
JOINT EXERCISE OF POWERS AGREEMENT

by and between

LEVEE DISTRICT 1

LEVEE DISTRICT 9

And

COUNTY OF SUTTER

creating the

FEATHER RIVER WEST LEVEE FINANCING AUTHORITY

Final Draft March 26, 2020

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FEATHER RIVER WEST LEVEE FINANCING AUTHORITY JOINT EXERCISE OF POWERS AGREEMENT

This Joint Exercise of Powers Agreement (the "Agreement"), which was first entered into and dated for convenience as of _____, 2020, is by and between Levee District 1, a political subdivision of the State of California ("LD 1"), Levee District 9 ("LD 9"), and the County of Sutter (the "County").

RECITALS:

WHEREAS, agencies formed under Articles 1-4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Act") are permitted to provide financing for any of their members or other local public agencies in the State of California in connection with the acquisition, construction, improvement and maintenance of public capital improvements, working capital requirements or insurance programs of such members or other local agencies; and

WHEREAS, LD 1, LD 9, and County wish to form an agency under the Act for the purpose of creating an entity which can assist in financing of operation and maintenance of the Feather River West Levee and related facilities and for other purposes which are authorized under the Act and this Agreement.

AGREEMENT:

NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, LD 1, LD 9, and County do hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise requires, the words and terms defined in this Article shall, for the purpose hereof, have the meanings herein specified.

"Act" means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California.

"Agreement" means this Joint Exercise of Powers Agreement, as originally entered into or as amended from time to time.

"Auditor" means the Auditor of the Authority appointed pursuant to Section 3.02.

"Authority" means the Feather River West Levee Financing Authority established pursuant to Section 2.02 of this Agreement.

"Board" means the Board of Directors of the Authority referred to in Section 2.03.

"County" means the County of Sutter, California.

"Directors" means the persons appointed to the Board pursuant to Section 2.03.

“Fiscal Year” means the period from July 1 in any calendar year to and including June 30 in the succeeding calendar year.

“Members” means LD 1, LD 9, and County.

“Public Agency” means any public agency authorized by the Act to enter into a joint exercise of powers agreement with the County and/or with LD 1 and LD 9.

“Secretary” means the Secretary of the Authority appointed pursuant to Section 3.01.

“Treasurer” means the Treasurer of the Authority appointed pursuant to Section 3.02.

“Working Capital Requirements” means the requirements of any Public Agency for funds to be used by, or on behalf of, such Public Agency for any purpose for which such Public Agency may borrow money pursuant to Section 53852 of the Government Code of the State of California.

ARTICLE II GENERAL PROVISIONS

Section 2.01. Purpose. This Agreement is made pursuant to the Act providing for the joint exercise of powers common to LD 1, LD 9, and the County, and for other purposes as permitted under the Act, and as agreed by the parties hereto. The primary purpose of this Agreement is to provide for the financing of operation and maintenance of the Feather River West levee, through preparation and creation of a new special benefit assessment district for the purpose of assessing lands within Sutter County that benefit from the levees operated and maintained by LD 1 and LD 9. The Authority may undertake any activities necessary or desirable to achieve its primary purpose including but not limited to (a) the power to study, plan for, design, develop, and prepare documentation supporting a new benefit assessment district, and (b) formation and imposition of a special benefit assessment district. The Authority may conduct activities alone, or in cooperation with any Member, the State of California or any agency or political subdivision thereof, the United States or any department or agency thereof, or other entities. The Authority will not in any way perform periodic levee maintenance activities which LD 1 and LD 9, other reclamation districts or other governmental or non-governmental entities are obligated to do or which otherwise in the past have been done by them.

Section 2.02. Creation of Authority. Pursuant to the Act, there is hereby created a public entity to be known as the “Feather River West Levee Financing Authority.” The Authority shall be a public entity separate and apart from the County, LD 1, LD 9, and any other Public Agency, and the Authority shall administer this Agreement.

Section 2.03. Board of Directors. The Authority shall be administered by a Board of Directors consisting of three (3) Directors, unless and until such number is changed by amendment of this Agreement. The Board shall be called the “Board of Directors of the Feather River West Levee Financing Authority.” All voting power of the Authority shall reside in the Board.

The Directors of the Authority shall be comprised of (a) one Member of the Governing Board of LD 1, (b) one member of the Governing Board of LD 9, and (c) one member of the Governing Board of

the County. The Board of Supervisors of the County shall from time to time designate the members of the Board of Supervisors who shall act as Directors and the Governing Board of the LD 1 and LD 9 shall from time to time designate the members of their Governing Boards who shall act as Directors.

The County shall file with the Secretary of the Authority the resolution or resolutions of the County Board of Supervisors designating the member of the Board of Supervisors of the County who will serve as the initial County-designated Director of the Authority, and any resolution or other written evidence of action by the Board of Supervisors designating a successor to such initial or any future County-designated Director. The County agrees to promptly designate a successor to any County-designated Director if any such person ceases to be a member of the Board of Supervisors of the County.

LD 1 and LD 9 shall each file with the Secretary of the Authority the resolution or resolutions of each district designating the members of the Governing Board of the District who will serve as the initial District-designated Directors of the Authority, and any resolution designating successors to such initial and any future District-designated Director. LD 1 and LD 9 each agrees to promptly designate a successor to any District-designated Director if any such person ceases to be a member of the Governing Board of the District.

Section 2.04. Meetings of the Board.

(a) Regular Meetings. The Board shall provide for its regular meetings; provided, however, that at least one regular meeting shall be held each year. The date, hour and place of the holding of regular meetings shall be fixed by resolution of the Board and a copy of such resolution shall be filed with the Secretary of the Authority.

(b) Special Meetings. Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California.

(c) Call, Notice and Conduct of Meetings. All meetings of the Board, including without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (being Section 54950 et. seq. of the Government Code of the State of California).

Section 2.05. Actions Taken. The Secretary shall cause to be kept records, consistent with County policy, of all actions taken by the Board at all meetings of the Board and shall, as soon as possible after each meeting, make such records available for inspection by each Director and the Members.

Section 2.06. Voting. Each Director shall have one vote.

Section 2.07. Quorum; Required Votes; Approvals. Two or more Directors shall constitute a quorum for the transaction of business. The affirmative votes of two Directors shall be required to take any action by the Board.

Section 2.08. Bylaws. The Board may adopt, from time to time, such bylaws, rules and regulations for the conduct of its meetings and as the Board may deem necessary or advisable for the purposes hereof.

Section 2.09. Compensation of Directors. The Board shall determine the compensation, if any, to be paid for the services of the Directors.

ARTICLE III

OFFICERS AND EMPLOYEES

Section 3.01. Chairperson, Executive Director and Secretary. The Authority may hire an Executive Director and Secretary as appropriate. The Board shall select a Chairperson from among its members who shall serve as Chairperson until such person is no longer a member of the Board or a new Chairperson is appointed by the Board. The officers shall perform the duties normal to said offices. The Chairperson or the Executive Director (or any other person authorized by resolution of the Board) shall sign contracts on behalf of the Authority, and the Chairperson shall perform such other duties as may be imposed by the Board. The Executive Director shall administer the day-to-day affairs of the Authority and shall execute the policies and directives of the Board. The Secretary shall attest all contracts signed by the Chairperson or the Executive Director on behalf of the Authority (unless otherwise specified by resolution of the Board), perform such other duties as may be imposed by the Board and cause a notice of this Agreement to be filed with the Secretary of State pursuant to the Act.

Section 3.02. Treasurer and Auditor. The Authority shall hire or appoint a Treasurer and Auditor. The Treasurer shall be the depository, shall have custody of all of the accounts, funds and money of the Authority from whatever source, shall have the duties and obligations of the treasurer set forth in Sections 6505 and 6505.5 of the Act and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursements of the Authority. The Auditor shall have the duties and obligations of the auditor set forth in Sections 6505 and 6505.5 of the Act, including the obligation to make arrangements with a certified public accountant or firm of certified public accountants for the annual audit of accounts and records of the Authority, which audit may be combined with any audit of the accounts and records of the County, LD 1, LD 9 and/or any other Public Agency.

The Auditor is hereby authorized and directed to prepare or cause to be prepared such audits and reports as required pursuant to Section 6505 of the Act.

Section 3.03. Officers in Charge of Records, Funds and Accounts. Pursuant to Section 6505.1 of the Act, the Treasurer shall have charge of, handle and have access to all accounts, funds, and money of the Authority and all records of the Authority relating thereto; and the Secretary shall have charge of, handle and have access to all other records of the Authority.

Section 3.04. Bonding Persons Having Access to Authority Records. From time to time, the Board may designate persons, in addition to the Executive Director, the Secretary, the Treasurer and the Auditor, having charge of, handling or having access to any records, funds or accounts or any Public Improvement of the Authority, and the respective amounts of the official bonds of the Executive Director, the Secretary, the Treasurer, Auditor and such other persons pursuant to Section 6505.1 of the Act.

Section 3.05. Legal Advisor. The Board may employ an attorney or firm of attorneys to act as the legal advisor to the Authority, and such attorney or firm of attorneys shall perform such duties as may be prescribed by the Board. The Board may also employ other attorneys or firms of attorneys to advise the Board as to specialized areas of law. All such attorneys or firms of attorneys shall serve at the pleasure of the Board, and the terms of employment shall be subject to approval by the Board.

Section 3.06. Other Employees. The Board shall have the power by resolution to appoint and retain such other consultants and independent contractors as may be necessary for the purposes of this Agreement.

Section 3.07. Privileges and Immunities. All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents, or employees of a public agency when performing their respective functions shall apply to the officers, agents or employees of the Authority to the same degree and extent while engaged in the performance of any of the functions and other duties of such officers, agents or employees under this Agreement. The provisions of Section 6513 of the Act are hereby incorporated into this Agreement by reference.

None of the officers, agents, or employees of the Authority shall be deemed, by reason of their employment by the Authority to be employed by the County, by LD 1 or by LD 9 or, by reason of their employment by the Authority, to be subject to any of the requirements of the County or LD 1 or LD 9.

Section 3.08. Assistant Officers. The Board may by resolution appoint such assistants to act in the place of the Secretary or other officers of the Authority (other than any Director), and may by resolution provide for the appointment of additional officers of the Authority who may or may not be Directors, as the Board shall from time to time deem appropriate.

Section 3.09. Compensation of Officers. The Board shall determine the compensation, if any, to be paid for the services of (a) the Executive Director, the Secretary, and any other officers (other than the Treasurer and the Auditor), assistant officers or other employees of the Authority; and (b) counsel to the Authority and any other agent or consultants appointed and retained by the Authority. Pursuant to Section 6505.5 of the Act, the Board of Supervisors shall determine charges, if any, to be made against the Authority for the services of the Treasurer and the Auditor.

ARTICLE IV POWERS

Section 4.01. General Powers. The Authority shall exercise the powers granted to it under the Act, including but not limited to the powers of each of the Members as may be necessary to the accomplishment of the purposes of this Agreement specified in Section 2.01, subject to the restrictions set forth in Section 4.04. As provided in the Act, the Authority shall be a public entity separate from any Member and any other Public Agency.

Section 4.03. Specific Powers. The Authority is hereby authorized, in its own name, to do all acts necessary for the exercise of the foregoing powers in furtherance of the purposes of the Authority set forth in Section 2.01, including but not limited to, any or all of the following:

- (a) to make and enter into contracts;
- (b) to employ agents or employees;
- (c) to acquire any Public Improvement by the power of eminent domain or any other lawful means;
- (d) to sue and be sued in its own name;
- (f) to apply for, accept, receive and disburse grants, loans and other assistance from any agency of the United States of America or of the State of California, or from any other public or private entity;

(g) to invest any money in the treasury pursuant to Section 6505.5 of the Act which is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the Government Code of the State of California;

(h) to apply for letters of credit or other form of financial guarantees in order to secure the repayment of Bonds and enter into agreements in connection therewith;

(i) to carry out and enforce all the provisions of this Agreement;

(k) to purchase Obligations of or to make loans to any Member, or any other Public Agency for the purposes hereof, or to refinance indebtedness incurred by any Member, or any other Public Agency in connection with any of the purposes hereof;

(l) to establish and incur indebtedness for community facilities districts under the Mello-Roos Community Facilities Act of 1982, as amended, and to establish assessment districts under the Improvement Act of 1911, as amended, the Municipal Improvement Act of 1913, as amended, or any other statute permitting the establishment of a financing district, and to incur indebtedness of any such district under the Improvement Bond Act of 1915 or any other assessment financing law;

(m) to establish, impose and collect such fees (including, but not limited to, development impact and other similar fees) as may be necessary or appropriate to carry out the purposes of the Authority and to provide for the administration of the Authority;

(n) to exercise any and all other powers as may be provided in the Act or in the Bond Law; and

(o) to acquire and hold title to real property.

Section 4.04. Restrictions on Exercise of Powers. The powers of the Authority shall be exercised in the manner provided in the Act and shall be subject (in accordance with Section 6509 of the Act) to the restrictions upon the manner of exercising such powers that are imposed upon Levee District 9 in the exercise of similar powers.

Section 4.05. Obligations of Authority. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities, and obligations of any Member or any other Public Agency.

Section 4.06. Non-Liability for Obligations, Activities or Operation of the Authority. No Member, Director, officer, agent, consultant to or employee of the Authority shall be individually or personally liable for the payment of any obligation of the Authority or be subject to any personal liability or accountability by reason of any obligation of the Authority; but nothing herein contained shall relieve any such Member, Director, officer, agent, consultant or employee from the performance of any official duty provided by law or by the instruments authorizing the issuance of any obligations of the Authority. No Member, Director, officer, agent, consultant or employee of the Authority shall be liable for any activity or undertaking of the Authority, except as provided in Section 895.2 of the California Government Code (which Section shall in no event impose any liability upon the Members for any claim of inverse condemnation or similar liability that may arise from the activities of the Authority).

Without in any way limiting the provisions of the preceding paragraph, no Member of the Authority shall have any responsibility or liability whatsoever for any expenses, bills, contracts, undertakings, agreements or any other obligations whatsoever of the Authority.

Section 4.07. Indemnification of Members. The Authority shall, to the fullest extent allowable under applicable law, indemnify and hold harmless each of the Members for and against any claim, action, liability, penalty or other imposition whatsoever imposed upon such Member by reason of (a) the activities of the Authority, or (b) such Member being a party to this Agreement.

ARTICLE V CONTRIBUTIONS; ACCOUNTS AND REPORTS; FUNDS

Section 5.01. Voluntary Contributions. The Members may in the appropriate circumstance: (a) make contributions from their treasuries for the purposes set forth herein, (b) make payments of public funds to defray the cost of such purposes, (c) make advances of public funds for such purposes, such advances to be repaid as determined by the Board and the applicable Member, or (d) use their personnel, equipment or property in lieu of other contributions or advances.

Section 5.02. Accounts and Reports. To the extent not covered by the duties assigned to a trustee or fiscal agent chosen by the Authority, the Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any fiscal agent agreement or trust agreement entered into with respect to the proceeds of any Bonds issued by the Authority. The books and records of the Authority shall be open to inspection at all reasonable times by representatives of the Members. Within 180 days after the close of each Fiscal Year an annual report of all financial activities for such Fiscal Year shall be presented to the Members. The trustee or fiscal agent appointed under any indenture, trust agreement or fiscal agent agreement related to Bonds of the Authority shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said indenture, trust agreement or fiscal agent agreement. Said trustee or fiscal agent may be given such duties in said indenture, trust agreement or fiscal agent agreement as may be desirable to carry out this Agreement.

Section 5.03. Funds. Subject to the applicable provisions of any instrument or agreement which the Authority may enter into, which may provide for a trustee or fiscal agent to receive, have custody of and disburse Authority funds, the Treasurer of the Authority shall receive, have custody of and disburse Authority funds as nearly as possible in accordance with generally accepted accounting practices, and shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

Section 5.04. Annual Budget and Administrative Expenses. The Board may adopt a budget for administrative expenses, which shall include all expenses not included in any financing issue of the Authority, on or about July 1st of each year. The estimated annual administrative expenses of the Authority shall be allocated in such budget by the Authority to the Members in such proportion as the Board shall determine.

ARTICLE VI TERM

Section 6.01. Term. This Agreement shall become effective, and the Authority shall come into existence, on the date of execution and delivery hereof, and this Agreement and the Authority shall thereafter continue in full force and effect for at least forty (40) years (unless earlier terminated by unanimous vote of the Members), but in any event so long as either (a) any Bonds remaining outstanding or any material contracts to which the Authority is a party remain in effect, or (b) the Authority shall own any interest in any Public Improvements or land.

Section 6.02. Disposition of Assets. Upon termination of this Agreement, all property of the Authority, both real and personal, shall be conveyed as determined by the Board at the time of such termination.

ARTICLE VIII MISCELLANEOUS PROVISIONS

Section 8.01. Notices. Notices hereunder shall be in writing and shall be sufficient if delivered to the address of each party hereto as set forth below, or as otherwise provided by a party hereto in writing to each of the other parties hereto:

If to the County:

County of Sutter
1160 Civic Center Blvd, Suite A
Yuba City, CA 95993

If to LD 1:

Levee District 1
243 Second Street
Yuba City, CA 95991

If to LD 9:

Levee District 9
1445 Butte House Road, Suite A
Yuba City, CA 95993

Section 8.02. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing the language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 8.03. Consent. Whenever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

Section 8.04. Law Governing. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

Section 8.05. Amendments. This Agreement may be amended at any time, or from time to time, except as limited by applicable regulations or laws of any jurisdiction having authority, by one or more supplemental agreements executed by all of the parties to this Agreement either as required in order to carry out any of the provisions of this Agreement or for any other purpose, including without limitation addition of new parties (including any legal entities or taxing areas heretofore or hereafter created) in pursuance of the purposes of this Agreement.

Section 8.06. Enforcement by Authority. The Authority is hereby authorized to take any or all legal or equitable actions, including but not limited to injunction and specific performance, necessary or permitted by law to enforce this Agreement.

Section 8.07. Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Section 8.08. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Members. No Member may assign any right or obligation hereunder without the written consent of the other Member.

Section 8.09. Withdrawal of a Member. No Member may withdraw from the Authority without the written agreement of all other Members. The withdrawal of one Member from the Authority shall not terminate the existence of the Authority, or void or invalidate any previous action of the Authority.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, on the day and year set opposite the respective names of each of the parties.

Date: April 30, 2020



COUNTY OF SUTTER

By: [Signature]

Chair of the
Board of Supervisors

ATTEST:

By: [Signature]

Deputy Clerk of the
Board of Supervisors

APPROVED AS TO FORM

COUNTY COUNSEL

[Signature]
Assistant County Counsel

By: _____

LEVEE DISTRICT NO. 1

Date: _____, 2019

By: _____
President

ATTEST:

By: _____
Secretary

By: _____

LEVEE DISTRICT NO. 9

Date: _____, 2019

By: _____
President

ATTEST:

By: _____

LEVEE DISTRICT NO. 1

Date: 5/14/, 2020

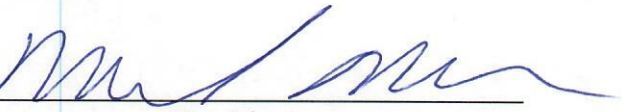
By: 

ATTEST:

By: 
Secretary

LEVEE DISTRICT NO. 9

Date: 5/27/, 2020

By: 
President

ATTEST:

By: 