



OFFICE OF SHELLY SCOTT
ASSESSOR - RECORDER - COUNTY CLERK

Shelly Scott
ASSESSOR - RECORDER - COUNTY CLERK

November 8, 2022

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903

SUBJECT: Recommendation to Join the California County Assessors' Information Technology Authority

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Dear Board Members:

RECOMMENDATIONS:

1. Review and approve the Joint Exercise of Powers Agreement of the California County Assessors' Information Technology Authority.
2. Authorize the Marin County Assessor to counter sign the Agreement.

SUMMARY:

The California Legislature recently enacted Senate Bill 189 establishing the County Assessors' Grant Program, administered by the California Department of Finance. SB 189 requires the formation of a Joint Powers Authority (JPA) to accept funding of up to \$10,000,000 per fiscal year over three years, to assist county assessors in performing property assessments with technology investments. The JPA will oversee selection, implementation, and maintenance of shared services and systems to improve efficiency and accomplish shared goals. Accordingly, the California Assessors' Association (CAA) has created California County Assessors' Information Technology Authority (CCAITA), open to all counties to join as members.

- Support by the Board of Supervisors to join as a member of CCAITA aligns with the Board's 2-year action plan encouraging innovation and collaboration.
- Marin County's participation in a collaboration with all California counties will assist the work of the Assessor through efficiency and information sharing.
- Approval of this item will permit the County of Marin to join CCAITA.

The State of California is providing the initial funding for this project, encouraging all 58 counties to participate in sharing technology and services statewide. Funding by Marin County is not required to join the CCAITA or to develop the initially approved projects. The legal services needed to create the CCAITA are funded by the CAA. Funding to develop the projects and ongoing system maintenance costs will be covered by State funds while such funds remain available. By January 1st each year, the CCAITA board will adopt a preliminary budget, for the following fiscal year, which shall identify all maintenance or similar fees to be imposed on member agencies. Marin County will have the option to withdraw from CCAITA with 90-day notice.

FISCAL/STAFFING IMPACT:

There will be no increase to General Fund Net County Costs as a result of your Board's actions. Membership with the CCAITA does not require local funding and the initial projects identified by the CAA are fully covered through state funding. If State funds are extinguished, maintenance fees may be imposed on member agencies as determined by the CCAITA board and members and such fees are expected to be covered through existing expenditure appropriations.

The projects proposed at this time do not require integration into existing systems and we do not anticipate Information Services and Technology resources are needed.

REVIEWED BY:

<input type="checkbox"/> Department of Finance	<input checked="" type="checkbox"/> N/A
<input checked="" type="checkbox"/> County Counsel	<input type="checkbox"/> N/A
<input type="checkbox"/> Human Resources	<input checked="" type="checkbox"/> N/A
<input checked="" type="checkbox"/> CAO	<input type="checkbox"/> N/A

SIGNATURE:

Shane Blair
Assistant Assessor-Recorder-County Clerk

Shelly Scott
Assessor-Recorder-County Clerk

Attachments:

1. Joint Exercise of Powers Agreement of the California County Assessors' Information Technology Authority

**JOINT EXERCISE OF POWERS AGREEMENT
OF THE CALIFORNIA COUNTY ASSESSORS' INFORMATION TECHNOLOGY
AUTHORITY**

This JOINT EXERCISE OF POWERS AGREEMENT (the "Agreement") is dated this 1st day of November, 2022, for reference purposes only, and is entered into by and between the undersigned public agencies. The undersigned Member Agencies may be referred to individually as "Member Agency" or collectively as "Member Agencies."

RECITALS

WHEREAS, the Joint Exercise of Powers Act, codified at California Government Code title 1, division 7, chapter 5, commencing with section 6500 *et seq.*, permits two or more public agencies to jointly exercise any powers common to the agencies; and

WHEREAS, the Member Agencies each provide property tax assessment and similar functions within their jurisdictional boundaries; and

WHEREAS, the State of California anticipates allocating \$30 million in funding (\$10 million in each of the 2022-23, 2023-24, and 2024-25 budget years) to be used for information technology solutions as set forth in Revenue and Taxation Code section 95.60, as it may be amended; and

WHEREAS, such funding will permit the Member Agencies to jointly develop and implement information technology solutions to assist in the standardization of statewide assessment practices; and

WHEREAS, after the implementation of such information technology solutions, the Member Agencies wish to jointly administer and maintain such solutions and develop, administer, and maintain similar solutions, services, and programs; and

WHEREAS, State of California funding for the anticipated information technology solution must be provided to a joint powers agency or similar entity as set forth in Revenue and Taxation Code section 95.60; and

WHEREAS, the Member Agencies wish to establish a public entity, separate and apart from the Member Agencies hereto, as hereinafter described and set forth, which entity shall then set about the task of accomplishing the purpose of this Agreement.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Member Agencies agree as follows:

1. **Recitals.** The recitals above are true and correct, and are hereby incorporated into the terms of this Agreement as though fully set forth herein.

2. **Establishment.** There is hereby established an organization to be known as the California County Assessors' Information Technology Authority, which shall be a public entity separate and apart from any Member Agency. The California County Assessors' Information Technology Authority shall be governed by the terms of this Joint Powers Agreement and any Bylaws, duly passed and adopted by the Board.

3. **Term.** The term of this Agreement shall commence as of November 15, 2022, provided that at least two Member Agencies have fully executed this Agreement, and shall continue until terminated pursuant to the terms of this Agreement.

4. **Definitions.** Except where the context otherwise clearly requires, the following words and phrases shall have the meanings specified below:

“Act” shall mean the Joint Exercise of Powers Act of the State of California, commencing with Government Code Section 6500, as now existing or as may hereinafter be amended or supplemented.

“Agreement” shall mean this Joint Exercise of Powers Agreement by and between the Member Agencies, as supplemented, amended and/or restated from time to time.

“Authority” shall mean the California County Assessors' Information Technology Authority, the joint powers agency created by this Agreement in accordance with the Act.

“Board” or “Board of Directors” means the governing body of the Authority as established by this Agreement.

“Bylaws” means the rules and regulations adopted by the Board to implement this Agreement and govern the operation of the Authority as set forth in Section 7.1(g).

“CAA” means the California Assessors' Association, a California mutual benefit, nonprofit corporation, or its successor.

“Coordinating Assessor” means an assessor of a Member Agency as identified in Section 7.1(b)(i).

“Department of Finance” means the California Department of Finance or its successor.

“Director” means a member of the Board of Directors.

“Effective Date” means the date of the commencement of the term of this Agreement as set forth in Section 3.

“Fiscal Year” means July 1 of one year through June 30 of the following year.

“Large County” means a county or city and county with a population of more than 450,000 as determined by the Department of Finance annual population estimates for January 1st that is a Member Agency.

“Lead County” means the “Lead County” as defined in Revenue and Taxation Code section 95.60(b)(3). The Lead County shall be the county of the CAA Treasurer unless otherwise designated by the Department of Finance or the Board pursuant to Section 7.3(c).

“Medium County” means a county with a population of 75,001 to 450,000 as determined by the Department of Finance annual population estimates for January 1st that is a Member Agency.

“Member Agencies” shall mean more than one of the signatories of this Agreement.

“Member Agency” shall mean one of the signatories of this Agreement.

“Program” means property assessment-related information technology-appropriate projects and programs that may be funded pursuant to Revenue and Taxation Code section 95.60 as it may be amended.

“Small County” means a county with a population of 75,000 or less as determined by the Department of Finance annual population estimates for January 1st that is a Member Agency.

5. **Purpose and Powers of Authority.**

(a) Purpose of Authority. The purposes of the Authority are to:

(i) Act as the joint powers authority identified in Revenue and Taxation Code section 95.60 to apply for, manage, expend, and report on the Program and related state grant funds.

(ii) Acquire, purchase, use, operate, repair, maintain, dispose of, administer, and manage information technology developments and projects for use by the Member Agencies and other eligible entities, including the Program.

(b) Powers and Responsibilities of Authority. The Authority shall have such powers as may be necessary to the accomplishment of the purpose and functions of this Agreement, including but not limited to, the following:

(i) All responsibilities and obligations of the “authority” as defined in Revenue and Taxation Code section 95.60(b)(1).

(ii) Adopting and amending policies.

(iii) Engaging personnel, consultants, advisors and independent contractors.

(iv) Making and entering into contracts, leases, and other agreements, which may include a contract for administrative and fiscal services and a contract with a certified public accountant for audit services.

(v) Applying for, receiving and disbursing, grants, loans or other aids from any private or public agency. Accepting gifts, donations, and other monies made in the public interest to carry out the purposes and functions of the Authority, as set forth in this Agreement

(vi) Establishing and collecting maintenance fees or similar fees to be charged to the Member Agencies and other users of services and programs obtained or provided by the Authority.

(vii) Receiving, collecting, disbursing, and investing funds.

(viii) Purchasing, acquiring, constructing, maintaining, disposing of, and holding title to or other interests in real and personal property.

(ix) Suing and being sued in its own name.

(x) Carrying out and enforcing all of the provisions of this Agreement.

(xi) Exercising the independent, complete and/or supplementary powers of a joint powers agency, as provided by law.

(xii) Other powers and duties incidental to those enumerated herein.

5.2 Manner of Exercise of Powers. The powers of the Authority shall be limited only by the terms of this Agreement, the Act, and applicable law, as amended from time to time. Pursuant to Government Code section 6509, the powers of the Authority are subject to the restrictions upon the manner of exercising such powers of one of its members. The Authority shall exercise its powers in the manner of a general law county unless the Board of Directors designates an alternative Member Agency by resolution. Moreover, the Authority shall exercise its powers in a manner consistent with Revenue and Taxation Code section 95.60, including, but not limited to, ensuring that all interested county assessors will be afforded an opportunity to participate in the Program.

6. Membership.

6.1 Initial Members. Any California county or city and county may become a Member Agency by executing the Agreement prior to its Effective Date.

6.2 Subsequent Members. After the Effective Date, any California county or city and county may petition to become a Member Agency by approving this Agreement and with the approval of the Authority Board. The Authority Board may require the potential Member Agency to execute this Agreement and any acknowledgement or similar instrument deemed necessary or advisable by the Board. The Authority shall notify the existing Member Agencies of any new Member Agency.

7. Governing Body and Officers.

7.1 Governing Body.

(a) The Authority shall be governed by the Board of Directors.

(b) The Board shall be composed of up to the following nine (9) Directors:

(i) The Coordinating Assessor, who shall be an assessor of a Member Agency and appointed each Fiscal Year by a majority vote of the Member Agencies, but may not be the President or Treasurer of CAA. For avoidance of doubt, in the event a Coordinating Assessor is selected from among the existing Directors identified in Section 7.1(b)(iv) – (vi), the selected Coordinating Assessor shall at the start of the Fiscal Year for which they are selected vacate the Director position they previously held and the appointing authority shall select a replacement Director to serve out the balance of the Coordinating Assessor’s prior term as a Director identified in Section 7.1(b)(iv) through (vi). The Coordinating Assessor shall be responsible for coordinating the development of the Program with all counties, including any counties that do not become Member Agencies.

(ii) The President of CAA.

(iii) The Treasurer of CAA.

(iv) Two (2) Directors appointed by and representing Small Counties. These Directors shall be assessors of Small Counties and shall be elected by a majority vote of the Small Counties unless otherwise specified by the Bylaws or the Small Counties.

(v) Two (2) Directors appointed by and representing Medium Counties. These Directors shall be assessors of Medium Counties and shall be elected by a majority vote of the Medium Counties unless otherwise specified by the Bylaws or the Medium Counties.

(vi) Two (2) Directors appointed by and representing Large Counties. These Directors shall be assessors of Large Counties and shall be elected by a majority vote of the Large Counties unless otherwise specified by the Bylaws or the Large Counties.

(c) Each Director shall serve at the pleasure of their appointing authority. The assessor for each Member Agency shall be the appointing authority for that Member Agency and entitled to cast votes related to Directors on behalf of that Member Agency.

(d) A Director representing a Small, Medium, or Large County shall serve a two-year term and until the appointment of their successor, except as provided for in Section 7.1(h). Member Agencies shall be characterized as a Small, Medium, or Large County prior to each election of Directors. If a Director’s Member Agency has been re-characterized based on population changes, the Director may serve the remainder of their term.

(e) Subject to Section 8.3(b)(ii), all the power and authority of the Authority shall be exercised by the Board. The Board may delegate such powers and authority, as the Board deems appropriate to the Coordinating Assessor or the Executive Director.

(f) The Board may act by resolution or motion passed pursuant to the requirements of this Agreement, the Act, and any other applicable law.

(g) The Board may adopt and enforce internal Authority bylaws, policies, rules, and regulations (“Bylaws”). The Bylaws may include procedures for the election and removal of Directors.

(h) Upon the Effective Date, the Board shall be composed of the Directors identified in Section 7.1(b)(ii) and (iii) and those Directors identified in Section 7.1(b)(b)(iv)-(vi) that can be appointed at such time based on the composition of Member Agencies and the number of Small, Medium, and Large Counties participating as Member Agencies. If any Director identified in Section 7.1(b)(b)(iv)-(vi) cannot be appointed on the Effective Date due to the lack of sufficient Member Agencies from Small, Medium, or Large Counties, they may be appointed whenever a seat may be filled based on the number and composition of Member Agencies. On or before December 31, 2022, the assessors of the Member Agencies shall appoint Directors meeting the requirements of this Agreement to serve from January 1, 2023 through June 30, 2023. Beginning on July 1, 2023, the Member Agencies shall appoint Directors meeting the requirements of this Agreement, provided that one (1) of the two (2) Directors identified in Section 7.1(b)(b)(iv)-(vi) representing Small, Medium, and Large Counties, respectively, shall be appointed to serve a one-year term to ensure staggered terms for the Directors representing Small, Medium, and Large Counties.

(i) Directors shall generally serve without compensation and shall be assessors of a county or city and county. A Director may be compensated by their employer for activities related to the Authority. To the extent budgeted, and as provided for by rule, the Board is authorized to pay expenses reasonable and necessarily incurred in the conduct of its business, including travel expenses to attend meetings and conferences related to the business of the Authority.

7.2 Vacancies and Removal. If a person who has been appointed to the Board ceases to be qualified to serve as a Director, their Director seat shall be deemed vacant. Any Director may be removed at any time by the appointing authority or, in the case of Directors appointed pursuant to Section 7.17.1(b)7.1(b)(iv)-(vi), by majority vote of the Member Agencies in the respective group. In addition, a Director seat shall be deemed vacant if a Director has two consecutive, unexcused meeting absences. No person may simultaneously hold more than a single Director seat, and assuming a second Director seat automatically vacates the first Director seat. A vacancy shall be filled in the same manner as the original appointment.

7.3 Officers.

(a) *Chair and Vice Chair.* The Board shall appoint a Chair and a Vice Chair from among its Directors. In the event that the Chair or Vice Chair so appointed resigns from such office or ceases to be a Director, the resulting vacancy shall be filled at the next regular meeting of the Board held after such vacancy occurs. The Chair and Vice Chair shall hold office for a period of one (1) year or until a successor is appointed and assumes the office; provided, however, that any Chairs and Vice-Chairs appointed prior to July 1, 2023 shall serve from their appointment until a new Board is seated as set forth in Section 7.1(h).

The Chair, or in the Chair’s absence the Vice Chair, shall preside at and conduct all meetings of the Board and execute agreements and other official instruments on

behalf of the Authority. In the absence or inability of the Chair to act, the Vice Chair shall act as Chair.

(b) *Secretary.* The Board may select, appoint, or employ an Authority Secretary, but the Authority Secretary is not required to be a Director. The Authority Secretary shall be responsible for preparation and retention of the minutes and other records of the Authority and shall perform such other duties specified by the Board.

(c) *Treasurer.* The Authority Treasurer shall be the CAA Treasurer as an officer of the Authority unless otherwise specified by the Board and consistent with the Act and Revenue and Taxation Code section 95.60. The Authority Treasurer shall perform such duties as are set forth in this Agreement and any other duties specified by the Board or as required by the Act and other applicable law. Unless specified by the Board, the Authority Treasurer's county treasurer-tax collector shall be the depository of funds and shall have custody of all money of the Authority, from whatever source. Any disbursements of funds shall be made at the direction of the Authority Treasurer and consistent with this Agreement. Pursuant to Revenue and Taxation Code section 95.60, the Department of Finance may remit Program funds to the Authority Treasurer's county treasurer-tax collector as the lead county. Such funds shall be held and remitted as set forth in this Agreement. The Board may designate an alternative Lead County to the extent permitted by the Act, Revenue and Taxation Code section 95.60 and other applicable law. Any interest earned on Authority funds regardless of where they are held shall be retained by the Authority and used for any lawful purpose of the Authority.

(d) *Auditor/Controller.* The Authority Auditor/Controller shall be the CAA Treasurer as an officer of the Authority unless otherwise specified by the Board and consistent with the Act. The Authority Auditor/Controller shall perform such duties as are set forth in this Agreement and any other duties specified by the Board or as required by the Act and applicable law. The Authority Auditor/Controller may be combined with the Authority Treasurer to the extent permitted by the Act and other applicable law.

(e) *Executive Director.* The Board may appoint an Executive Director who shall serve at the pleasure of the Board. The Executive Director shall be the Chief Executive Officer of the Authority and shall have such duties as may be prescribed by the Board. The Executive Director shall employ such other staff members as necessary to accomplish the Authority's program, consistent with the annual budget. The Executive Director shall be responsible for all projects and property of the Authority and shall file with the Treasurer of the Authority, as required by the Board, an official bond in an amount to be determined by the Board, guaranteeing the faithful performance of his or her duties. In the absence of an Executive Director, the Coordinating Assessor may coordinate any administrative activities of the Authority as directed by the Board.

(f) *Officers and Professional Services.* The Board may select, appoint, or employ any other officers, or professional and expert services as may be necessary or appropriate to accomplish the purposes of this Agreement, including but not limited to, legal counsel, financial consultants, accountants, engineers, architects, contractors, appraisers and any other consultants and advisors, which may be a corporation, partnership, firm or individual.

(g) *Duties.* All officers and staff of the Authority shall serve at the pleasure of the Board, unless the employment status of such officers and staff is otherwise determined by applicable Authority Bylaw or other Board action or by other applicable law. The duties of the various officers and staff shall be established by Bylaws adopted by the Board, by other Board action, or by applicable law.

(h) *Shared Resources.* The Board may contract with a Member Agency, or its officers, to provide necessary administrative or other services to the Authority as appropriate. All personnel employed by the individual Member Agency shall remain employees of their respective Member Agency unless and until the Authority affirmatively employs such personnel pursuant to its powers. No express or implied employment contract between any Member Agency employee and the Authority exists as a result of this Agreement.

7.4 Advisory Committees. The Board may, from time to time, establish advisory committees to investigate and provide advice to the Board on matters of interest. Such committees may be standing committees or ad hoc committees as the Board deems advisable. The Board shall determine the subject matter for the committee, the duration of the committee and its membership, quorum and voting requirements for each committee at the time it is established.

8. **Organization and Procedures.**

8.1 Principal Offices.

(a) *Principal Office.* The initial principal business office of the Authority shall be the office of the Coordinating Assessor or as otherwise determined by the Board. The Board may change the principal business office from time to time from one location to another within the jurisdiction of the then current Member Agencies to the Authority. Any change shall be noted by the Authority Secretary, but shall not be considered an amendment to this Agreement.

8.2 Meetings.

(a) The Board shall meet at the principal office of the Authority or at such other place as may be designated by the Board and within the Authority's jurisdiction for its regular, special, and emergency meetings; provided, however, that at least one regular meeting shall be held in each year.

(b) The dates upon which, and the hour and place at which, any regular meeting shall be held shall be fixed by resolution of the Board and a copy of such resolution shall be provided to each Director and to the Member Agencies.

(c) Regular, special, and emergency meetings of the Board shall be called and held in the manner as provided in the Brown Act (Government Code title 5, division 2, part 1, chapter 9, commencing at section 54950).

(d) Closed sessions of the Board shall be confidential. However, confidential information from closed sessions may be disclosed to Member Agencies as permitted by

Government Code section 54956.96. The Board may include provisions in its Bylaws to implement this section.

8.3 Quorum and Votes.

(a) One more than half of the Directors of the Board shall constitute a quorum for the purpose of transacting business.

(b) The affirmative vote of a majority of the Board then present shall be required for the Authority to take action, except:

(i) where different voting requirements are provided for by applicable law; and

(ii) approval and amendments of Authority budgets and admission or expulsion of Member Agencies shall require a two-thirds vote of the Board. If the Board is unable to obtain a two-thirds in favor or opposed to an item after three (3) attempts during at least two (2) meetings, the item will be submitted to a special assembly of the Authority. This special assembly shall be composed of the assessor or designee of each Member Agency, and the special assembly shall consider the item which may be approved or disapproved by majority vote of those special assembly members present. The Chair of the Board, or Vice-Chair if the Chair is not present, shall preside over the special assembly. The special assembly shall be a public meeting subject to the Brown Act (Government Code title 5, division 2, part 1, chapter 9, commencing at section 54950). The Authority Secretary shall schedule, prepare the agenda and supporting material for, and otherwise facilitate the special assembly. The agenda for the special assembly shall be posted and sent to each Member Agency at least ten (10) days in advance.

(c) In the absence of a quorum at any meeting of the Board, a majority of the directors present, or the Authority Secretary in the absence of all directors, may adjourn the meeting from time to time without further notice, but no other business may be transacted.

8.4 Authority to Expend Revenues. The Board shall authorize the expenditure of any and all funds of the Authority.

8.5 Minutes. The Authority Secretary shall keep or cause to be kept, at the principal business office, the principal governance office, or such other place as the Board may order, a book or electronic copy of minutes of all meetings of the Board and its committees as required by law, with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof given, the names of those present at the meetings, and the proceedings thereof. As soon as practicable after each meeting, the Authority Secretary shall cause a copy of the minutes to be forwarded to each Director of the Board, and to the Member Agencies.

9. Financial Provisions.

9.1 Funding. Prior to January 1 of each year, the Board shall adopt a preliminary budget for the following Fiscal Year, which shall identify all maintenance or similar fees to be imposed on Member Agencies. Prior to July 1 of each year, the Board shall adopt a final budget

for the Fiscal Year. Each Member Agency shall be provided with a copy of the proposed budget no later than February 1 of each year so that the Member Agency shall have the opportunity to review the proposed budget and submit comments on it to the Authority.

Contributions, in the form of maintenance or similar fees for on-going maintenance and implementation of the Program, may be imposed on Member Agencies as determined by the Board. No initial contributions or funding shall be required of the Member Agencies to join the Authority or to develop the Program which shall be funded as set forth in Revenue and Taxation Code section 95.60. In addition, the Board shall not impose maintenance fees or similar fees as provided in this Section 9.1 to the extent that the Authority has Program funds or other state funds in hand, or such funds could be obtained in a timely manner to fund desired operations.

9.2 Accounting. The Authority shall maintain strict accountability of all funds, receipts and expenses, and shall keep and maintain appropriate records and accounts of all funds, receipts and expenses under this Agreement in accordance with generally accepted accounting practices for California public agencies and the requirements of the Act. The Authority shall allow any Member Agency, or any of its employees, accountants, attorneys or agents to review, inspect, copy and audit any such records and accounts.

9.3 Audit. The records and accounts of the Authority shall be audited, at the intervals required by law, by an independent certified public accountant and copies of such audit reports shall be filed with the State and each Member Agency pursuant to the requirements of law and the agreement of the Member Agencies.

9.4 Expenditures. The Board shall establish and comply with a system and procedure for the review and approval of Authority expenditures and claims and the drawing and signing of Authority warrants or checks. All expenditures shall be consistent with the approved budget, except as otherwise determined by the Board.

9.5 State Reporting. Without limiting any obligation of the Authority, the Authority shall prepare, submit, and report on all Program funding as required by Revenue and Taxation Code section 95.60 and other applicable law.

10. **Debts, Liabilities, Obligations.**

10.1 Of the Authority. Pursuant to Government Code section 6508.1, except as to liabilities to a public retirement system, the debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, or obligations of any Member Agency. Provided, however, if the Member Agencies are, under applicable law, held liable for the negligent acts or omissions of the Authority occurring in the performance of this Agreement, the Member Agencies shall be entitled to contribution from each of the other Member Agencies so that after said contribution each Member Agency shall bear an equal share of such liability.

10.2 Retirement Benefits. The Authority shall not participate in, become a member in, or otherwise join any “public retirement system” as defined in Government Code section 6508.1.

11. **Indemnity and Hold Harmless.**

11.1 General. The Authority shall indemnify, defend, and hold harmless the Member Agencies, their officers, agents and employees, from and against any and all claims and losses whatsoever occurring or resulting to persons, firms or corporations furnishing or supplying work, services, materials or supplies to the Authority in connection with the performance of the Agreement, and, except as expressly provided by law, from any and all claims and losses accruing or resulting to any persons, firm or corporation, for damage, injury or death arising out of or connected with the Authority's performance of its obligations under this Agreement.

11.2 Insurance. As determined by the Board, the Authority shall maintain membership in one or more insurance pooling joint powers agencies established pursuant to the Act for purposes of workers compensation, public liability, and property insurance, and shall establish and maintain such self-insurance retention or other reserves as are required by said agencies. The Board may in its discretion obtain insurance from other sources provided that the Board determines that the other source provides adequate coverage for the Authority and Member Agencies.

11.3 Survival. These defense, indemnification, and hold harmless obligations shall survive and continue in full force and effect after withdrawal of any Member Agency from this Agreement or termination of this Agreement for any reason with respect to any negligent acts, errors or omissions that occurred before the date of such withdrawal or termination.

12. **Termination and Withdrawal.**

12.1 Termination. The Agreement may be terminated with notice of termination from two-thirds of the Member Agencies. Upon receipt of such notice, the Board shall promptly wind-down the affairs of the Authority, including satisfying existing liabilities and distributing any remaining property or assets.

12.2 Withdrawal. Any Member Agency may withdraw from the Authority effective at the beginning of a Fiscal Year with at least ninety (90) days' written notice to the Authority. Any withdrawing Member Agency shall have paid any owed maintenance fees or other debts to the Authority and shall be responsible for its proportional share of any debts or liabilities of the Authority existing as of the date of withdrawal, including any unknown or unasserted claims. Without limiting the foregoing, Member Agencies may not withdraw from the Authority during the pendency of litigation where the Authority is a defendant or real party-in-interest without approval of the Board.

12.3 Expulsion. The Board may expel a Member Agency for cause, including the non-payment of maintenance or similar fees, after providing the Member Agency with a reasonable time period to cure such breach. Such Member Agencies shall remain responsible for any owed maintenance fees or other debts to the Authority and shall be responsible for its proportional share of any debts or liabilities of the Authority existing as of the date of expulsion, including any unknown or unasserted claims, in the same manner and to the same extent as other Member Agencies pursuant to Section 10.1. Expelled Member Agencies shall not be entitled to any share of the Authority's assets or properties in the event of a future termination, including any use or similar license for Authority intellectual property.

12.4 Disposition of Property Upon Termination. Upon termination of this Agreement, the assets and property of the Authority shall be distributed as determined by the Board of Directors provided that each Member Agency shall receive a non-exclusive license to use any intellectual property developed by the Authority for the Program or otherwise to the extent provided in any such agreement executed by the Authority.

13. Conflict Resolution. The Member Agencies agree that any and all disputes, claims or controversies between the Member Agencies arising out of or relating to performance of this Agreement, the Member Agencies will first meet and confer and attempt to resolve the dispute through informal or formal mediation.

14. General Provisions.

14.1 Integration. This Agreement constitutes the sole, final, complete, exclusive and integrated expression and statement of the terms of this contract among the Member Agencies concerning the subject matter addressed herein, and supersedes all prior negotiations, representations or agreements, either oral or written, that may be related to the subject matter of this Agreement, except those other documents that are expressly referenced in this Agreement.

14.2 Headings. The section and subsection headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

14.3 Consents. Whenever any consent and/or approval is required under this Agreement from any Member Agency, said consent and/or approval shall not be unreasonably withheld.

14.4 Construction and Interpretation. It is agreed and acknowledged by the Member Agencies that this Agreement has been arrived at through negotiation, and that each Member Agency has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting Member Agency shall not apply in construing or interpreting this Agreement.

14.5 Waiver. The waiver at any time by any Member Agency of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

14.6 Remedies Not Exclusive. The remedies provided in this Agreement are cumulative and not exclusive, and are in addition to any other remedies that may be provided by law or equity. The exercise by either Member Agency of any remedy under this Agreement shall be without prejudice to the enforcement of any other remedy.

14.7 Severability. The invalidity, illegality or unenforceability of any provision of this Agreement shall not render the other provisions unenforceable, invalid or illegal. Should the participation of any Member Agency to this Agreement be decided by the courts to be illegal or in excess of that Member Agency's authority or in conflict with any law, the validity of the Agreement as to the remaining Member Agencies shall not be affected thereby.

14.8 Successors and Assigns. Except as otherwise provided by law, the rights and duties of the Member Agencies under this Agreement shall not be assigned or delegated without the prior written consent of the other Member Agency. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities and other obligations of the Authority then in effect, and may be subject to such additional reasonable conditions of approval imposed by the Member Agency approving the assignment or delegation.

14.9 No Third Member Agency Beneficiaries. This Agreement shall not be construed to create any third Member Agency beneficiaries. This Agreement is for the sole benefit of the Member Agencies, and their permitted successors, transferees and assignees, and no other person or entity shall be entitled to rely upon or receive any benefit from this Agreement or any of its terms.

14.10 Amendment. This Agreement may be modified or amended only by a subsequent written agreement approved by two-thirds of the Member Agencies. The amended Agreement shall take effect on the first day of the month following the Authority's receipt of notice of approval by two-thirds of the Member Agencies, unless otherwise stated in the amendment, and once effective shall apply to all Member Agencies regardless of whether a particular Member Agency approved the amendment. Refusal to execute or comply with the amended Agreement shall be a basis for expulsion of the Member Agency.

14.11 Governing Law. Except as otherwise required by law, this Agreement shall be interpreted, governed by, and construed under the laws of the State of California.

14.12 Notice. Any notice, demand, invoice or other communication required or permitted to be given under this Agreement shall be in writing and either served personally or sent by prepaid, first class U.S. mail and addressed to the Authority at its principal office and to each Member Agency at the address provided by such Member Agency for this purpose. Each Member Agency shall establish and amend its address by notifying the Chair of the Board. The Chair of the Board shall provide updated contact information to the Member Agencies as necessary. Any notice or other communication served by personal delivery shall be deemed received when actually delivered. Any notice or other communication shall be deemed received three (3) days after deposit in United States mail, postage prepaid, return receipt requested.

14.13 Counterparts. This Agreement may be executed by the Member Agencies in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[signature pages follow]

IN WITNESS WHEREOF, the Member Agencies hereto have executed this Joint Exercise of Powers Agreement as of the date last executed as set forth below.

COUNTY OF _____

By: _____
[insert name]

Its: _____

APPROVED AS TO FORM:

By: _____
[insert name]

Its: _____