policies and procedures;
- (b) Ratification of acquisition of land by negotiated sale;
- (c) Initiation or continuation of legal action, not involving traffic or toll violations;
- (d) Establishment of policies regarding fees, tolls, rates, or charges;
- (e) Approval of significant route or schedule changes affecting more than twenty-five (25) percent of the regional transit system;
- (f) Issuance of bonds.

Only a Director who is an elected official shall be able to vote on resolutions regarding (b) and (f) above.

Section 6.04. Advisory Committees. The Board shall appoint and maintain a Citizen Advisory Committee to advise the Board with respect to policy and service matters. Members of the Citizen Advisory Committee shall not be Directors, Alternates, Official Designees, or employees of the District. The Board may also appoint other Advisory Committees to advise the Board. Members of Advisory Committees other than the Citizen Advisory Committee may include Directors, Alternates, Official Designees, Officers, or employees of District. No Advisory Committee shall be authorized to exercise any power of the Board.

Section 6.05. Bylaws and Rules. The Board, acting by resolution may adopt bylaws or rules governing the activities of the District and the Board, including, but not limited to, the conduct of Board meetings, voting procedures, and the type of resolutions that must be in writing.

Section 6.06. Budget. The Board shall approve an annual budget.

ARTICLE VII DIRECTORS

Section 7.01. Appointment of Directors. The Board shall be composed of one (1) Director from each Member of the District. A Director shall be an elected official serving on the Governing Body of the appointing Member, and shall be approved as a Director by an official action of the Governing Body of the Member.

Section 7.02. Appointment of Alternates. An Alternate may attend any meeting of the Board in place of an absent Director. An Alternate shall be an elected official serving on the Governing Body of the appointing Member, shall have the same voting rights on the Board as the absent Director, and shall be appointed in the same manner as the absent Director.

Section 7.03. Official Designees. In cases when neither the Director or Alternate can attend a meeting of the Board on behalf of a Member, a Member may designate an Official Designee to vote in its Director's absence, who may or may not be an elected official of the Member. Designees who are not an elected official on the Governing Body of the appointing

Member shall not vote on issuance of bonds or land acquisition, pursuant to the Act and Article VI herein. Designation of an Official Designee shall be made in writing by the Chair of the Governing Body of the Member to the Chair of the Board, and shall be received no later than forty eight (48) hours prior to the Board meeting in question.

Section 7.04. Terms of Office. The term of office of each Director shall commence with the first meeting of the Board following the Director's appointment and shall continue until terminated by an official action of the appointing Member, or until the Director no longer holds elective office in the Governing Body of the appointing Member, or until the Director submits a written resignation to the Board. Directors shall not serve a term longer than four (4) years unless re-appointed by their Member governing body.

Section 7.05. Resignation and Removal. Any Director may resign at any time, effective upon receipt by the Secretary or the Chair of written notice signed by the person who is resigning; and may be removed at any time by the Governing Body of the Member that appointed him or her, effective upon receipt by the Secretary or the Chair of written notice signed by the Governing Body of the appointing Member.

Section 7.06. Vacancies. Vacancies in the office of any Director or Official Designee shall be filled in the same manner in which the vacant office was originally filled.

Section 7.07. Compensation. Directors and Official Designees shall serve without compensation, but may be reimbursed for expenses incurred in serving in such capacities upon such terms and pursuant to such procedures as may be established by the Board, pursuant to State law.

Section 7.08. Officers of the Board. At the first meeting of each calendar year, the Board shall elect a Chair, Vice Chair, Secretary, and Treasurer. The names of those nominated shall be voted upon by successive ballots until a nominee receives a majority vote of the Directors in attendance. At the conclusion of each ballot when no nominee has received a majority vote, the nominee receiving the lowest vote total shall be eliminated from successive ballots. Each Officer shall have powers, authority, and duties in accordance with Article VII of the Bylaws.

ARTICLE VIII

VOTING REQUIREMENTS

Section 8.01. Voting Strength of Members.

- (a) The number of votes of each Director shall be determined by the population of that Director's government entity according to the following formula (see Appendix A for details):
 - 1. Population under – 5,000 – One (1) Vote
 - 2. Population 5,000 – 19,999 – Two (2) Votes
 - 3. Population 20,000 or greater – Three (3) Votes
- (b) The number of votes for each Director shall be recalculated immediately following the release of each official Federal Census.
- (c) No Director shall have a majority of votes on the Board. If the above formula yields such a result, each Director shall have one (1) vote until a new voting formula is approved by two-thirds majority.
- (d) The voting rights of any Member that does not contribute financially to the District according to the approved financial plan are subject to review and/or suspension according to Article VI of the Bylaws.

Section 8.02. Quorum. The presence of Directors, Alternates, or Official Designees representing a majority of the Members and a majority of the total number of voting units shall be necessary to constitute a quorum for the transaction of business.

Section 8.03. Simple Majority Vote. If a quorum is present, action by simple majority of voting units present and eligible to vote shall be the act of the Board, unless the act of a greater number is required by the Bylaws, the Contract, or applicable law.

Section 8.04. Two-Thirds Vote. If a quorum is present, two-thirds (2/3) majority of the total voting units of the Board is required for the following actions:

- (a) Inclusion or exclusion of property, pursuant to Section 73-25-6 of the Act;
- (b) Addition of a new Member, pursuant to Article X herein and Section 73-25-17 of the Act;
- (c) Removal of Officers from the Board, pursuant to Articles VI and VII of the Bylaws and Article VII of this Contract;
- (d) Requirement of Members to hold a referendum on a GRT, pursuant to Article V of the contract; and
- (e) Amendment of the Bylaws.

Section 8.05. Budget. The annual budget shall be passed by a simple majority of voting units present.

ARTICLE IX ASSETS

Section 9.01. Acquisition of Assets. The District may acquire assets on its own authority or through contract with Members of the District. Assets contributed by each Member shall be so noted.

Section 9.02. Disposition of Assets. The District may dispose of assets that are surplus, at the end of their useful life, or are no longer needed by the District, pursuant to State and Federal regulations.

Section 9.03. Distribution of Assets Upon Termination. If the District is ever dissolved, the assets of the District shall be distributed in the following manner, according to the conditions that existed on the date that the successful vote to dissolve the District was taken. As used in this Section, the term "per capita" means the number of individuals living within the governmental unit within the District service area.

(a) **Revenue Vehicles.** Each governmental unit shall receive the number of revenue vehicles that was required to provide the peak weekday level of service in that governmental unit. Any remaining revenue vehicles shall be distributed to each governmental unit on a per capita basis.

(b) **Non-Revenue Vehicles.** Non-revenue vehicles shall be distributed to the governmental units on a per capita basis. Vehicles used to service, tow, or maintain vehicles, facilities, or other assets of the Regional Transit District are considered to be maintenance equipment.

(c) **Land, Facilities, and Maintenance Equipment.** Land, facilities, and maintenance equipment shall revert to the governmental unit in which it is located.

(d) **Cash Balances and Accounts Receivables.** The cash balance and accounts receivable shall be distributed to each governmental entity of the District on a per capita basis.

ARTICLE X

ADDING OR WITHDRAWING TERRITORY

Section 10.01. Initial Members. The Initial Members shall be the initial signatories whose participation in the District is described in Articles II and III herein, and the South Central Regional Transit District Map.

Section 10.02. Addition of Members. After the creation of the District, a Governmental Unit adjacent to or contained within a Governmental Unit adjacent to, but not part of, the District may join the District as a Member and determine the territorial area to become a part of the District, subject to the following procedure:

- (a) The Governmental Unit shall petition the Board of Directors for membership by adopting a resolution and delivering it to the Chairperson.
- (b) An affirmative vote by two-thirds (2/3) of the voting units of the Board of Directors shall be required before the Governmental Unit may join the District.
- (c) Any newly incorporated Governmental Unit within the RTD boundaries shall also be subject to this approval process.

Section 10.03. Inclusion or Exclusion of Property. The Board may include or exclude property from the boundaries of the District, pursuant to Section 73-25-6 and Section 73-25-17 of the Act.

Section 10.04. Withdrawal of Members. A Member of the District may withdraw from the District by adopting a resolution to withdraw, subject to the following conditions:

- (a) Within Sixty (60) Days of the Board's Approval of the Initial Service Plan. After the Board's approval of the initial service plan and associated financial plan, each member government has 60-days to determine if it wants to unconditionally withdraw from the District. If a member wishes to unconditionally withdraw from the District, it shall adopt a resolution to withdraw and deliver this resolution to the Chairperson of the Board of Directors within the 60 days. The Board of Directors shall formally and unconditionally accept this withdrawal within 30-days of its receipt by the Chairperson and transmit its approval of the withdrawal to the Commission.
- (b) After Sixty (60) Days of the Board's Approval of the Initial Service Plan. After sixty (60) days of the Board's approval of the initial service plan and associated financial plan, a Governmental Unit that is a member of the District may withdraw from the District by adopting a resolution to withdraw. The Governmental Unit shall withdraw its representative(s) from the Board. Real property owned by the District within the boundaries of the withdrawing Governmental Unit shall remain the property of the District. The provisions of withdrawal shall be negotiated and agreed to by the Board, the Governmental Unit and the Commission.
- (c) Financial Obligations. Withdrawal from the District, however, shall not terminate the Governmental Unit's responsibility for fulfillment of bond or other obligations. The withdrawing Governmental Unit's financial commitment to the District shall continue until the District has collected a financial amount equal to the withdrawing Governmental Unit's pro-rata share, according to the approved service and financial plan, of the District's financial obligations that existed at the time of withdrawal. The withdrawing Governmental Unit's financial obligation to the District shall equal its share of the total amount of the following:

1. Outstanding obligations under contract and authorized in the District's current budget;

2. Outstanding contractual obligations for capital and other expenditures payable from sources other than proceeds of notes, bonds or other obligations;
 3. Payments due or to become due in all subsequent years on notes, bonds or other securities or obligations for debt issued by the District;
 4. Required reserves for all years to comply with financial covenants made with lenders, note or bond holders or other creditors or contractors; and
 5. The amount necessary for the full and timely payment of the District's existing obligations, to avoid a default or impairment of those obligations, including known contingent liabilities.
 6. Any of the District's financial obligations that specifically relate to the withdrawing Governmental Unit will be allocated completely to the Governmental Unit.
- (d) Approval of Withdrawal. If the Governmental Unit's withdrawal is approved, the Governmental Unit shall withdraw its representative(s) from the Board, real property owned by the District within the boundaries of the withdrawing Governmental Unit shall remain the property of the District, the Governmental Unit after the approved date of its withdrawal shall have no responsibility for District debt issued after the effective date of withdrawal, and all public transportation services provided by the District to and within the withdrawing Governmental Unit shall cease on the effective date of withdrawal.

APPENDIX A: VOTING STRENGTH ANALYSIS

METHODS

The following analysis began as a look at three methods:

- A) a weighted method based on absolute population numbers, with the population of the smallest unit divided into the populations of the other units to determine voting strength. With this method, the smallest governmental unit receives one vote;
- B) an unweighted method in which all members get one vote regardless of population; and
- C) a threshold method based on population ranges, rather than absolute numbers. The method works as follows: each Member ("governmental unit") is entitled to one vote by virtue of being a Member. Each time its population crosses a threshold, it gains another vote. The threshold analysis included a variety of threshold combinations.

The results of these calculation methods are shown in Table A-1. Method A resulted in the smaller governmental units having almost no representation relative to the larger units. Method B resulted very high populations per vote on the RTD board in the larger population centers. Method C seeks a middle ground by giving more votes to higher populations while reducing the voting disparity between high and low population Members.

SOURCE FOR POPULATION FIGURES

The population figures used in the analysis are from the U. S. Census Bureau, Sub-County Population Estimates for New Mexico for 2005 (Available at <http://www.census.gov/popest/cities/SUB-EST2005-states.html>, accessed on July 7, 2006). The estimates are for July 1, 2005. They were released on June 21, 2006.

NON-DUPLICATION OF POPULATION NUMBERS

The population of a county does not include the population of any incorporated areas within the county, regardless of whether the incorporated areas are RTD Members.

Table A-1. Voting Strength Analysis: Six options for Board of Directors voting formulas.

Member	7/1/2005 Population*	Weighted Method		Unweighted Method			
		# of votes	% of votes pop/vote	# of votes	% of votes pop/vote		
City of Alamogordo	36,245	73	14.7%	497	1	9.1%	36,245
City of Las Cruces	82,671	167	33.6%	495	1	9.1%	82,671
City of Socorro	8,621	17	3.4%	507	1	9.1%	8,621
City of Sunland Park	14,089	28	5.6%	503	1	9.1%	14,089
City of Truth or Consequences	7,071	14	2.8%	505	1	9.1%	7,071
City of Elephant Butte	1,317	3	0.6%	439	1	9.1%	1,317
Dofia Ana County	88,825	179	36.0%	496	1	9.1%	88,825
Sierra County	3,931	8	1.6%	491	1	9.1%	3,931
Town of Mesilla	2,205	4	0.8%	551	1	9.1%	2,205
Village of Hatch	1,654	3	0.6%	551	1	9.1%	1,654
Village of Williamsburg	496	1	0.2%	496	1	9.1%	496
TOTALS	247,125	497			11		
High/Low Ratio	179.1		179.0	1.3		1.0	179.1
Simple Majority		249			6		
2/3 Majority		332			8		

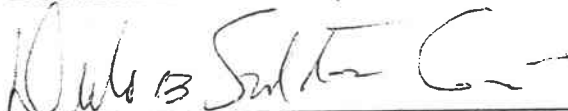
Member	Tiered 2.5/5/10/15/30		Tiered 5/10/15/30/60		Tiered 5/10/20/40/80		Tiered 5/20	
	# of votes	% of votes pop/vote	# of votes	% of votes pop/vote	# of votes	% of votes pop/vote	# of votes	% of votes pop/vote
City of Alamogordo	6	17.6%	6,041	17.2%	7,249	14.3%	4	15.0%
City of Las Cruces	6	17.6%	13,779	20.7%	13,779	21.4%	6	15.0%
City of Socorro	3	8.8%	2,874	6.9%	4,311	7.1%	2	10.0%
City of Sunland Park	4	11.8%	3,522	10.3%	4,696	10.7%	3	10.0%
City of Truth or Consequences	3	8.8%	2,357	6.9%	3,536	7.1%	2	10.0%
City of Elephant Butte	1	2.9%	1,317	3.4%	1,317	3.6%	1	5.0%
Dofia Ana County	6	17.6%	14,804	20.7%	14,804	21.4%	6	15.0%
Sierra County	2	5.9%	1,966	3.4%	3,931	3.6%	1	5.0%
Town of Mesilla	1	2.9%	2,205	3.4%	2,205	3.6%	1	5.0%
Village of Hatch	1	2.9%	1,654	3.4%	1,654	3.6%	1	5.0%
Village of Williamsburg	1	2.9%	496	3.4%	496	3.6%	1	5.0%
TOTALS	34		29		28		20	
High/Low Ratio		6.0	29.8	6.0	29.8	6.0	3.0	59.7
Simple Majority	18		15		15		11	
2/3 Majority	23		20		19		14	

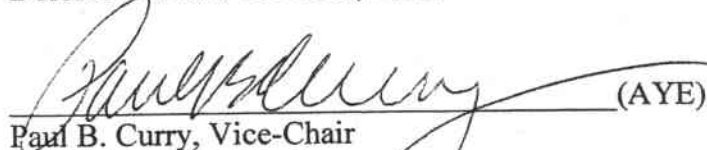
SIGNATURE PAGE

To
**SOUTH CENTRAL REGIONAL TRANSIT DISTRICT
INTERGOVERNMENTAL AGREEMENT**

Dated as of August 8, 2006

**BOARD OF COUNTY COMMISSIONERS
DOÑA ANA COUNTY, NEW MEXICO**


 (AYE)
Dolores Saldaña-Caviness, Chair

 (AYE)
Paul B. Curry, Vice-Chair

ABSENT
Oscar Vásquez Butler, Member

ABSENT
D. Kent Evans, Member


ATTEST:


Rita Torres, County Clerk
by Mary Sorey
clerk

 (AYE)
William J. McCamley, Member

COUNTY OF DONA ANA)
STATE OF NEW MEXICO) ss INTERGOVERNMENTAL CONT
PAGES: 16

I Hereby Certify That This Instrument Was Filed for
Record On The 31ST Day Of August, 2007 at 03:25:50 PM
and Was Duly Recorded as Instrument # 0730608
of The Records Of Dona Ana County

Witness My Hand And Seal Of Office
Rita Torres
Deputy  County Clerk, Dona Ana, NM