

APPROVED

JAN 13 2009



BY *Mary Childs deputy*
CLERK OF THE BOARD

AGENDA SUBMITTAL TO SOLANO COUNTY BOARD OF SUPERVISORS

ITEM TITLE Approve the Joint Exercise of Powers Agreement creating the California Counties Mental Health Services Authority for partnering member counties to more efficiently administer Mental Health Services Act statewide projects and appoint the Mental Health Director as Solano County's delegate to the Authority and the Mental Health Administrator as the alternate		BOARD MEETING DATE January 13 , 2009	AGENDA NUMBER 8
Dept: Contact: Phone:	Health and Social Services Michael Opredek, Deputy Director, Mental Health Division 784-8330	Supervisorial District Number ALL	
Published Notice Required?		Yes _____	No <u> X </u>
Public Hearing Required?		Yes _____	No <u> X </u>

DEPARTMENTAL RECOMMENDATION:

The Department of Health and Social Services (H&SS) recommends the Board:

1. Approve the Joint Exercise of Powers Agreement (JPA) creating the California Counties Mental Health Services Authority (Authority) for partnering member counties to more efficiently administer the Mental Health Services Act (MHSA) statewide projects; and
2. Appoint the Mental Health Director as Solano County's delegate to the Authority and the Mental Health Administrator as the alternate.

SUMMARY:

As part of the MHSA program and funding, its legislation delineates dollars for statewide projects and provides provisions for counties to act jointly to combine resources and efforts to perform administrative requirements and duties in a cost effective manner. The California Mental Health Directors Association (CMHDA), in conjunction with its membership, has developed the Authority with the intent to jointly develop and fund MHSA services and education programs as determined on a regional, statewide, or other basis.

FINANCING:

The Authority's annual and program budgets will be funded with program, annual, and development fees from participating member counties. The Department will utilize its allocation of the MHSA statewide project funds to fund the required contributions. There will be no General Fund cost to Solano County for its membership in the Authority.

DISCUSSION:

Through counties acting jointly, local needs for MHSAs statewide projects can be identified and regional similarities can be addressed and met. Together resources can be maximized for the most efficient use of purchasing products, such as materials translated into additional languages for target populations or for technical assistance services. There is also an increase in efficiency for administrative services which may include, but not limited to, establishing a depository for research materials and gathering information regarding "best practices".

The governance of the Authority is established within the JPA and will be governed by its Board of Directors. The Board of Directors shall be composed of one director from each member county, appointed by the member county Board of Supervisors. Each member county Board of Supervisors shall also appoint an alternate director who shall have the authority to attend, participate in and vote at any meeting when the director is absent. San Bernardino County has already joined the Authority and San Diego, Riverside, Monterey and Orange Counties are in the process of moving forward to join. Under the terms of the JPA, each member county shall commit to its membership in the Authority for a term of three fiscal years, but each member also has provision available to them to withdraw its membership with thirty days advance written notice.

The Authority will support the joint development and funding of MHSAs statewide projects, such as programs addressing suicide prevention, ethnic and cultural outreach, stigma and discrimination related to mental illness, student mental health, and workforce training and education. Solano County's participation in the Authority will allow it to participate and have a vote in how these statewide projects are developed and implemented.

ALTERNATIVES:

The Board could elect not to approve the JPA. This is not recommended because it would result in lack of local stakeholder input in the development and implementation of MHSAs statewide projects and priority of needs.

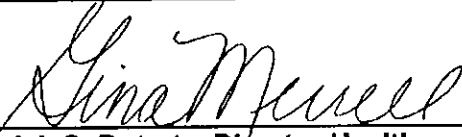
OTHER AGENCY INVOLVEMENT:

County Counsel has approved the JPA for legal sufficiency

CAO RECOMMENDATION:

APPROVE DEPARTMENT
RECOMMENDATION

DEPARTMENT HEAD SIGNATURE:


GINA MERRELL for
Patrick O. Duterte, Director Health and Social Services

1/6/09
Date

Attachment A: Joint Exercise of Powers Agreement creating the California Counties Mental Health Services Authority, pages 4-25

**JOINT EXERCISE OF POWERS AGREEMENT
CREATING THE
CALIFORNIA COUNTIES' MENTAL HEALTH SERVICES AUTHORITY**

This Agreement is executed in the State of California by and among those counties organized and existing under the Constitution of the State of California which are parties signatory to this Agreement. All such counties, hereinafter called Member counties, agree listed in attached Appendix A, which is incorporated by this reference.

RECITALS

WHEREAS, California Government Code section 6500 et seq. (The Joint Exercise of Powers Act)) permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

WHEREAS, Division 5 of the California Welfare and Institutions Code authorizes and directs California counties to obtain and administer public funds for, and to provide certain community mental health services to persons residing within the counties; and

WHEREAS, each of the signatories to this Agreement is a public agency within the State of California, and has the lawful authority to enter into a Joint Exercise of Powers Agreement under the Joint Exercise of Powers Act; and

WHEREAS, in the November 2004 general election, the People of the State of California enacted Proposition 63, the Mental Health Services Act, which added certain provisions to the California Welfare and Institutions Code and to the California Revenue and Taxation Code, for the purpose of raising additional revenues and distributing those revenues to California counties for use in providing expanded services in preventing, detecting, and treating mental illness among persons in their communities; and

WHEREAS, the counties executing this Agreement desire to join together for the purpose of jointly exercising their powers under some or all of the statutes referenced above.

NOW THEREFORE, the parties agree as follows:

ARTICLE 1 DEFINITIONS

"Authority" shall mean the California Counties' Mental Health Services Authority created by this Agreement.

"Board of Directors" of "Board" shall mean the governing body of the Authority.

"Executive Committee" shall mean the Executive Committee of the Board of Directors of the Authority.

"Fiscal year" shall mean that period of twelve months which is established by the Board of Directors as the fiscal year of the Authority.

"Government Code" shall mean the California Government Code.

"Joint Powers Act" shall mean The Joint Exercise of Powers Act, set forth at Article 1, Chapter 5, Division 7, Title 1 (commencing with section 6500) of the Government Code.

"Member county" shall mean any county which, through the membership of its Director of Mental Health in the California Mental Health Directors Association has executed this Agreement and becomes a member of the Authority.

"Participating county" shall mean any member county which has entered into a Program offered by the Authority pursuant to Article 14 and has not withdrawn or been canceled therefore pursuant to Articles 19 or 20.

"Program" shall mean the mental health initiatives that are described in Article 14(a). The Board of Directors or the Executive Committee may determine applicable criteria for

determining Member county's eligibility in any program, as well as establishing program policies and procedures.

"Welfare and Institutions Code" shall mean the California Welfare and Institutions Code.

ARTICLE 2 PURPOSES

This Agreement is entered into by the Member counties in order to jointly develop, and fund mental health services and education programs as determined on a regional, statewide, or other basis. Such programs may include, but are not limited to addressing suicide prevention, ethnic and cultural outreach, stigma and discrimination related to mental illness, student mental health and workforce training and education, as well as the provision of necessary administrative services. Such administrative services may include, but shall not be limited to, establishing a depository for research materials and information regarding "best practices."

ARTICLE 3 PARTIES TO AGREEMENT

Each member county, as a party to this Agreement, certifies that it intends to and does contract with all other members as parties to this Agreement and, with such other members as may later be added as parties to this Agreement pursuant to Article 14 as to all programs in which it is a participating member. Each member also certifies that the withdrawal or removal of any party from this Agreement, pursuant to Articles 19 or 20, shall not affect this Agreement or the member's obligations under it..

ARTICLE 4 TERM

This Agreement shall become effective when executed and returned to the Authority by 40 of the 58 counties in California. The Authority shall notify all Member counties, in writing, of

such effective date. Thereafter, this Agreement shall continue in effect until terminated as provided in it.

ARTICLE 5 CREATION OF THE AUTHORITY

Pursuant to the Joint Powers Act, there is created a public entity separate and apart from the Member counties, to be known as the California Counties' Mental Health Services Authority, with such powers as are set forth in this Agreement.

Pursuant to Government Code section 6508.1, the debts, liabilities, and obligations of the Authority shall not constitute debts, liabilities, or obligations of any party to this Agreement.

ARTICLE 6 POWERS OF THE AUTHORITY

The Authority shall have all of the powers common to General Law counties in California and all additional powers set forth in the Joint Powers Act, and is authorized to do all acts necessary for the exercise of the powers. Such powers include, but are not limited to, the following:

- (a) To make and enter into contracts.
- (b) To incur debts, liabilities, and obligations.
- (c) To acquire, hold, or dispose of property, contributions and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities.
- (d) To sue and be sued in its own name, and to settle any claim against it.
- (e) To receive and use contributions and advances from members as provided in Government Code section 6504, including contributions or advances of personnel, equipment, or property.

(f) To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code section 6509.5.

(g) To carry out all provisions of this Agreement.

The powers shall be exercised pursuant to the terms of this Agreement and in the manner provided by law.

ARTICLE 7 BOARD OF DIRECTORS

The Authority shall be governed by the Board of Directors, which shall be composed of one director from each member county, appointed by the member county board of supervisors and serving at the pleasure of that body. Each member county board of supervisors shall also appoint an alternate director who shall have the authority to attend, participate in and vote at any meeting of the Board when the director is absent. A director or alternate director shall be a County Mental Health Director, other county official, or staff person of the member county, and upon termination of office or employment with the county, shall automatically terminate membership or alternate membership on the Board.

Any vacancy in a director or alternate director position shall be filled by the appointing county's board of supervisors, subject to the provisions of this Article.

A majority of the membership of the Board shall constitute a quorum for the transaction of business. Each member of the Board shall have one vote. Except as otherwise provided in this Agreement or any other duly executed agreement of the members, all actions of the Board shall require the affirmative vote of a majority of the members present and voting; provided, that any action which is restricted in effect to only one of the Authority's programs, shall require the affirmative vote of a majority of those Board members who represent counties participating in that program.

**ARTICLE 8
POWERS OF THE BOARD OF DIRECTORS**

The Board of Directors shall have the following powers and functions:

(a) The Board shall exercise all powers and conduct all business of the Authority, either directly or by delegation to other bodies or persons unless otherwise prohibited by this Agreement or any other duly executed agreement of the members or by law.

(b) The Board of Directors may adopt such resolutions as deemed necessary in the exercise of those powers and duties set forth in this Agreement.

(c) The Board shall form an Executive Committee, as provided in Article 11. The Board may delegate to the Executive Committee, and the Executive Committee may discharge, any powers or duties of the Board except adoption of the Authority's annual budget. The powers and duties so delegated shall be specified in resolutions adopted by the Board.

(d) The Board may form, as provided in Article 12, such other committees as it deems appropriate to conduct the business of the Authority. The membership of any such other committee may consist in whole or in part of persons who are not members of the Board; provided that the Board may delegate its powers and duties only to a committee of the Board composed of a majority of Board members and/or alternate members. Any committee which is not composed of a majority of Board members and/or alternate members may function only in an advisory capacity.

(e) The Board shall elect the officers of the Authority and shall appoint or employ necessary staff in accordance with Article 13.

(f) The Board shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Authority. Adoption of the budget may not be delegated.

(g) The Board shall develop, or cause to be developed, and shall review, modify as necessary, and adopt each program of the Authority, including all provisions for administrative services necessary to carry out such program.

(h) The Board, directly or through the Executive Committee, shall provide for necessary services to the Authority and to members, by contract or otherwise, which may include, but shall not be limited to, establishing a depository for research materials and information regarding "best practices."

(i) The Board shall provide general supervision and policy direction to the Chief Executive Office.

(j) The Board shall receive and act upon reports of the committees and the Chief Executive Officer.

(k) The Board shall receive, review and act upon periodic reports and audits of the funds of the Authority, as required under Articles 15 and 16.

(l) The Board shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Authority.

ARTICLE 9 MEETINGS OF THE BOARD OF DIRECTORS

(a) The Board shall hold at least one regular meeting each year and shall provide for such other regular meetings and for such special meetings as it deems necessary.

(b) The Chief Executive Officer of the Authority shall provide for the keeping of minutes of regular and special meetings of the Board, and shall provide a copy of the minutes to each member of the Board at the next scheduled meeting.

(c) All meetings of the Board, the Executive Committee and such committees as established by the Board pursuant to Article 12, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, Government Code section 54950 et seq..

ARTICLE 10 OFFICERS

The Board of Directors shall elect from its membership a President and Vice President of the Board, to serve for one-year terms.

The President, or in his or her absence, the Vice President, shall preside at and conduct all meetings of the Board and shall chair the Executive Committee.

ARTICLE 11 EXECUTIVE COMMITTEE

The Board of Directors shall establish an Executive Committee of the Board which shall consist of seven members: the President and Vice President of the Board, and five members elected by the Board from its membership. The Board may, from time to time, prescribe additional eligibility criteria for Executive Committee members, including, but not limited to, a requirement that each Executive Committee member be elected from a designated geographical region of the State, or from an otherwise-identifiable constituency of member counties, such as small, large, rural, or urban counties.

The terms of office of the five non-officer members shall be as provided in the Bylaws of the Authority.

The Executive Committee shall conduct the business of the Authority between meetings of the Board, exercising all those powers as provided for in Article 8, or as otherwise delegated to it by the Board.

ARTICLE 12 COMMITTEES

The Board of Directors may establish committees, as it deems appropriate to conduct the business of the Authority. Members of the committees shall be appointed by the Board, to serve two year terms, subject to reappointment by the Board. The members of each committee shall annually select one of their members to chair the Committee.

Each committee shall be composed of at least five members and shall have those duties as determined by the Board, or as otherwise set forth in the Bylaws.

Each committee shall meet on the call of its chair, and shall report to the Executive Committee and the Board as directed by the Board.

ARTICLE 13 STAFF

(a) **Principal Staff.** The following staff members shall be appointed by and serve at the pleasure of the Board of Directors:

(1) **Chief Executive Officer.** The Chief Executive Officer shall administer the business and activities of the Authority, subject to the general supervision and policy direction of the Board of Directors and Executive Committee; shall be responsible for all minutes, notices and records of the Authority and shall perform such other duties as are assigned by the Board and Executive Committee.

(2) **Treasurer.** The duties of the Treasurer are set forth in Article 16. Pursuant to Government Code section 6505.5, the Treasurer shall be the county treasurer of a member county of the Authority, or, pursuant to Government Code section 6505.6, the Board may

appoint one of its officers or employees to the position of Treasurer, who shall comply with the provisions of Government Code section 6505.5, subdivisions (a) through (d).

(3) **Auditor.** The Auditor shall draw warrants to pay demands against the Authority when approved by the Treasurer. Pursuant to Government Code section 6505.5, the Auditor shall be the Auditor of the county from which the Treasurer is appointed by the Board under (2), or, pursuant to Government Code section 6505.6, the Board may appoint one of its officers or employees to the position of Auditor, who shall comply with the provisions of Government Code section 6505.5, subdivisions (a) through (d).

(b) **Charges for Treasurer and Auditor Services.** Pursuant to Government Code section 6505, the charges to the Authority for the services of Treasurer and Auditor shall be determined by the board of supervisors of the member county from which such staff members are appointed.

(c) **Other Staff.** The Board, Executive Committee, or Chief Executive Officer shall provide for the appointment of such other staff as may be necessary for the administration of the Authority.

ARTICLE 14 DEVELOPMENT, FUNDING, AND IMPLEMENTATION OF PROGRAMS

(a) **Programs.** Mental health programs established by the Authority on a statewide, regional or other basis, may include, but shall not be limited to:

- (1) Suicide prevention;
- (2) Ethnic and cultural outreach;
- (3) Prevention of stigma and discrimination;
- (4) Student mental health; and
- (5) Workforce training and education

The Board shall determine, for each such program, a minimum number of participants required for program implementation and may develop agreements for implementation of the above programs.

(b) **Program and Authority Funding.** A Member county participating in a program shall fund all costs of that program, including administrative costs, as provided in this Agreement. Costs of staffing and supporting the Authority (Authority general expenses) shall be equitably allocated by Member county population among the various programs by the Board, and shall be funded by the Member counties participating in such programs in accordance with such allocations, as provided in this Agreement. In addition, the Board may, in its discretion, allocate a share of such Authority general expense to those Member counties that are not participating in any program, and require those counties to fund such share through a prescribed charge.

(1) **Development Charge.** Development costs of programs shall be funded by a development charge, as established by the Board of Directors. The development charge shall be paid by each participant in the program, on the equitable basis of the participant's population, following the program's adoption by the Board. Development costs are those costs actually incurred by the Authority in developing a program for review and adoption by the Board, including but not limited to: research, information and liaison work among participants, the State Department of Mental Health and other entities and preparation and review of documents.

The development charge shall be billed by the Authority to all participants in the program upon establishment of the program and shall be payable in accordance with the Authority's invoice and payment policy.

Upon the conclusion of program development: any deficiency in development funds shall be billed to all participants which have paid the development charge on an equitable

basis, as determined by the Board; any surplus in such funds shall be transferred into the Authority's general expense funds.

(2) **Annual Premium.** All post-development costs of programs shall be funded by annual premiums charged to the Member counties participating in the programs each fiscal year, and by interest earnings on the funds so accumulated. Such premiums shall be determined by the Board upon the equitable basis of Member county population. The premium for each Member county shall include that participant's equitable share of the administrative and non-administrative costs of the program(s) it participates in, and the participant's equitable share of Authority general expense allocated to the program(s) by the Board.

(c) **Program Implementation and Effective Date.** Upon establishment of a program by the Board, the Authority shall determine the manner of program implementation and shall give written notice to all participants of such program, which shall include, but not be limited to: program participation levels, estimates of first year premium charges, program development costs, effective date of the program (or estimated effective date) and such other program provisions as deemed appropriate.

(d) **Late Entry Into Programs.** A Member county that does not elect to enter a program upon its implementation, pursuant to (c), or a California county that becomes a party to this Agreement following implementation of a program, may petition the Board for late entry into the program. Such request may be granted upon a majority vote of the Board, plus a majority vote of those Board members who represent participants in the program. Alternatively, a Member county or California county that becomes a party to this Agreement following implementation of a program may petition the Executive Committee for late entry into the program, or a program committee, when authorized by an memorandum of understanding

governing that specific program. Such request may be granted upon a majority vote of the Executive Committee or program committee.

As a condition of late entry, the member shall pay the development charge for that program that it would have paid if not for its late entry, as adjusted at the conclusion of the development period.

ARTICLE 15 ACCOUNTS AND RECORDS

(a) **Annual Budget.** The Authority shall annually adopt an operating budget pursuant to Article 8 of this Agreement, which shall include a separate budget for each program under development or adopted and implemented by the Authority.

(b) **Funds and Accounts.** The Auditor of the Authority shall establish and maintain such funds and accounts as may be required by good accounting practices and by the Board of Directors. Separate accounts shall be established and maintained for each program under development or adopted and implemented by the Authority. Books and records of the Authority in the hands of the Auditor shall be open to inspection at all reasonable times by authorized representatives of members

The Authority shall adhere to the standard of strict accountability for funds set forth in Government Code section 6505.

(c) **Auditor's Report.** The Auditor, within one hundred and twenty (120) days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Board and to each member.

(d) **Annual Audit.** Pursuant to Government Code section 6505, the Authority shall either make or contract with a certified public accountant to make an annual fiscal year audit of all accounts and records of the Authority, confirming in all respects with the requirements of that

section. A report of the audit shall be filed as a public record with each of the members and also with the county auditor of the county where the home office of the Authority is located and shall be sent to any public agency or person in California that submits a written request to the Authority. The report shall be filed within six months of the end of the fiscal year or years under examination. Costs of the audit shall be considered a general expense of the Authority.

ARTICLE 16 RESPONSIBILITIES FOR FUNDS AND PROPERTY

(a) The Treasurer shall have the custody of and disburse the Authority's funds. He or she may delegate disbursing authority to such persons as may be authorized by the Board of Directors to perform that function, subject to the requirements of (b).

(b) Pursuant to Government Code section 6505.5, the Treasurer shall:

(1) Receive and acknowledge receipt for all funds of the Authority and place *them in the treasury of the Treasurer* to the credit of the Authority.

(2) Be responsible upon his or her official bond for the safekeeping and disbursements of all Authority funds so held by him or her.

(3) Pay any sums due from the Authority, as approved for payment by the Board of Directors or by any body or person to whom the Board has delegated approval authority, *making such payments from Authority funds upon warrants drawn by the Auditor.*

(4) Verify and report in writing to the Authority and to members, as of the first day of each quarter of the fiscal year, the amount of money then held for the Authority, the amount of receipts since the last report, and the amount paid out since the last report.

(c) Pursuant to Government Code section 6505.1, the Chief Executive Officer, the Treasurer, and such other persons as the Board of Directors may designate shall have charge of, handle, and have access to the property of the Authority.

(d) The Authority shall secure and pay for a fidelity bond or bonds, or an insurance policy procured under Government Code section 1463, in an amount or amounts and in the form specified by the Board of Directors, covering all officers and staff of the Authority, and all officers and staff who are authorized to have charge of, handle, and have access to property of the Authority.

ARTICLE 17

RESPONSIBILITIES OF MEMBERS

Members shall have the following responsibilities under this Agreement.

(a) Each Member county shall commit to membership in the Authority for an initial term of three fiscal years.

(b) The board of supervisors of each Member county shall appoint a representative and one alternative representative to the Board of Directors, pursuant to Article 7.

(c) Each Member county shall pay development charges and program charges, due to the Authority as required under Article 14. Penalties for late payment of such charges shall be determined and assessed by the Board of Directors. After withdrawal, cancellation, or termination action under Articles 20, 21, or 22, each Member county shall pay promptly to the Authority any additional charges due, as determined and assessed by the Board of Directors under Articles 21 or 22. Any costs incurred by the Authority associated with the collection of such premiums or other charges, shall be recoverable from the member or former member by the Authority.

(d) Each Member county shall provide the Authority such other information or assistance as may be necessary for the Authority to develop and implement programs under this Agreement.

(e) Each Member county shall cooperate with and assist the Authority in all matters relating to this Agreement, and shall comply with all Bylaws, and other rules by the Board of Directors.

(f) Each Member county shall have such other responsibilities as are provided elsewhere in this Agreement, and as are established by the Board of Directors in order to carry out the purposes of this Agreement.

ARTICLE 17 NEW MEMBERS

Any non-member California county may become a party to this Agreement, and any member California county may participate in any program in which it is not presently participating, upon approval of the Board of Directors, by majority vote of the members, or by majority vote of the Executive Committee.

ARTICLE 18 WITHDRAWAL

(a) A Member county may withdraw as a party to this Agreement upon thirty (30) days advance written notice to the Authority if it has never become a participant in any program pursuant to Article 14, or if it has previously withdrawn from all programs in which it was a participant.

(b) After becoming a participant in a program, a Member county may withdraw from that program only at the end of a fiscal year for the program, and only if it gives the Authority at least sixty (60) days advance written notice of such action.

ARTICLE 19 CANCELLATION

Notwithstanding the provisions of Article 19, the Board of Directors may:

(a) Cancel any member from this Agreement and membership in the Authority, on a majority vote of the Board members. Such action shall have the effect of canceling the member's participation in all programs of the Authority as of the date that its membership is canceled.

(b) Cancel any member's participation in a program of the Authority, without canceling the member's membership in the Authority or participation in other programs, on a vote of two-thirds of the Board members present and voting who represent participants in the program.

The Board shall give sixty (60) days advance written notice of the effective date of any cancellation under the foregoing provisions. Upon such effective date, the member shall be treated the same as if it had voluntarily withdrawn from this Agreement, or from the program, as the case may be.

ARTICLE 20 EFFECT OF WITHDRAWAL OR CANCELLATION

(a) If a member's participation in a program of the Authority is canceled under Article 20, with or without cancellation of membership in the Authority, and such cancellation is effective before the end of the fiscal year for that program, the Authority shall promptly determine and return to that member the amount of any unearned payment from the member for the fiscal year, such amount to be computed on a pro-rata basis from the effective date of cancellation.

(b) Except as provided in (a), a member which withdraws or is canceled from this Agreement and membership in the Authority, or from any program of the Authority, shall not be entitled to the return of any payment to the Authority, or of any property contributed to the Authority. However, in the event of termination of this Agreement, such member may share in the distribution of assets of the Authority to the extent provided in Article 22;

(c) Those members who have withdrawn or been canceled pursuant to Article 19 or Article 20 from any **program** of the Authority during a fiscal year shall pay any charges which the Board of Directors determines are due from the members for expenses which were incurred during the county's participation in any **program**.

(d) Withdrawal or cancellation of any member from this Agreement shall not constitute completion of any purpose of this Agreement, and shall not require the return or repayment, to any member or former member, of all or any part of any contributions, payments, or advances made by the parties until the Agreement is rescinded or terminated as to all parties.

ARTICLE 21 TERMINATION AND DISTRIBUTION OF ASSETS

(a) A three-fourths vote of the total voting membership of the Authority, consisting of member counties, acting through their boards of supervisors, is required to terminate this Agreement; provided, however, that this Agreement and the Authority shall continue to exist after such election for the purpose of distributing all assets, and performing all other functions necessary to conclude the affairs of the Authority.

(b) Upon termination of this Agreement, all assets of the Authority in each **program** shall be distributed among those members which participated in that program in proportion to their cash contributions and property contributed (at market value when contributed). The Board of Directors shall determine such distribution within six (6) months after payment of the last expense covered by the **program**.

ARTICLE 22 LIABILITY OF BOARD OF DIRECTORS, OFFICER, COMMITTEE MEMBERS AND LEGAL ADVISORS

The members of the Board of Directors, Officers, committee members and legal advisors to any Board or committees of the Authority shall use ordinary care and reasonable diligence in

the exercise of their powers and in the performance of their duties pursuant to this Agreement. They shall not be liable for any mistake of judgment or any other action made, taken or omitted by them in good faith, nor for any action taken or omitted by the agent, employee or independent contractor selected with reasonable care, nor for loss incurred through investment of Authority funds, or failure to invest.

No Director, Officer, committee member, or legal advisor to any Board or committee shall be responsible for any action taken or omitted by any other Director, Officer, committee member, or legal advisor to any committee. No Director, Officer, committee member or legal advisor to any committees shall be required to give a bond or other security to guarantee the faithful performance of their duties pursuant to this Agreement.

The funds of the Authority shall be used to defend, indemnify and hold harmless the Authority and any Director, Officer, committee member or legal advisor to any committee for their actions taken within the scope of the authority of the Authority. Nothing shall limit the right of the Authority to purchase insurance to provide such coverage as is hereinabove set forth.

ARTICLE 23 BYLAWS

The Board may adopt Bylaws consistent with this Agreement which shall provide for the administration and management of the Authority.

ARTICLE 24 NOTICES

The Authority shall address notices, billings, and other communications to a member as directed by the member. Each member shall provide the Authority with the address to which communications are to be sent. Members shall address notices and other communications to the Authority to the Chief Executive Officer of the Authority, at the office address of the Authority as set forth in the Bylaws.

**ARTICLE 25
AMENDMENT**

This Agreement may be amended at any time by a vote of two-thirds (2/3) of the Member counties, acting through their boards of supervisors.

**ARTICLE 26
PROHIBITION AGAINST ASSIGNMENT**

No Member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any member shall have any right, claim or title to any part, share, interest, fund, or asset of the Authority.

**ARTICLE 27
AGREEMENT COMPLETE**

This Agreement constitutes the full and complete Agreement of the parties.

**ARTICLE 28
EFFECTIVE DATE OF AMENDMENTS**

Any duly-adopted amendment to this Agreement shall become effective upon the date specified by the Board and upon approval of any Amended Agreement as required in Article 26. Approval of any amendment by the voting board of supervisors must take place no later than 60 days following the effective date specified by the Board.

**ARTICLE 29
DISPUTE RESOLUTION**

When a dispute arises between the Authority and a Member county, the following procedures are to be follows:

(a) Request for Reconsideration. The member will make a written request to the Authority for the appropriate Committee to reconsider their position, citing the arguments in favor of the member and any applicable case law that applies.. The member can also, request a personal presentation to that Committee, if it so desires.

(b) *Committee Appeal.* The committee responsible for the program of having jurisdiction over the decision in question will review the matter and reconsider the Authority's position. This committee appeal process is an opportunity for both sides to discuss and substantiate their positions based upon legal arguments and the most complete information available. If the member requesting reconsideration is represented on the committee having jurisdiction, the committee member shall be deemed to have a conflict and shall be excluded from any vote.

(c) *Executive Committee Appeal.* If the member is not satisfied with the outcome of the committee appeal, the matter will be brought to the Executive Committee for reconsideration upon request of the member. If the member requesting reconsideration is represented on the Executive Committee, that Executive Committee member shall be deemed to have a conflict and shall be excluded from any vote.

(d) *Arbitration.* If the member is not satisfied with the outcome of the Executive Committee appeal, the next step in the appeal process is arbitration. The arbitration, whether binding or non-binding, is to be mutually agreed upon by the parties. The matter will be submitted to a mutually agreed arbitrator or panel of arbitrators for the determination. If binding arbitration is selected, then of course the decision of the arbitrator is final. Both sides agree to abide by the decision of the arbitrator. The cost of arbitration will be shared equally by the involved member and the Authority.

(e) *Litigation.* If, after following the dispute resolution procedures either party is not satisfied with the outcome of the non-binding arbitration process, either party may consider litigation as a possible means of seeking a remedy to the dispute.

**ARTICLE 30
FILING WITH SECRETARY OF STATE**

The Chief Executive Officer of the Authority shall file a notice of this Agreement with the office of the California Secretary of State within 30 days of its effective date, as required by Government Code section 6503.5 and within 70 days of its effective date as required by Government Code section 53051.

The undersigned party has executed this Agreement on the date indicated below.

DATE: Jan. 13, 2009

MEMBER: Solano County

BY: 

Chair, Solano County Board of Supervisors