



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 3/13/2012

Report Type: Consent

Title: Appointments: Sacramento Groundwater Authority (SGA)

Report ID: 2012-00207

Location: Citywide

Recommendation: Pass a Resolution appointing the following representatives to the Sacramento Groundwater Authority Board of Directors: Travis Anderson- Alternate (Golden State Water Company), Kevin Thomas, Todd Robison - Alternate (Sacramento Suburban Water District)

Contact: Dave Brent, Interim Director, (916) 808-1420, Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Department Administration

Dept ID: 14001011

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Resolution
- 4-Joint Powers Agreement

City Attorney Review

Approved as to Form
Joe Robinson
3/5/2012 11:01:03 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
2/28/2012 10:28:13 AM

Approvals/Acknowledgements

Department Director or Designee: Dave Brent - 3/2/2012 10:10:12 AM

Description/Analysis

Issue: The City Council appoints specified representatives to the Sacramento Groundwater Authority Board of Directors. Vacancies in these positions for the Golden State Water Company (as successor to the Arden Cordova Water Company) and Sacramento Suburban Water District require new appointments to be made. Golden State Water Company and Sacramento Suburban Water District have recommended appointments for their respective representatives. If approved, these appointments would be effective until the end of the current term, which expires on August 11, 2012.

Policy Considerations: The proposed action is consistent with the Joint Powers Agreement approved by the City Council, which allows entities for whom the City Council makes the appointments to submit recommended appointments, but commits such appointments to the discretion of the City Council.

Environmental Considerations: Under the California Environmental Quality Act (CEQA) Guidelines, continuing administrative activities of this nature do not constitute a project and are therefore exempt from review under CEQA (CEQA Guidelines §15378(b)(2)).

Sustainability: Not Applicable

Commission/Committee Action: Not Applicable

Rationale for Recommendation: The Joint Powers Agreement that created the Sacramento Groundwater Authority authorized the City Council to appoint specified representatives to the Authority Board of Directors, from adjacent water districts, water companies, and self-supplied pumpers.

Financial Considerations: The proposed action will have no financial impact to the City.

Emerging Small Business Development (ESBD): No goods or services are being purchased.

Background

- On August 11, 1998, the City Council approved a Joint Powers Agreement (JPA) that created the Sacramento North Area Groundwater Management Authority, subsequently renamed the Sacramento Groundwater Authority (Authority). The current JPA governing the Authority was entered into on May 7, 2002, and is identified as City Agreement No. 2000-074-A.
- The boundaries of the Authority are as follows: north of the American River to the Sacramento County line; bounded on the south by the American River; on the west by the Sacramento River; on the north and east by the Sacramento County line; and including the City of Folsom.
- The joint powers authority was established: (a) to maintain the long-term sustainable yield of the North Area Basin; (b) to manage the use of groundwater in the North Area Basin and facilitate implementation of an appropriate conjunctive use program by water purveyors; (c) to coordinate efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality; and (d) to work collaboratively with other entities, including groundwater management authorities that may be formed in other areas of the County of Sacramento and adjacent political jurisdictions, to promote coordination of policies and activities throughout the region.
- Signatories to the JPA are the City, the County of Sacramento, and the Cities of Citrus Heights and Folsom.
- The JPA delegates to the Authority the powers to manage the North Area groundwater basin consistent with the Water Forum Agreement, and establishes a 16-member Board of Directors.
- The JPA requires the City, the County of Sacramento, and the Cities of Citrus Heights and Folsom to appoint specified representatives to the Authority Board of Directors.
- The JPA requires that the City Council appoint the Board of Director representatives from the City, California American Water Company, Del Paso Manor Water District, Arden Cordova Water Company (which has been succeeded by the Golden State Water Company), Natomas Central Mutual Water Company, Sacramento Suburban Water District, and self-supplied users.
- Under the JPA, the representatives the City appoints from other entities are recommended by those entities, but the City Council retains discretion to make the appointments.
- Vacancies in some of these positions require that new appointments be made.

These appointments will be up for renewal on August 11, 2012.

- This report recommends appointment of the following representatives recommended by their respective entities:

Golden State Water Company	Travis Anderson (alternate)
Sacramento Suburban WD	Kevin Thomas Todd Robison (alternate)

- Biographical information:

Travis Anderson

Travis Anderson was born and raised in California where he attended Woodland High School. He joined the Marine Corps in 1980 and returned to California in 1989.

He began working for Golden State Water Company in 1993 where he currently serves in the capacity of Water Supply Superintendent and Chief Treatment Plant Operator for the Arden Cordova Customer Service Area.

Kevin Thomas

Kevin Thomas was elected in November 2010 to the Sacramento Suburban Water District's Board of Directors. He represents Division 4, which includes Arden Arcade, Carmichael, and Foothill Farms.

Kevin was born and raised in Sacramento, attended El Camino High School and is currently enrolled at CSU Sacramento where he is a senior studying computer science. He works for The People's Advocate, one of the state's largest grass roots taxpayer's organizations, where he engages in all levels of government from neighborhood organizations to federal legislation. Kevin's experience at The People's Advocate ignited a passion for serving his community and making it a better place to live. In his spare time he enjoys reading and yoga.

Todd L. Robison

Mr. Todd Robison was elected to the Sacramento Suburban Water District in 2010.

Todd grew up in the Sacramento area, graduated from River City Senior High School in West Sacramento and attended a local community college. He has worked primarily in retail management, holding positions as trainer, assistant manager, store manager, and district manager. In 2009, he opened a coffee drive-thru in Sacramento, which he operates with his family.



RESOLUTION NO.

Adopted by the Sacramento City Council

March 13, 2012

A RESOLUTION APPOINTING REPRESENTATIVES TO THE SACRAMENTO GROUNDWATER AUTHORITY

BACKGROUND

- A. On August 11, 1998, the City Council approved a Joint Powers Agreement (JPA) that created the Sacramento North Area Groundwater Management Authority subsequently renamed the Sacramento Groundwater Authority (Authority). The current JPA governing the Authority was entered into on May 7, 2002, and is identified as City Agreement No. 2000-074-A.
- B. The JPA requires that the City Council appoint representatives to the Authority Board of Directors from the City, California American Water, Del Paso Manor Water District, Golden State Water Company (as successor to the Arden Cordova Water Company), Natomas Central Mutual Water Company, Sacramento Suburban Water District, and self-supplies users.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Council hereby appoints the following representatives to the Sacramento Groundwater Authority Board of Directors:

Organization	Representative/Alternate
Golden State Water Company	Travis Anderson (alternate)
Sacramento Suburban Water District	Kevin Thomas Todd Robison (alternate)



NOTE: THIS AGREEMENT SUPERCEDES AG2000-074.

JOINT POWERS AGREEMENT BETWEEN THE CITY OF CITRUS HEIGHTS, THE CITY OF FOLSOM, THE CITY OF SACRAMENTO AND THE COUNTY OF SACRAMENTO CREATING THE SACRAMENTO-GROUNDWATER AUTHORITY

This Agreement is made and entered into this 7th day of May, 2002, by and between the City of Citrus Heights, a municipal corporation, the City of Folsom, a municipal corporation, the City of Sacramento, a municipal corporation, and the County of Sacramento, a political subdivision of the State of California ("County").

RECITALS

WHEREAS, each of the parties to this Agreement is a local government entity functioning within the County of Sacramento; and

WHEREAS, pursuant to the Joint Exercise of Powers Act (Chapter 5 of Division 7 of Title 1 of the California Government Code), two or more public agencies may by agreement jointly exercise any power held in common by the agencies entering into such an agreement; and

WHEREAS, each of the parties hereto has under its police power the authority to regulate groundwater; and

WHEREAS, the parties hereto have each been either directly or indirectly involved in the process commonly referred to as the Sacramento Area Water Forum ("Water Forum"); and

WHEREAS, the Water Forum process has resulted in the development of a Groundwater Management Element, dated August, 1998 ("Groundwater Management Element"), which provides for the formation of a groundwater management authority for the north area of the County of Sacramento pursuant to a joint powers agreement between the City of Citrus Heights, the City of Folsom, the City of Sacramento and the County; and

WHEREAS, a true and correct copy of the Groundwater Management Element is attached hereto and incorporated herein as Exhibit "A"; and

CITY AGREEMENT NO. 2000-074-A

CITY AGREEMENT NO. 2000-074-A

WHEREAS, the completion of the Water Forum process and the approval of the final Water Plan by the Water Forum stakeholders has been delayed for reasons unrelated to groundwater management issues; and

WHEREAS, the parties hereto and the Water Forum stakeholders who have been involved in the development of the Groundwater Management Element believe that it is in the public interest to move forward with the development of the institutional framework necessary to implement the Groundwater Management Element within the North Area Basin, rather than suspending those efforts until such time as the Water Forum process is finalized; and

WHEREAS, the formation of the joint powers authority contemplated by this Agreement is not legally dependent upon the finalization of the Water Forum process, but is independently authorized by state law; and

WHEREAS, the parties hereto find that it is to their mutual advantage and benefit to establish such a groundwater management authority pursuant to this Agreement in order to implement the groundwater management policies embodied in the Groundwater Management Element; and

WHEREAS, the parties hereto find and declare that the conservation of groundwater resources within the North Area Basin for agricultural and municipal and industrial uses is in the public interest and for the common benefit of all water users within the County of Sacramento; and

WHEREAS, the overriding purpose of the joint powers authority established pursuant to this Agreement is to maintain the sustainable yield of the North Area Basin as set forth in the Groundwater Management Element; and

WHEREAS, it is the desire of the parties hereto to use the groundwater management powers which they have in common that are necessary and appropriate to further the purposes for which the joint powers authority is being established; and

WHEREAS, the parties hereto are receptive to amending this Agreement in the future to include public agencies outside the County of Sacramento who have a specific and relevant interest in the North Area Basin.

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants contained herein, the City of Citrus Heights, the City of Folsom, the City of Sacramento and the County hereby agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are hereby incorporated by reference.

2. **Definitions.** As used in this Agreement, the following words and phrases shall have the meanings set forth below unless the context clearly indicates otherwise.

(a) "Conjunctive use" shall mean the planned management and use of both groundwater and surface water in order to maintain the sustainable yield of the North Area Basin.

(b) "North Area Basin" shall mean the groundwater basin underlying the area within the boundaries of the Authority.

(c) "Sustainable yield" shall mean the amount of groundwater which can be safely extracted from the North Area Basin on an estimated average annual basis while maintaining groundwater elevations and groundwater quality at acceptable levels as set forth in the Groundwater Management Element. Sustainable yield requires a balance between extraction and basin recharge and is expressed as the number of acre feet of

groundwater per year which can be extracted from the North Area Basin on an average annual basis as set forth in the Groundwater Management Element.

(d) "Water Production," for purposes of determining assessments, fees or charges to support Water Costs of the Authority, means the total amount of groundwater produced within the boundaries of the Authority by each retail provider, by Agricultural Interests, and by Commercial/Industrial Self-Supplied Water Users for use within the boundaries of the Authority or other areas approved by the Board.

3. **Purpose.** This Agreement is being entered into in order to establish a joint powers authority for the following purposes:

- (a) to maintain the long-term sustainable yield of the North Area Basin;
- (b) to manage the use of groundwater in the North Area Basin and facilitate implementation of an appropriate conjunctive use program by water purveyors;
- (c) to coordinate efforts among those entities represented on the governing body of the joint powers authority to devise and implement strategies to safeguard groundwater quality; and
- (d) to work collaboratively with other entities, including groundwater management authorities that may be formed in other areas of the County of Sacramento and adjacent political jurisdictions, to promote coordination of policies and activities throughout the region.

4. **Establishment Of The Authority.** There is hereby established pursuant to the Joint Exercise of Powers Act a joint powers authority which shall be a public entity separate from the parties to this Agreement. The name of such entity shall be the Sacramento Groundwater Authority ("Authority"). The boundaries of the Authority shall be as follows: north of the American River to the Sacramento County line; bounded on the south by the

American River; on the west by the Sacramento River; on the north and east by the Sacramento County line; and including the City of Folsom. A map depicting the boundaries of the Authority is attached hereto and incorporated herein as Exhibit "B".

5. **Membership Of The Governing Board.** The governing body of the Authority shall be a Board of Directors of sixteen (16) members consisting of the following representatives who shall be appointed in the manner set forth in Section 7 of this Agreement:

(a) An elected member of the governing board or designated employee of each of the following public agencies: the City of Folsom, the City of Sacramento and the Sacramento County Water Agency.

(b) An elected member of the governing board of each of the following public agencies: the Carmichael Water District, the Citrus Heights Water District, the Del Paso Manor Water District, the Fair Oaks Water District, the Rio Linda/Elverta Community Water District, the Sacramento Suburban Water District, and the San Juan Water District.

(c) A member of the board of directors, or designee thereof, of each of the following private water purveyors or investor owned utilities: the Arden Cordova Water Company, California-American Water Company, the Natomas Central Mutual Water Company and the Orange Vale Water Company.

(d) One representative of Agricultural Interests within the boundaries of the Authority.

(e) One representative of Commercial/Industrial Self-Supplied Water Users within the boundaries of the Authority.

6. **Adjustment To Composition Of Governing Board.** Should circumstances change in the future, any person or entity may petition the parties hereto to amend this Agreement so as to add or delete representatives to the governing board to accurately reflect groundwater production within the boundaries of the Authority.

7. **Appointment Of Members Of Governing Board.**

(a) The members of the governing board of the Authority shall be appointed as follows:

(i) The City of Folsom representative shall be appointed by the Folsom City Council.

(ii) The Agricultural Interests representative shall be appointed by the County Board of Supervisors.

(iii) The representative of Commercial/Industrial Self-Supplied Water Users shall be appointed by the Sacramento City Council.

(iv) The Citrus Heights City Council shall appoint the representative of the Citrus Heights Water District.

(v) The Sacramento City Council shall appoint the representatives of the following entities: Arden Cordova Water Company, California-American Water Company, the City of Sacramento, Del Paso Manor Water District, the Natomas Central Mutual Water Company, and Sacramento Suburban Water District.

(vi) The County Board of Supervisors shall appoint the representatives of the following entities: Carmichael Water District, Fair Oaks Water District, Orange Vale Water Company, Rio Linda/Elverta Community Water District, San Juan Water District and the Sacramento County Water Agency.

(b) Prior to the appointment of the representatives of the entities described in subsections (a)(v) and (vi) above, those entities shall submit a recommended appointment for their respective representatives to the appointing authority. The appointing authority shall give consideration to such recommendations, but shall retain the absolute discretion to appoint any person satisfying the criteria for appointment set forth in Section 5 hereof.

8. **Governing Board Voting Requirements.**

(a) Each member of the governing board of the Authority shall have one vote. With the exception of fiscal items as set forth in subsections (b) and (c) below, a majority vote of all members of the governing board is required to approve any item.

(b) Fiscal items related to the **Administrative Costs** of the Authority shall require approval by a double majority consisting of the following: a majority vote of all members of the governing board and a majority vote weighted according to the financial contribution of each Retail Provider, of Agricultural Interests, or of Commercial/Industrial Self-Supplied Water Users to the total administrative budget for the last complete fiscal year. The weighted vote of each member of the governing board shall be established and fixed annually at the time the Financing Plan for the administrative budget is adopted, and shall remain in effect throughout the succeeding fiscal year and shall apply to all votes on fiscal items related to the Administrative Costs of the Authority.

(c) Fiscal items related to **Water Costs** shall require approval by a double majority consisting of the following: a majority of all members of the governing board and a majority vote weighted on the basis of Water Production as defined in Section 2(d) hereof.

(d) For purposes of subsection (c) hereof, the weighted vote of the representative of Agricultural Interests and the Commercial/Industrial Self-Supplied Water Users representative shall be weighted on the basis of groundwater production by all such interests and users within the boundaries of the Authority, adjusted to reflect any differential rate which may be paid by a particular classification of water users; e.g., if each acre-foot of water pumped equals one vote and Agricultural Interests pump 100,000

acre feet, but pay only 20% of the per acre-foot assessment, fee or charge levied on other types of pumpers, the vote of the Agricultural Interests representative would be calculated at 20,000 votes.

(e) Water Production, as defined in Section 2(d) hereof, shall be based on an annual determination by the governing body of the Authority during the previous calendar year. Until such time as the governing board of the Authority makes its annual determination of Water Production, the last complete yearly calculation shall be controlling for purposes of the double majority requirement set forth in subsection (c) above.

9. **Quorum.** A majority of the members of the governing board shall constitute a quorum for purposes of transacting business, except less than a quorum may vote to adjourn a meeting.

10. **Terms Of Office.** With the exception of the initial term of the representatives appointed by the City of Folsom and the City of Sacramento, the term of office of each member of the governing board the Authority shall be for a period of four (4) years. For the purpose of providing staggered terms of office, the term of the initial representatives appointed by the City of Folsom and the City of Sacramento shall be for a period of two (2) years. Thereafter, the term of office of each representative appointed by the City of Folsom and the City of Sacramento shall be for a period of four (4) years. Each member of the governing board shall serve at the pleasure of the appointing body and may be removed as a member of the governing board by the appointing body at any time. If at any time a vacancy occurs on the governing board, a replacement shall be appointed to fill the unexpired term of the previous representative pursuant to the provisions of Section 7 hereof within ninety (90) days of the date that such position becomes vacant.

11. **Alternates.** The City of Citrus Heights, the City of Folsom, the City of Sacramento and the County, in addition to their regular appointments, shall appoint one or more persons with the required qualifications to serve as alternate members of the governing board of the Authority. Any such alternates shall be empowered to cast votes in the absence of the regular members or, in the event of a conflict of interest preventing the regular member from voting, to vote because of such a conflict of interest.

12. **Organization Of The Authority.** The governing board of the Authority shall elect a chair, a vice chair and such other officers as the governing board shall find appropriate. Such officers shall serve for a term of one (1) year unless sooner terminated at the pleasure of the governing board.

13. **Treasurer, Controller, Clerk and Legal Counsel.** The governing board of the Authority shall appoint a treasurer, controller, clerk and legal counsel as it deems appropriate. The controller of the Authority shall cause an independent annual audit of the Authority's finances to be made by a certified public accountant in compliance with Government Code Section 6505. The treasurer of the Authority shall be the depositor and shall have custody of all money of the Authority from whatever source. The controller of the Authority shall draw warrants to pay demands against the Authority when the demands have been approved by the Authority or by its authorized representative pursuant to any delegation of authority adopted by the Authority. The treasurer and controller shall comply strictly with the provisions of statutes relating to their duties found in Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code.

14. **Executive Director.** The governing board of the Authority shall appoint an Executive Director who shall be responsible to the governing board for the proper and efficient administration of the Authority as directed by the governing board pursuant to the provisions of

this Agreement or of any ordinance, resolution or order of the governing board. In addition to any other duties which may be assigned, the Executive Director shall have the following authority:

- (a) under the policy direction of the governing board, to plan, organize and direct all Authority activities;
- (b) to authorize expenditures within the designations and limitations of the budget approved by the governing board;
- (c) to make recommendations to and requests of the governing board concerning any matter which is to be performed, done or carried out by the governing board;
- (d) to have the authority to appoint, discipline, assign and otherwise supervise and control the activities of any employees or contractors which may be hired or retained by the Authority; and
- (e) to have charge of, handle and have access to any property of the Authority.

15. **Meetings.** The Authority shall provide for regular and special meetings in accordance with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code) or with any successor provision.

16. **Powers and Functions.**

- (a) The Authority shall have no power to regulate land use or to engage in the retail sale of water and shall be prohibited from restricting or otherwise limiting the extraction of groundwater within the boundaries of the Authority except by means of economic incentives and disincentives. The Authority shall further be prohibited from funding any capital construction projects. In addition, prior to October 13, 2003, the Authority shall be prohibited from levying annual fees or assessments to fund Water Cost payments that exceed an annual average charge during such five (5) year period of \$5.00 for each acre

foot (minimum \$0.00-maximum \$10.00) of groundwater pumped from the North Area Basin during such five (5) year period. Further, during any individual year of such five (5) year period, the Authority shall be prohibited from levying annual fees or assessments to fund Water Cost payments that exceed a charge of \$10.00 for each acre foot of groundwater pumped from the North Area Basin during any such year. For purposes of this section, Water Costs shall include the cost of water, pumping and treatment costs, and other costs related to any Conjunctive Use program administered by the Authority.

(b) Subject to the limitations set forth in subsection (a), the Authority shall have any and all powers commonly held by the parties hereto necessary or appropriate to regulate groundwater within the boundaries of the Authority including, but not limited to, the following powers:

- (i) Collect and monitor data on the extraction of groundwater from, and the quality of groundwater in, the North Area Basin;
- (ii) Establish and administer a Conjunctive Use program for the purpose of maintaining Sustainable yields in the North Area Basin consistent with the Groundwater Management Element;
- (iii) Buy and sell water on other than a retail basis;
- (iv) Exchange water;
- (v) Distribute water in exchange for ceasing or reducing groundwater extractions;
- (vi) Spread, sink and inject water into the North Area Basin;
- (vii) Store, transport, recapture, recycle, purify, treat or otherwise manage and control water for the beneficial use of persons and property within the Authority;

(viii) To implement any Conjunctive Use program which the Authority deems necessary to maintain Sustainable yields in the North Area Basin consistent with the Groundwater Management Element; and

(ix) Study and plan ways and means to implement any or all of the foregoing powers.

(c) For purposes of exercising the authority set forth in subsection (b), and subject to the limitations set forth in subsection (a), the Authority shall have the following corporate and political powers:

(i) To sue and be sued in all actions and proceedings in all courts and tribunals.

(ii) To adopt a seal and alter it at its discretion.

(iii) To take by grant, purchase, gift, devise or lease, to hold, use and enjoy, and to lease, convey or dispose of, real and personal property of every kind, within or without the boundaries of the Authority, necessary or convenient to the full exercise of its power.

(iv) For the common benefit of the Authority, to store water in underground water basins or reservoirs within and outside the Authority, to appropriate water and acquire water rights within or outside the Authority, to import water into the Authority, and to conserve, or cause the conservation of, water within or outside the Authority.

(v) To exercise the right of eminent domain to take any property necessary to supply the Authority or any portion of it with replenishment water; provided that the right of eminent domain may not be exercised with respect to water and water rights, and may not be exercised with respect to any property owned or occupied

by any of the parties hereto or the entities represented on the governing board of the Authority.

(vi) To act jointly, or cooperate, with the United States or any agency thereof, the state, or any county or agency thereof, or any political subdivision or district therein, including flood control districts, private and public corporations, and any person, so that the powers of the Authority may be fully and economically exercised.

(vii) To cause taxes, assessments, fees or charges to be levied in accordance with applicable State law, and in a manner consistent with the Groundwater Management Element, to accomplish the purposes of the Authority.

(viii) To require the permitting of groundwater extraction facilities within the boundaries of the Authority, to maintain a record of extraction with respect to any such facilities, and to require the installation of meters on groundwater extraction facilities for the purpose of determining the amount of groundwater being extracted from the North Area Basin.

(ix) To make contracts, employ labor and to do all acts necessary for the full exercise of the Authority's powers.

(x) To carry on technical and other investigations of all kinds necessary to further the purposes of the Authority.

(xi) To fix rates at which water acquired by the Authority shall be sold for replenishment purposes, and to establish different rates for different classes of service or conditions of service, provided that the rates shall be uniform for like classes and conditions of service.

(xii) To participate in any contract under which producers may voluntarily agree to use surface water in lieu of groundwater, and to that end the Authority may become a party to the contract and pay from Authority funds that portion of the cost of the surface water as will encourage the purchase and use of that water in lieu of pumping so long as persons or property within the boundaries of the Authority are directly or indirectly benefitted by the resulting replenishment of the North Area Basin.

(xiii) To apply for, accept and receive state, federal or local licenses, permits, grants, loans or other aid from any agency of the United States, the State of California, or other public or private entity necessary or appropriate for the Authority's full exercise of its powers.

17. **Budgets.** Within ninety days after the first meeting of the governing board of the Authority, and thereafter prior to the commencement of each fiscal year (defined as July 1 through June 30), the governing board shall adopt a budget for the Authority for the ensuing fiscal year.

18. **Termination.** This Agreement shall remain in effect until terminated by one of the parties hereto pursuant to this section. This Agreement may be terminated by any of the parties hereto at any time and for any reason by providing ninety (90) days written notice of termination to the other parties. Except as provided in Section 19(b) hereof, the Authority shall automatically terminate upon the effective date of the termination of this Agreement.

19. **Disposition Of Authority Assets Upon Termination.**

(a) In the event of the termination of the Authority where there will be a successor public entity which will carry on the functions of the Authority and assume its assets, the assets of the Authority shall be transferred to the successor public entity.

(b) If there is no successor public entity which will carry on the functions of the Authority and assume its assets, the assets shall be returned to the parties hereto in proportion to the contribution of each party during the term of this Agreement.

(c) If there is a successor public entity which will carry on some of the functions of the Authority and assume some of its assets, the assets of the Authority shall be allocated by the governing board of the Authority between the successor public entity and the parties hereto.

20. **Liabilities.** The debts, liabilities and obligations of the Authority shall be the debts, liabilities and obligations of the Authority alone, and not of the parties to this Agreement.

21. **Rules.** The governing board of the Authority may adopt from time to time such rules and regulations for the conduct of its affairs as it deems necessary and appropriate.

22. **Minutes.** The clerk appointed by the governing board of the Authority shall cause to be kept minutes of all meetings of the governing board, and shall cause a copy of the minutes to be forwarded to each member of the governing board and to each of the parties hereto.

23. **Effective Date.** The Authority was created on October 13, 1998. This Agreement, which replaces and supercedes all prior Agreements and Amendments to the Joint Powers Agreement creating the Authority, shall become effective when the governing bodies of all the parties shall have authorized its execution.

24. **Amendments.** This Agreement may only be amended by the affirmative vote of the governing bodies of all of the parties hereto.

IN WITNESS WHEREOF, the parties hereto execute this Agreement on the date first

written above.

CITY OF CITRUS HEIGHTS

Dated: 6/26/02

By Roberta MacGlasha
Mayor

Attest:

Approved As To Form:

Carolyn Butler
City Clerk

[Signature]
City Attorney

CITY OF FOLSOM

Dated: 8.18.02

By [Signature]
Mayor

Attest:

Approved As To Form:

Risa Robinson
City Clerk

[Signature]
City Attorney
8/16/02

