

JOINT EXERCISE OF POWERS AGREEMENT
CAMARILLO PUBLIC FINANCE AUTHORITY

THIS AGREEMENT, dated November 4, 1998 is by and between the City of Camarillo (the "City") and the Camarillo Sanitary District (the "Sanitary District"). Each duly organized and existing under the laws of the State of California;

W I T N E S S E T H:

WHEREAS, the City and the Sanitary District are each authorized to own, lease, purchase, receive and hold property necessary or convenient for their governmental operations; and

WHEREAS, the financing or refinancing of the acquisition or construction of projects by the City and the Sanitary District or any their respective agencies acting separately may result in duplication of effort, inefficiencies in administration, and excessive cost, all of which, in the judgment of the City and the Sanitary District, could be eliminated if the financing or refinancing of the acquisition or construction of projects was capable of being performed through a single public agency, and such is the purpose of this Agreement; and

WHEREAS, the Marks-Roos Local Bond Pooling Act of 1985 authorizes agencies formed under the Joint Exercise of Powers Law (the "Act") to assist in the financing of public capital improvements to be owned by any of its members or any agency thereof;

NOW, THEREFORE, in consideration of the above promises and of the mutual promises herein contained, the City and the Sanitary District 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 I 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 California Government Code.

"**Agreement**" means this Agreement.

"**Authority**" means the Camarillo Public Finance Authority established pursuant to this Agreement.

"**Board**" or "**Board of Directors**" means the Board of Directors referred to in section 2.03, which shall be the governing body of the Authority.

"**Bond Law**" means the Marks-Roos Local Bond Pooling Act of 1985, being Article 4 of the Act (commencing with section 6584), as now in effect or hereafter amended, Article 2 of the Act as now in effect or hereafter amended, or any other law available for use by the Authority in the authorization and issuance of bonds to provide for the financing or refinancing of Obligations and/or Public Capital Improvements.

"**Bond Purchase Agreement**" means an agreement between the Authority and the City or the Sanitary District, pursuant to which the Authority agrees to purchase Obligations from the City or the Sanitary District, as the case may be.

"**Bonds**" means bonds of the Authority issued pursuant to the Bond Law.

"Directors" means the representatives of the City appointed to the Board pursuant to section 2.03.

"Fiscal Year" means the period from July 1st to and including the following June 30th.

"Local Agency" means a Member, or an agency or subdivision of that Member, sponsoring a project of Public Capital Improvements, or any city, county, city and county, authority, district or public corporation of the State of California.

"Members" means the City and the Sanitary District.

"Obligations" has the meaning given to the term "Bonds" in section 6585(c) of the Bond Law.

"Public Capital Improvement" has the meaning given to such term in section 6585(g) of the Act, as in effect on the date hereof, and as hereafter amended.

"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.

ARTICLE II

PROVISIONS

Section 2.01 Purpose.

This Agreement is made pursuant to the Act providing for the joint exercise of powers common to the City and the Sanitary District, and for other purposes as permitted under the Act, the Bond Law and as agreed by one or more of the parties hereto. The purpose of this Agreement is to provide for the financing or refinancing of Public Capital Improvements for a Local Agency pursuant to the provisions of the Act and the Bond Law.

Section 2.02. Creation of Authority.

Pursuant to the Act, there is hereby created a public entity to be known as the "Camarillo Public Finance Authority." The Authority shall be a public entity separate and apart from its Members, and the Authority shall administer the Agreement.

Section 2.03. Board of Directors.

The Authority shall be administered by a Board of five (5) Directors, unless and until changed by amendment of the Agreement. The members of the City Council of the City, as such members may change from time to time, shall constitute the Directors of the Authority. The Board shall be called the "Board of Directors of the Camarillo Public Finance Authority." All voting power of the authority shall reside in the Board.

Section 2.04. Meetings of the Board.

(a) 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 (section 54950 et seq. of the California Government Code).

(b) 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 each of the Members.

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

Section 2.05. Minutes.

The Secretary shall cause to be kept minutes of the meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director and to the Members.

Section 2.06. Voting.

Each Director shall have one vote.

Section 2.07. Quorum; Required Votes; Approvals.

Directors holding a majority of the votes shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. The affirmative votes of at least a majority of the Directors present at any meeting at which a quorum is present 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 as are necessary for the purposes hereof.

ARTICLE III

OFFICERS AND EMPLOYEES

Section 3.01. Chairperson, Vice-chairperson, Executive Director and Secretary.

The Chairperson of the Board shall be the Mayor of the City, the Vice-Chairperson shall be the Vice-Mayor of the City, the Executive Director shall be the City Manager of the City and the Secretary shall be the City Clerk of the City. The officers shall perform the duties normal to said offices. The Chairperson, the Vice-Chairperson or the Executive Director shall sign all contracts on behalf of the Authority. The Executive Director shall be responsible for and direct the day-to-day administration and management of the Authority. The Chairperson and the Executive Director shall perform such other

duties as may be imposed by the Board. The Vice-Chairperson shall act and perform all of the Chairperson's duties in the absence of the Chairperson. The Secretary shall perform such other duties as may be imposed by the Board and cause a copy of this Agreement to be filed with the Secretary of State of the State of California pursuant to the Act.

Section 3.02. Treasurer.

Pursuant to section 6505.6 of the Act, the Director of Finance of the City is hereby designated as the Treasurer of the Authority. The Treasurer shall be the depository, shall have the duties and obligation set forth in section 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.

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 Public Capital Improvements.

From time to time, the Board may designate persons, in addition to the Secretary and the Treasurer, having charge of, handling or having access to any records, funds or accounts of any Public Capital Improvement of the Authority, and the respective amount of the official bonds of the Secretary and the Treasurer and such other persons pursuant to section 6505.1 of the Act.

Section 3.05. Legal Advisor.

The Board shall have the power to appoint the legal advisor of the Authority who shall perform such duties as may be prescribed by the Board. Such legal advisor may be the City Attorney of the City.

Section 3.06. Other Employees.

The Board shall have the power to appoint and employ such other employees, consultants and, independent contractors as may be necessary for the purposes of this Agreement.

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 same degree and extent to the officers, agents, or employees of the Authority while engaged in the performance of the functions and other duties of the Authority under this Agreement.

None of the officers, agents , or employees directly employed by the Authority shall be deemed, by reason of their employment by the Authority to be employed by the City or the Sanitary District or, by reason of their employment by the Authority, to be subject to any of the requirements of the Members.

Section 3.07. Assistant Officers.

The Board may 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.

ARTICLE IV

POWERS

Section 4.01. General Powers.

The Authority shall exercise, in the manner herein provided, the powers common to each of the members, or as otherwise permitted under the Act, and necessary to the accomplishment of the purposes of this Agreement, subject to the restrictions set forth in Section 4.04.

As provided in the Act, the Authority shall be a public entity separate from its Members. The Authority shall have the power to acquire and to finance or refinance the acquisition of Public Capital Improvements necessary or convenient for the operation of a Local Agency, and to acquire Obligations of a Local Agency.

Section 4.02. Power to Issue Revenue Bonds.

The Authority shall have all of the powers provided in the Act, including, but not limit to, Article 4 of the Act (commencing with section 6584), and including the power to issue Bonds thereunder.

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, 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, construct, manage, maintain or operate any Public Capital Improvement, including the common powers of the Members;
- (d) to sue and be sued in its own name;
- (e) to issue Bonds and otherwise to incur debts, liabilities, or obligations, provided that no such bond, debt, liability, or obligation shall constitute a debt, liability, or obligation of the Members;
- (f) to apply for, accept, receive, and disburse grants, loans, and other aids from any agency of the United States of America or of the State of California;

- (g) to invest any money in the treasury pursuant to Section 6505.5 of the Act that 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 California Government Code;
- (h) to apply for letters of credit, municipal bond insurance 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;
- (J) to make and enter into Bond Purchase Agreements;
- (k) to purchase Obligations of any Local Agency; and
- (l) to exercise any and all other powers as may be provided in the Act or in the Bond Law.

Section 4.04. Restrictions on Exercise of Powers.

The powers of the Authority shall be exercised in the manner provided in the Act and in the Bond Law, and, except for those powers set forth in the Bond Law, 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 the City 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 the Members.

ARTICLE V

METHODS OF PROCEDURE; CREDIT TO MEMBERS

Section 5.01. Assumption of Responsibilities By the Authority.

As soon as practicable after the approval of this Agreement by the City and the Sanitary

District, the Directors shall assume the responsibilities thereof as provided for in this Agreement and shall provide for its regular meetings as required by Section 2.04.

Section 5.02. Delegation of Powers.

The Members hereby delegate to the Authority the power and duty to acquire, by lease, lease-purchase, installment sale agreements, or otherwise, or make loans to finance or refinance, such Public Capital Improvements as may be necessary or convenient for the operation of a Local Agency.

Section 5.03. Credit to Members.

All accounts or funds created and established pursuant to any instrument or agreement to which the Authority is a party, and any interest earned or accrued thereon, shall inure to the benefit of the Members in the respective proportions for which such funds or accounts were created.

ARTICLE VI

CONTRIBUTION; ACCOUNTS AND REPORTS; FUNDS

Section 6.01. Contributions.

The Members may, in the appropriate circumstance, when required hereunder:

- (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 provided herein, or
- (d) use their personnel, equipment or property in lieu of other contributions or advances.

The provisions of section 6513 of the Act are hereby incorporated into this Agreement.

Section 6.02. Accounts and Reports.

To the extent not covered by the duties assigned to a trustee 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 trust indenture or trust agreement entered into with respect to the proceeds of any Bonds issued by the Authority. The books and records of the Authority in the hands of a trustee or the Treasurer shall be open to inspection at all reasonable times by representatives of the Members. The Treasurer within 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 Members to the extent such activities are not covered by the report of such trustee. The trustee appointed under any trust indenture or trust agreement shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said trust indenture or trust agreement. Said trustee may be given such duties in said trust indenture or trust agreement as may be desirable to carry out this Agreement.

Section 6.03. Funds.

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

Section 6.04. Annual Budget and Administrative Expenses.

The Board shall adopt a budget for administrative expenses, which shall include all expenses not included in any financing issue of the Authority, annually prior to July 1st of each year. The estimated annual administrative expenses of the Authority shall be allocated by the Authority to the Members equally.

ARTICLE VII

TERM

Section 7.01. Term.

This Agreement shall become effective, and the Authority shall come into existence, as of the date hereof and this Agreement and the Authority shall continue in full force and effect so long as either (a) any Bonds remain outstanding or (b) the Authority shall own or hold any interest in a Public Capital Improvement.

Section 7.02. Disposition of Assets.

Upon termination of this Agreement, all property of the Authority, both real and personal, shall be divided among the Members in such manner as shall be agreed upon by the Members.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.01. Notices.

Notices hereunder shall be in writing and shall be sufficient if delivered to the notice address of each party hereto for legal notices or as otherwise provided by a party hereto in writing to each of the other parties hereto.

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 contract with the owners of Bonds issued by Authority or certificates of participation in payments to be made by the Authority or a Local Agency or 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, respectively. Neither Member may assign any right or obligation hereunder without the written consent of the other.

Signature Page
to
Joint Exercise of Powers Agreement
Camarillo Public Finance 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 name of each of the parties.

CITY OF CAMARILLO

By: Charlette Craven
Mayor

ATTEST:

By: Deborah A. Karamy
City Clerk

CAMARILLO SANITARY DISTRICT

By: William D. Libman
Chairman

ATTEST:

By: Deborah A. Karamy
Secretary

cc: Public Services Dept.
Finance Dept.