

REGIONAL TRANSPORTATION AUTHORITY OF CENTRAL OKLAHOMA

AMENDED AND RESTATED TRUST AGREEMENT AND INDENTURE

THIS AMENDED AND RESTATED TRUST AGREEMENT AND INDENTURE of the Regional Transportation Authority of Central Oklahoma, hereinafter referred to as Authority, is made and entered into as of the ____ day of _____, 2022, by the governing city councils of Oklahoma City, Edmond, and Norman, hereinafter referred to as Beneficiaries. The Authority shall be governed by a board of directors appointed by the governing city councils of the member jurisdictions creating the Authority, hereinafter referred to as Directors. The Directors act in the capacity of trustees for the Trust.

WITNESSETH: That in consideration of the payment by the trustors to the Directors of the sum of Ten Dollars (\$10.00), the mutual covenants herein set forth, and other valuable considerations, the said Directors agree to hold, manage, invest, assign, convey, and distribute as herein provided, authorized, and directed, such property as trustors, or others, may from time to time assign, transfer, lease, convey, give, bequeath, devise, or deliver into this Trust or the Directors thereof.

TO HAVE AND TO HOLD such property and the proceeds, rents, profits, and increases thereof unto said Directors, and said Directors' successors and assigns, but nevertheless in trust, for the use and benefit of the cities of Oklahoma City, Edmond, and Norman and upon the following trusts, terms and conditions herein stated.

ARTICLE I CREATION OF TRUST

The undersigned trustors created and established a Trust for the use and benefit of the Authority and for the public purposes hereinafter set forth, under the provisions of Title 68, Oklahoma Statutes 2014, Section §1370.7; Title 60, Oklahoma Statutes §176, et seq., as amended by Title 60, Chapter 4, Oklahoma Session Laws 1953; and the Oklahoma Trust Act and other applicable statutes of the State of Oklahoma for the purpose of planning, financing, constructing, maintaining, and operating transportation projects located within the boundaries of the regional transportation district.

ARTICLE II NAME

The name of this Trust is "Regional Transportation Authority of Central Oklahoma." Under that name it shall, so far as practicable, conduct all business and execute all instruments, and otherwise perform its duties and functions in the execution of this Trust.

ARTICLE III
DEFINITIONS

- A. "Beneficiaries" means the member cities, towns, or counties that comprise the Authority.
- B. "Board" means the board of directors who are the governing body of the Authority appointed by the governing boards of the cities, towns, or counties creating such Authority.
- C. "Bus rapid transit" means a high-capacity bus transit system operating on a wide variety of rights-of-way, including mixed traffic, dedicated lanes on surface streets, and busways separated from traffic.
- D. "Commission" means the Oklahoma Tax Commission.
- E. "Commuter rail" means urban passenger train service for local travel between a central city and adjacent suburbs and regional passenger service between cities. Commuter rail often shares track or right of way with a freight railroad.
- F. "Complementary paratransit transportation services" means comparable transportation services required by the Federal Transit Administration to comply with the Americans with Disabilities Act, which is available to eligible individuals with a disability who are functionally unable to use fixed- route services.
- G. "Director" means a board member.
- H. "Fiscal year" means the time period between July 1 of a calendar year through June 30 of the following calendar year.
- I. "Light rail transit" means a system that uses a fixed guideway rail with electric power propelling mass transit passenger vehicles that is constructed by an Authority.
- J. "Member jurisdiction" means those cities, towns, or counties that created the Authority and are authorized to appoint a member of the board under Article VI.
- K. "Operation" includes but is not limited to leasing services, contracting for services, planning, staffing, operating, financing, construction, and maintenance of a transportation project regardless of the source of funding.
- L. "Public transportation" means the movement of individuals and goods by publicly owned traditional bus, bus rapid transit, streetcar, light rail transit, commuter rail or other high capacity transit vehicle, complementary paratransit transportation services, or other conveyance that provides general or

special service to the public. Public transportation includes the movement of individuals and goods by privately owned bus, railroad car, high capacity transit vehicle, or other conveyance that, under a contract with the Authority, provides general or special service to the public.

- M. "Public transportation facilities" means any real property, facilities or equipment necessary for public transportation services including rolling stock, locomotives, stations, vehicle parking areas and facilities, rail lines, plants, equipment, work instrumentalities, and real and personal property and rights used or useful for public transportation.
- N. "Public transportation provider" means a public or private entity that provides public transportation services and includes a contractor providing services to a public transportation provider. Public transportation provider includes an authority or agency existing on or created after the effective date of this agreement.
- O. "Public transportation system" means a system of providing public transportation and public transportation facilities to individuals.
- P. "Regional district" means the specific governing and assessment district created by the member jurisdictions of the Regional Transportation Authority of Central Oklahoma for the purpose of providing regional transportation services.
- Q. "Streetcar" means a vehicle on rails used primarily for transporting passengers and typically operating on city streets.
- R. "Trust" means the Regional Transportation Authority created by Central Oklahoma municipalities pursuant to Title 68, Oklahoma Statutes §1370.7, as amended by House Bill 2480 in May 2014.
- S. "Unit of election" means a city, town, or county, or portion thereof, that holds an election to annex or withdraw from the regional district of the Authority.

ARTICLE IV BENEFICIARIES OF TRUST

- 4.1 Beneficiaries. The jurisdictions of Oklahoma City, Edmond, and Norman, are designated the Beneficiaries of the Trust. Additional beneficiaries may be added in accordance with the provisions set forth in Section 10.1.
- 4.2 Rights of Beneficiaries. The Beneficiaries shall have no legal title, claim, or rights to the Trust Estate, its income, or to any part hereof, or to demand or require any partition or distribution hereof except as provided in Article XIII. Neither shall the Beneficiaries have any authority, power, or right

whatsoever to do or transact any business for, or on behalf of, or binding upon the Directors or upon the Trust Estate, nor the right to control or direct the actions of the Directors, except as required by the laws of the State of Oklahoma. The Beneficiaries shall be entitled solely to the benefits of this Trust, as administered by the Directors hereunder; and upon the termination of the Trust, as provided hereinafter, and only then, the Beneficiaries shall receive the residue of the Trust Estate.

ARTICLE V PURPOSES OF TRUST

The purposes of the Trust are:

- 5.1 To plan, establish, develop, acquire, construct, purchase, own, install, repair, enlarge, improve, maintain, equip, finance and refinance, operate and regulate public transportation systems and facilities within the boundaries of the regional district of the Authority including but not limited to the purchase, lease, construction, installation, equipping, maintenance, and operation of such buildings and other facilities necessary for the servicing of such public transportation systems and facilities or for the comfort and accommodation of patrons of such public transportation systems and facilities or for use by authorities or agencies of the United States of America, the State of Oklahoma, or other political subdivisions of government or for other uses that the Authority may undertake as to public transportation and the buildings and facilities thereof.
- 5.2 To hold, maintain, and administer any leasehold rights in and to physical properties demised to the Beneficiaries and to comply with the terms and conditions of any such lease.
- 5.3 To acquire by lease, purchase or otherwise, and to plan, establish, develop, construct, enlarge, improve, maintain, equip, operate, and regulate any and all physical properties designated or needful for utilization in the furnishing and providing of services, in connection with public transportation systems and facilities properties, and to dispose of, rent, or otherwise make provisions for properties owned by the Trust but no longer needful for Trust purposes.
- 5.4 To provide funds for the cost of financing, acquiring, constructing, leasing, equipping, maintaining, repairing, and operating such public transportation systems and facilities and buildings and other improvements thereto, and all properties, real, personal, or mixed, required for execution and fulfilling the Trust purposes as set forth in this instrument, and all other charges, costs, and expenses necessarily incurred in connection therewith, and in so doing, to incur indebtedness, either unsecured or secured by all or any part of the Trust Estate and its revenues.

- 5.5 To expend all funds coming into the hands of the Directors as revenue or otherwise in the payment of any indebtedness incurred by the Directors for purposes specified herein, and in the payment of the aforesaid costs and expenses, and in the payment of any other obligation properly chargeable against the Trust Estate, and to distribute the remainder of such funds to the municipal Beneficiaries.

ARTICLE VI DIRECTORS

6.1 Appointment of Directors

There shall be seven Directors of this Trust who shall be appointed by the governing boards of the member jurisdictions creating such Authority. A Director shall be subject to removal only by action of the governing board appointing the Director.

- a. Three Directors shall be appointed by the Mayor of Oklahoma City, subject to the approval of the governing board of the City of Oklahoma City.
- b. Two Directors shall be appointed by the Mayor of Edmond, subject to the approval of the governing board of the City of Edmond.
- c. Two Directors shall be appointed by the Mayor of Norman, subject to the approval of the governing board of the City of Norman.

6.2 Terms of the Directors

- a. The initial term of the Directors shall begin concurrent with the creation of the Authority and end on June 30 in the year following a successful referendum establishing a dedicated funding source for Authority operations.
- b. Effective July 1 in the year following a successful referendum establishing a dedicated funding source for Authority operations, the term of the Directors shall be established on a staggered basis with four Directors serving a transitional term of four years and three Directors serving a transitional term of two years as follows: Of the members appointed by Oklahoma City, one of the Directors shall be appointed for a term of two years and the two of the Directors shall be appointed for a term of four years. For the Directors appointed Edmond, one of the Directors shall be appointed for a term of two years and one of the Directors shall be appointed for a term of four years. For the Directors appointed Norman, one of the Directors shall be

appointed for a term of two years and one of the Directors shall be appointed for a term of four years.

- c. After completion of the transitional term by the Directors, all Directors shall be appointed for four-year terms beginning on July 1.
 - d. A Director may be reappointed for additional terms subject to approval by the governing body of the member jurisdiction.
 - e. If a vacancy occurs on a board other than by expiration of a term, the vacancy shall be filled in the same manner as the original appointment for the remainder of the term.
 - f. A Director may continue to serve until a successor is appointed and qualified.
- 6.3 A Director shall not be an employee of the county or city appointing the Director under Section 6.1 or an employee of a public transportation provider operating in a public transit region.
- 6.4 A Director shall not be a currently serving elected officer of this state or a political subdivision of this state.
- 6.5 To be eligible to serve as a Director, a person must be a bona fide resident of the municipality which the Director is to represent for at least one year before the date of the appointment and shall continue in that residency to remain qualified to serve as a Director.
- 6.6 Upon appointment to the board, a Director shall take and subscribe to the oath of office required under section 1 of article XV of the state constitution of Oklahoma.
- 6.7 An individual who has been convicted of, pled guilty or no contest to, or forfeited bail concerning a felony under the laws of this state, any other state, or the United States shall not be appointed or remain as a member of the board.
- 6.8 A Director shall discharge the duties of the position in a nonpartisan manner, in good faith, in the best interests of the regional district, and with the degree of diligence, care, and skill that an ordinarily prudent person would exercise under similar circumstances in a like position. A Director shall not make or participate in making a decision, or in any way attempt to use his or her position as a Director to influence a decision, on a matter before the Authority in which the member is directly or indirectly interested. A Director shall not be interested directly or indirectly in any contract with the Authority or the department that would cause an actual or potential conflict of interest between a public duty and a private interest. A Director shall comply by all applicable constitutional provisions, statutes, and ethical

rules relating to conflicts of interest. To the extent not covered by applicable constitutional provisions, statutes, or rules, a Director shall also be prohibited from the following:

- a. Improperly disclosing or using private, controlled, or protected information that has been gained by reason of a person's position as a Director;
- b. Receiving or agreeing to receive compensation for assisting any person or business entity in any transaction involving the Authority; and
- c. Knowingly receiving, accepting, taking, seeking, or soliciting, directly or indirectly for themselves or another a gift of significant value or significant economic benefit tantamount to a gift that would tend improperly to influence a reasonable person in the person's position to depart from the faithful and impartial discharge of the person's public duties.

6.9 Election of Officers

- a. The Directors shall elect a chair from their members who shall preside at all meetings and perform other duties designated by the Directors. The Directors shall elect one or more vice chairs from their members who shall act as a chair during the temporary absence or disability of the chair. If a permanent vacancy occurs in the office of the chair or vice chair, the Directors shall elect a successor thereto from its members.
- b. The Directors shall keep minutes of all meetings of the Directors and shall maintain complete and accurate records of all their financial transactions, all such minutes, books, and records to be on file in the office of the Trust.

6.10 Voting Protocols

- a. Each voting member may cast one vote on all questions, orders, resolutions, and ordinances coming before the board of directors.
- b. A majority of all voting members of the board of directors are a quorum for the transaction of business.
- c. The affirmative vote of a majority of all voting members present at any meeting at which a quorum is present shall be necessary and, except as otherwise provided, is sufficient to carry a motion, resolution, ordinance, or proposition before the board of directors.
- d. After a vote of members is taken, a weighted vote may be called by the voting members of any three jurisdictions.

- e. When applicable, votes shall be weighted as follows:

City	Members	Weighted Vote
Oklahoma City (1)	1	18.667%
Oklahoma City (2)	1	18.667%
Oklahoma City (3)	1	18.667%
Norman (1)	1	11.00%
Norman (2)	1	11.00%
Edmond (1)	1	11.00%
Edmond (2)	1	11.00%

- f. The following matters require approval by a 67% weighted vote:

- Pledge assets
- Approve budget
- Major service change
- Determine tax rate to be placed on ballot
- Call for the governing bodies of the municipalities comprising the Authority to put a referendum on ballot

- g. A motion to approve the acquisition, construction, or operation of a rail line must receive the affirmative vote of 67% of the weighted vote including a majority of representatives of member cities through which the rail line traverses.

- h. A motion to approve the acquisition of a transit provider and associated liability and assets must receive the affirmative vote of 67% of the weighted vote including a majority of representatives of member cities in the service area.

- i. A motion to issue debt must receive the affirmative vote of 67% of the weighted vote. In addition, the indebtedness must be approved by a 2/3 vote of the governing body of 2/3 of the Beneficiaries of the Trust; provided, however, that a municipal beneficiary with a governing body consisting of fewer than seven members shall be required to approve the issuance of debt by a 3/5 vote of the governing body. After each decennial census beginning in 2030, the governing boards of the Beneficiaries shall review the apportionment of the board of directors

and associated voting protocols to make such adjustments, if any, as may be appropriate to account equitably for the population and sales tax distribution among the member jurisdictions.

6.11 Compensation

No Director shall be paid any compensation of any kind for providing services as a Director of this Trust. However, Directors may be reimbursed for expenses incurred in the performance of their duties hereunder.

6.12 No Personal Liability

The Directors, the State of Oklahoma, and the Beneficiaries hereof shall not be personally liable whatsoever by reason of an act or omission committed or suffered in good faith or in the exercise of their honest discretion of the performance of such Trust or the operation of the Trust Estate.

6.13 Meetings and Records

The Directors shall designate the time and place of all regular meetings, which meetings shall be public. All meetings of the Directors shall be open to the public to the extent provided by the Oklahoma Open Meeting Act. The books, records, and minutes of the Directors shall be considered public records and available for inspection during normal business hours by any interested party to the extent provided by the Oklahoma Open Records Act.

6.14 No Power to Bind

Notwithstanding any other provisions of this Trust Indenture which shall appear to provide otherwise, no Director or Directors shall have the power or authority to bind or obligate any other Director, or any Beneficiary, nor can any Beneficiary bind or obligate the Trust or any individual Director.

ARTICLE VII

POWERS AND DUTIES OF THE DIRECTORS

To accomplish the purposes of the Trust, and subject to the provisions and limitations otherwise provided in this Trust Indenture, the Directors shall have all powers necessary or convenient to carry out the purposes of the Trust and, in addition to the usual powers incident to their office and the powers granted to them in other parts of this Trust Indenture, the following rights, power, duties, authority, discretion, and privileges, all of which may be exercised by them without any order or authority from any court:

- 7.1 To designate by resolution a description of the boundary of the Authority which boundary shall be coterminous with the entirety of the boundaries of the jurisdictions which have joined the Authority.
- 7.2 To finance, acquire, establish, develop, construct, enlarge, improve, extend, maintain, equip, operate, lease, furnish, provide, supply, regulate, hold, store, and administer any of the public transportation systems and facilities determined by the Directors to be necessary for the benefit and development of the Beneficiaries.
- 7.3 To enter into contracts, leases, and agreements of every kind, in accordance with all applicable federal and state procurement regulations and requirements of Section 176 of Title 60 relating to public trusts, including:
- a. To acquire, construct, enlarge, and improve buildings and works, including but not limited to, transportation vehicle terminals and weigh stations, garages and repair shops, and facilities authorized to be acquired and constructed, enlarged and improved pursuant to the terms of this Trust Indenture;
 - b. To acquire rolling stock or other property under a contract or trust agreement, including a conditional sales contract, cooperative purchasing agreement, lease, and equipment trust certificate;
 - c. To hold, use, sell, lease, dispose of, and acquire, by any means, any interest in real property, licenses, patents, rights, and other interests necessary, convenient, or useful to the providing of regional transportation services;
 - d. To acquire, construct, develop, own, operate, and maintain transit facilities necessary to serve high capacity, intercity, or other types of passenger rail services, within the Authority;
 - e. For the furnishing of any services or the performance of any duties that they deem necessary or proper and pay for the same as they see fit;
 - f. For the sale of bonds, notes or other evidences of indebtedness or obligations of the Trust for the purpose of acquiring or constructing works and facilities authorized to be acquired or constructed pursuant to the terms of this Trust Indenture and for that purpose may:
 - i. Employ financial advisors and underwriters to advise and assist the Directors in finalizing the financing plan, developing offering documents, preparing for any rating agency and investor presentations, marketing and selling the bonds, notes or other evidences of indebtedness or obligations, and presenting financial plans for the

financing of the acquisition or construction of each project, and to recommend to, or consult with, the Directors concerning the terms and provisions of bond indentures and bond issues, and may pay appropriate compensation for such work and services performed in the furtherance of the project;

- ii. Sell all bonds, notes or other evidences of indebtedness or obligations of the Trust in installments or series and on such terms and conditions and in such manner as the Directors shall deem to be in the best interest of the Trust Estate; and
- iii. Appoint and compensate attorneys, paying agencies and corporate Directors in connection with the issuance of any such bonds, notes, evidences of indebtedness or other obligations of the Trust.

g. For payment with debt obligations and for performance and payments to extend longer than one fiscal year if the contract provides for the discharge of the contractual obligations by any method, including:

- i. Committing current year funds, future tax revenues, or cancellation charges; and
- ii. Making the contract subject to the future availability of funds.

h. With such architectural and engineering firm or firms as the Directors deem necessary to prepare such preliminary or detailed studies, plans, specifications, cost estimates, and feasibility reports as are required in the opinion of the Directors;

i. With such attorneys and accountants and other professional service providers or firms as are required to further the purposes of the Trust in the opinion of the Directors;

j. With the United States, this state and its agencies and political subdivisions, public or private corporations, and any other person;

k. To accept a grant or loan from any person; and

l. As otherwise may be necessary for the furtherance of the authorized Trust purposes set out herein.

7.4 To fix, demand and collect charges, rentals and fees for the services and facilities of the Trust to the same extent as the Beneficiary might do and to discontinue furnishing of services and facilities to any person, firm or corporation, or public instrumentality, delinquent in the payment of any indebtedness

to the Trust; to purchase and sell such supplies, goods, and commodities as are incident to the operation of its properties.

- 7.5 Subject to voter approval, to levy a sales tax upon the gross proceeds or gross receipts derived from all sales or services in the regional district and/or such other tax or assessment as maybe authorized by law.
- 7.6 To utilize the provisions of the Local Development Act, Title 62 Oklahoma Statutes §853, and such other acts as may be authorized relating to the financing of regional transportation projects.
- 7.7 To operate a public transportation system:
- a. With the consent of a political subdivision, may use streets, alleys, roads, highways, and other public ways of the political subdivision as necessary or useful in the construction, reconstruction, repair, maintenance, and operation of the system;
 - b. With the consent of a political subdivision, may relocate, raise, reroute, change the grade of, or alter, at the Trust's expense, the construction of a public owned or privately- owned street, alley, highway, road, railroad, electric line or facility, or telephone property or facility, pipeline or facility, conduit or facility, and other property.
 - c. Contract with a municipality, county, other political subdivision, or federally recognized tribe for the Trust to provide public transportation services;
 - d. Make agreements with a public utility, private utility, communication system, common carrier, state agency, or transportation system for the joint use of facilities, installations, or property inside or outside the district; and
 - e. Lease all or a part of the public transportation system to, or contract for the operation of all or a part of the public transportation system by, an operator.
- 7.8 To use or alter a road, highway, or turnpike with the permission of the Oklahoma Department of Transportation or the Oklahoma Turnpike Authority.
- 7.9 To use or alter a railroad with the permission of the railroad.
- 7.10 To compromise any debts or claims of or against the Trust Estate and may adjust any dispute in relation to such debts or claims by arbitration or otherwise and may pay any debts or claims against the Trust Estate upon any evidence deemed by the Directors to be sufficient. The Directors may bring any suit or action, which in their judgment is necessary or proper to protect the interest of the Trust Estate, or to

enforce any claim, demand or contract for the Trust; and they shall defend, in their discretion, any suit against the Trust, or the Directors or employees, agents or servants thereof. They may compromise and settle any suit or action and discharge the same out of assets of the Trust Estate, together with court costs and attorneys' fees.

- 7.11 To require an audit of the Authority's financial records, financial controls, and annual financial report.
- 7.12 To file annually, with the governing body of the Beneficiaries, copies of financial documents and reports sufficient to demonstrate the fiscal activity of the Trust, including, but not limited to, budgets, financial reports, bond indentures, and audits.
- 7.13 To file for the next fiscal year a proposed operating and capital budget no later than March 15 of each year and a final operating and capital budget within 30 days after adoption by the Authority with the governing bodies of the Beneficiaries.
- 7.14 To adopt rules to govern the operation of the Trust, its employees, the public transportation system, service provided by the Authority, and any other necessary matter concerning its purposes including to:
 - a. Employ and prescribe the compensation for a chief executive officer of the Authority;
 - b. Adopt and enforce procurement procedures, guidelines, and rules consistent with procurement requirements of applicable state and federal laws and regulations covering the appointment of contracting officers, the solicitation for and award of contracts, the resolution of protests and contract disputes, and other aspects of the procurement process for domestic and international contracts;
 - c. Establish appropriate personnel policies, procedures, and benefit systems;
 - d. Employ such persons as are necessary to operate the business of the Authority;
 - e. Delegate to designated persons the power to contract for construction, services, and property, within budgeted amounts approved by the Directors;
 - f. Adopt a seal;
 - g. Establish a complete system of accounts;

- h. Designate by resolution an authorized representative of the Authority to invest Authority funds and withdraw money from Authority accounts for investment; and
 - i. Designate by resolution an authorized representative of the Authority to supervise the substitution of securities pledged to secure Authority funds.
- 7.15 To do all other acts in their judgment necessary or desirable for the proper and advantageous management, investment, and distribution of the Trust Estate and income therefrom.

ARTICLE VIII DURATION OF TRUST

The Trust shall exist for the duration of the operation and no longer than one (1) year after cessation of the operation.

ARTICLE IX TRUST ESTATE

The Trust Estate shall consist of:

- 9.1 The funds and property presently under the control of the Directors or to be acquired or constructed by Directors and dedicated by the trustor and others to be used for Trust purposes.
- 9.2 Any and all leasehold rights demised to the Directors by any Beneficiary as authorized and empowered by law.
- 9.3 Any and all money, property, real, personal or mixed, rights, choses in action, contracts, leases, privileges, immunities, franchises, benefits, and all other things of value coming into the possession of the Directors pursuant to the provisions of this Trust Indenture.
- 9.4 The instruments executed for each project, and each issuance of Directors' bonds and other indebtedness, shall set out the specific property of the Trust Estate exclusively pledged and mortgaged for the payment of such indebtedness.

ARTICLE X ANNEXATION AND WITHDRAWAL

10.1 Addition of City, Town, or County by Election or Annexation

- a. The territory of any unit of election that is not part of the Authority may be added as a beneficiary of the Trust and receive transportation services provided by the regional district of the Authority on a date determined by the board if:
 - i. any part of the unit of election is located adjacent to a city, town, or county that is part of the regional district;
 - ii. the unit of election does not divide an election precinct;
 - iii. prior to the effective date of the admission of the territory into the regional district of the Authority, the board states, by resolution, the Authority's intention to provide transportation services in the territory of the unit of election;
 - iv. the governing body of the unit of election calls an election under this section on whether the territory of the unit of election should be added to the Authority; and
 - v. a majority of the votes cast in the election favor the proposition.
- b. The governing body of the unit of election shall certify to the board the result of an election in which the addition is approved.
- c. No later than 120 days after the date of the election approving the addition of the unit of election to the regional district of the Authority, the board of the Authority and the governing body of the unit of election shall enter into an interlocal agreement that:
 - i. establishes an effective date for the annexation of the territory of the unit, which date will be concurrent with the implementation of the sales tax in the added territory by the Commission; and
 - ii. evidences the unit's agreement to accept a financial obligation in an amount equal to:
 - a. the unit's apportioned share of the Authority's outstanding obligations; and
 - b. the amount, not computed in Section 10.1(C)(ii)(a), that is necessary and appropriate to allocate to the unit because of financial obligations of the Authority that specifically relate to the unit.

- iii. The unit's apportioned share of the Authority's outstanding obligations is the amount of the obligation times a fraction, the numerator of which is the combined population and sales tax of the annexing unit of election and the denominator of which is the combined population and sales tax in the regional district of the Authority, including the annexing unit.
 - iv. The board shall determine the amount of each component of the computations required under this section, including the components of the units apportioned share, as of the effective date of annexation. The population shall be determined according to the most recent and available applicable data of an agency of the United States. The sales tax shall be determined by the Commission.
- d. When a city, town, or county that is part of the Authority annexes territory that, before the annexation is not part of the Authority, the annexed territory becomes part of the Authority.

10.2 Added Territory: Effective Date of Taxes

- a. A sales tax imposed by the Authority takes effect in the territory added to the Authority by election or by annexation on the first day of the first calendar quarter following voter approval that begins after the date the Commission receives:
 - i. a certified copy of an order annexing the territory or of an order canvassing the returns and declaring the result of the election; and
 - ii. a map of the Authority showing clearly the territory added.
- b. The board of the Authority shall send the order, which must include the effective date of the tax, and map required under Section 10.2(a)(ii) to the Commission by certified or registered mail.
- c. The Commission may delay implementation of the sales tax in the added territory for one calendar quarter by notifying the board of the Authority that the Commission requires more time to provide notice of the rate change to vendors. If implementation is delayed, the tax takes effect on the first day of the second calendar quarter that begins after the date on which the Commission receives the order and map.

10.3 Withdrawal of Territory from Authority by Election

- a. The governing body of a unit of election may order an election to withdraw the unit from the Authority.
- b. If a majority of the votes cast in the election favor the proposition to withdraw from the regional district, the governing body of the unit of election shall certify to the board the result of the election and the effective date of the withdrawal.

10.4 Effect of Withdrawal

- a. On the effective date of a withdrawal from the Authority:
 - i. the Authority shall cease providing transportation services in the withdrawn unit of election; and
 - ii. the financial obligations of the Authority attributable to the withdrawn unit of election cease to accrue.
- b. Until the amount of revenue from an Authority's sales tax collected in a withdrawn unit of election after the effective date of withdrawal and paid to the Authority equals the total financial obligation of the unit at the time of withdrawal, the sales tax will continue to be collected in the territory of the election unit.
- c. After the board receives certification of an election favoring withdrawal from the Authority, the board shall:
 - i. calculate the total financial obligation of the unit at the time of withdrawal as set forth in Section 10.5;
 - ii. certify to a withdrawn unit of election the total financial obligation of the unit to the Authority; and
 - iii. certify to the Commission the total financial obligation of the unit to the Authority.
- d. After receipt of certification from the board of the total financial obligation of the unit, the Commission shall:
 - i. continue to collect sales tax in the withdrawn unit and remit it to the Authority until the amount of the total financial obligation of the unit at the time of withdrawal has been collected; and

- ii. discontinue collecting the tax in the territory of the withdrawn unit of election after the total financial obligation has been collected and remitted to the Authority.
- e. On the effective date of a withdrawal from the Authority, title to all real estate and improvements located in the unit of election owned or partially owned by the Authority shall immediately vest in the Authority, and the Authority may continue to use the real estate and improvements in the withdrawn unit of election as necessary for the continuation of service to the remaining units of election for a period of 25 years or the duration of the Authority's remaining federal grant obligation for the facility, whichever is longer, provided that the Authority shall be responsible for all operation and maintenance costs of the facility during the period of use. At the end of the period, the real estate and improvements will revert to the unit of election.
- f. Withdrawal from the Authority does not affect the right of the Authority to travel through the territory of the unit of election to provide service to a unit of election that is a part of the Authority.

10.5 Determination of Total Amount of Financial Obligations of Withdrawn Unit

- a. The total financial obligation of a withdrawn unit of election to the Authority is an amount equal to:
 - i. the unit's apportioned share of the Authority's outstanding obligations; and
 - ii. the amount, not computed in Section 10.5 (a) (i), that is necessary and appropriate to allocate to the unit because of financial obligations of the Authority that specifically relate to the unit.
- b. An Authority's outstanding obligations under Section 10.5 (a) (i), is the sum of:
 - i. the obligations of the Authority authorized in the budget of, and contracted for by, the Authority;
 - ii. outstanding contractual obligations for capital or other expenditures, including expenditures for a subsequent year, the payment of which is not made or provided for from the proceeds of notes, bonds, or other obligations;
 - iii. payments due or to become due in a subsequent year on notes, bonds, or other securities or obligations for debt issued by the Authority;

- iv. the amount required by the Authority to be reserved for all years to comply with financial covenants made with lenders, note or bond holders, or other creditors or contractors; and
 - v. the amount necessary for the full and timely payment of the obligations of the Authority, to avoid a default or impairment of those obligations, including contingent liabilities.
- c. The apportioned share of a unit's obligation or assets is the amount of the obligation or assets times a fraction, the numerator of which is the combined population and sales tax of the withdrawing unit of election and the denominator of which is the combined population and sales tax in the regional district of the Authority, including the number of inhabitants of the withdrawing unit.
 - d. The board shall determine the amount of each component of the computations required under this section, including the components of the unit's apportioned share, as of the effective date of withdrawal. The population shall be determined according to the most recent and available applicable data of an agency of the United States. The sales tax shall be determined by the Commission.
 - e. The board shall certify to a withdrawn unit of election and to the Commission the total financial obligation of the unit to the Authority as determined under this section.

10.6 Reapportionment

In the event that a beneficiary from the member jurisdictions withdraws from Authority, the governing boards of the remaining member jurisdictions shall restructure the board of directors and associated voting protocols to account equitably for the population and sales tax distribution among the remaining member jurisdictions.

ARTICLE XI FINANCIAL PROVISIONS

11.1 General provisions

- a. Fiscal year. The Authority's fiscal year ends on June 30.

- b. Tax exemption. Authority property, material purchases, revenue, and income, and the interest on bonds and notes issued by the Authority are exempt from any tax imposed by this state or a political subdivision of this state.

11.2 Annual budget

- a. Before beginning the operation of public transportation facilities, the board shall adopt an annual operating budget including a program of work specifying the Authority's anticipated revenue and expenses for the fiscal year.
- b. The board must hold a public hearing before adopting each budget except the initial budget. Notice of the hearing must be published at least seven days before the date of the hearing in a newspaper of general circulation in the district.
- c. A budget may be amended at any time if notice of the proposed amendment is given in the notice of meeting.

ARTICLE XII

AMENDMENT OF TRUST INDENTURE

The Trust Indenture creating the Trust may be amended, altered, revised, modified, revoked or terminated only in writing with the consent of all parties in interest.

ARTICLE XIII

TERMINATION OF TRUST

13.1 This Trust shall terminate:

- a. When the purposes set out in Article V of this instrument shall have been fully executed; or
- b. In the manner provided by Title 68, Oklahoma Statutes 2014, Section §1370.7, and any amendment or additions thereto.

13.2 This Trust shall not be terminated by voluntary action if there is outstanding indebtedness or fixed term obligations of the Directors, unless all owners of such indebtedness or obligations shall have consented in writing to such termination.

13.3 Upon the termination of this Trust, the Directors shall proceed to wind up the affairs of this Trust and, after payment of all debts (including any bonded indebtedness), expenses, and obligations out of the

moneys and properties of the Trust Estate to the extent thereof, shall distribute the residue of the money and properties of the Trust Estate to the Beneficiaries hereunder based on the total amount of sales tax contributed by each Beneficiary over the life of the Authority. Upon final distribution, the power, duties, and authority of the Directors hereunder shall cease.

ARTICLE XIV
ACCEPTANCE OF TRUST

The Directors accept the Trust herein created and provided for and agree to carry out the provisions of this Trust Indenture on their part to be performed.

APPROVED by the City of Edmond this _____ day of _____, 2022.

THE CITY OF EDMOND

Scot Rigby, Mayor

ATTEST:

City Clerk

REVIEWED for form and legality.

Municipal Counselor

APPROVED by the City of Norman this _____ day of _____, 2022.

THE CITY OF NORMAN

Larry Heikkila, Mayor

ATTEST:

City Clerk

REVIEWED for form and legality.

Municipal Counselor

APPROVED by the City of Oklahoma City this _____ day of _____, 2022.

THE CITY OF OKLAHOMA CITY

David Holt, Mayor

ATTEST:

City Clerk

REVIEWED for form and legality.

Municipal Counselor